

San Gorgonio Pass Water Agency

DATE: December 1, 2025

TO: Board of Directors

FROM: Lance Eckhart, General Manager

BY: Emmett Campbell, Director of Water Resources

SUBJECT: Consideration of a Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin Between the San Gorgonio Pass Water Agency and Antelope Valley-East Kern Water Agency and Authorize a Budget Adjustment to Accommodate this Work.

RECOMMENDATION

Authorize the General Manager to execute the Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin between the San Gorgonio Pass Water Agency (“SGPWA”) and Antelope Valley-East Kern Water Agency (“AVEK”) and authorize a budget adjustment to accommodate this work.

PREVIOUS CONSIDERATIONS

August 18, 2025 – Board of Directors approved a memorandum of understanding concerning the feasibility of expanding an existing water bank within the area overlying the Antelope Valley Groundwater Basin between the San Gorgonio Pass Water Agency and Antelope Valley-East Kern Water Agency.

BACKGROUND AND ANALYSIS

SGPWA and AVEK have discussed the potential expansion of AVEK’s existing Water Banking program within the Antelope Valley Groundwater Basin. Such an expansion could provide both agencies with enhanced water storage capacity and operational flexibility, improving long-term water supply reliability.

For SGPWA, participation in this effort will help diversify the Agency’s water portfolio, provide a reliable source of dry-year water, and create additional storage capacity for excess supplies in wetter years. Operational flexibility is another significant benefit: SGPWA is unable to take water deliveries during the month of January due to a scheduled local shutdown, making external storage essential for continuous supply management. Additionally, in some years, capacity constraints along the East Branch of the State Water Project limit deliveries to our area. AVEK’s service area is upstream of a major capacity bottleneck, which would allow SGPWA to store water in a location less affected by these constraints, thereby improving overall system flexibility and reliability.

On August 18, 2025, the SGPWA Board of Directors approved a Memorandum of Understanding ("MOU") with AVEK which authorized staff from both Agency's to engage in work for a feasibility study to investigate water banking in the Antelope Valley.

AVEK staff, in consultation with SGPWA staff, issued a request for proposals for this work. The proposals were due back on November 7. Staff from both Agency's are currently reviewing the proposals. As a part of this work, AVEK will be carrying and managing the contract. SGPWA will be supporting AVEK staff in this endeavor.

In order for AVEK to move forward with any work, a funding agreement (Attachment 1) will be required. As per the MOU, the funding agreement was to be divided, with SGPWA covering 80% of the total and AVEK covering 20% of the total. It is anticipated that the feasibility study will cost around \$500,000.00. In this case, SGPWAs contribution would be \$400,000.00.

Upon completion of the feasibility study, staff will present the findings to the Board and use the results to guide the development of a Water Banking and Exchange Agreement with AVEK. The study will provide the technical, environmental, and operational basis for negotiating terms, ensuring that the future agreement is supported by comprehensive analysis and planning.

STRATEGIC PLAN NEXUS

The Funding Agreement between SGPWA and AVEK helps advance various aspects of the Agency's Strategic Plan, including:

- Strategic Goal 1: Align with the current and future water landscape, supporting the region's long-term needs by diversifying the local supply portfolio and advancing water sustainability.
 - ✓ Objective 6 – Expand water banking, local and abroad, for future utilization.
- Strategic Goal 2: Ensure a reliable delivery system that advances efficiency and resiliency.
 - ✓ Objective 2 – Develop additional recharge facilities to support conjunctive use.
 - ✓ Objective 6 – Investigate additional opportunities to increase water storage capabilities.
 - ✓ Objective 7 – Partner with other State Water Contractors to advance statewide infrastructure goals to preserve system reliability.

FISCAL IMPACT

Funds for this agreement will come from the General Fund, the Green Bucket in FY 2025-26. Because this is a new project, a budget adjustment needs to be made. The proposed agreement totals \$500,000, and includes a cost-share arrangement where the Agency will pay 80%, or \$400,000 in FY25-26. A provision is also included for a contingency of 10%, which is an additional \$40,000, to be used only if necessary.

The budget for "Water Banking Investigations" (line 74) is \$25,000. Line item 66, "Backbone Infrastructure Study and Design" is budgeted for \$750,000. As of the date of this Board meeting, nothing has been expended from budget line item. Agency Staff and partnering agencies are discussing proposals to conduct a master planning study related to the Backbone Pipeline Project, which is delaying expenditure of funds. Because of this, it is anticipated that less will be spent than budgeted by fiscal year-end. Staff recommends moving \$415,000 to "Water Banking Investigations" from the Backbone Pipeline line item to accommodate this work.

The result will decrease the Backbone Pipeline line item to \$335,000, increase the Water Banking Investigations line item to \$440,000, and will not change the year-end net balance.

ACTION

Authorize the General Manager to execute the Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin between the San Gorgonio Pass Water Agency and Antelope Valley-East Kern Water Agency and authorize a budget adjustment to accommodate this work.

ATTACHMENTS

1. Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin.
 - a. Exhibit 1 - Memorandum of Understanding concerning the feasibility of expanding an existing water bank within the area overlying the Antelope Valley Groundwater Basin
 - b. Exhibit 2 - Feasibility Study Request for Proposals

FUNDING AGREEMENT CONCERNING A FEASIBILITY STUDY ON POTENTIALLY
EXPANDING ANTELOPE VALLEY-EAST KERN WATER AGENCY'S WATER
BANKING OPERATION WITHIN THE ANTELOPE VALLEY GROUNDWATER BASIN

This Funding Agreement ("Agreement") is made and entered into as of October ____, 2025 ("Effective Date"), by and between the Antelope Valley-East Kern Water Agency ("AVEK") and the San Gorgonio Pass Water Agency ("SGPWA"), each a "Party" and together the "Parties."

Recitals

- (i) The Parties entered into a Memorandum of Understanding ("MOU"), effective as of August 19, 2025, a copy of which is attached hereto as Exhibit "1".
- (ii) In the MOU, the Parties expressed their intent to mutually identify opportunities for expanding AVEK's water banking program in the Antelope Valley area to the benefit of each Party and conduct studies to assess the feasibility of doing so through a future Banking and Exchange Agreement. Such studies were to analyze the hydrogeological, technical, and environmental feasibility of such a project.
- (iii) A draft Request for Proposal ("RFP") to solicit proposals to initiate and complete the studies referenced in Recital (ii) above is attached hereto as Exhibit "2".
- (iv) The purpose of this Agreement is to allocate the sharing of costs to generate the studies referenced herein and to establish a process by which those costs are so shared in accordance with Paragraph 2 of the MOU.

Agreement – Allocation of Costs of Studies

1. The Parties' respective General Managers will confer when considering the responses to the RFP and determine together which consultant to recommend that the AVEK Board of Directors retain to conduct and complete the studies.
2. Within five (5) business days following AVEK's execution of the contract solicited through the RFP for the water banking program (the "Consultant Contract"), SGPWA shall advance to AVEK an initial deposit equal to eighty percent (80%) of the total cost of the selected proposal, which is currently estimated at \$500,000 (the "Consultant Contract Amount"). Such funds shall be used exclusively to pay SGPWA's share of the consultant's costs incurred in performing the studies specified in the Consultant Contract. AVEK shall make payments to the consultant as invoices are received, utilizing funds provided by SGPWA to cover eighty percent (80%) of each amount billed and twenty percent (20%) from AVEK's own resources.

SGPWA's total financial obligation under this Section shall not exceed eighty percent (80%) of the Consultant Contract Amount, plus up to an additional ten percent (10%) to cover its proportional share of any increased costs (the "Contingency Amount"), unless otherwise agreed to in writing by both Parties. Any costs exceeding the Consultant Contract Amount plus the Contingency Amount shall require the prior written approval of both Parties before additional funds are advanced or expended.

3. If any sum deposited by SGPWA hereunder is retained by AVEK upon a final payment being made to the Consultant pursuant to its Agreement, AVEK shall promptly return that remaining sum to SGPWA.
4. This Agreement shall terminate when the term of the MOU terminates, provided that any Parties' obligation to make a payment to the other Party shall survive the Term of the Agreement.
5. This Agreement's term will be two (2) years starting on the Effective Date. This Agreement will automatically terminate two (2) years after the Effective Date, unless mutually agreed upon extension, or upon execution of a Water Banking and Exchange Agreement. Either Party may terminate thirty (30) days prior written notice to the other Party, provided that work previously authorized or ongoing is funded in accordance with Section 2 of these terms and separate funding agreement (if any).
6. This Agreement is governed by the laws of the State of California.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized representatives.

San Gorgonio Pass Water Agency

Dated:

By:

Name: Lance Eckhart
Title: General Manager

Antelope Valley-East Kern Water Agency

Dated:

By:

Name: Mathew Knudson
Title: General Manager

Exhibit 1

“Memorandum of Understanding Concerning the Feasibility of Expanding an Existing Water Bank within the Area Overlying the Antelope Valley Groundwater Basin”

[SEE ATTACHED]

MEMORANDUM OF UNDERSTANDING CONCERNING THE FEASIBILITY OF EXPANDING AN EXISTING WATER BANK WITHIN THE AREA OVERLYING THE ANTELOPE VALLEY GROUNDWATER BASIN

This Memorandum of Understanding ("MOU") is effective as of August 19, 2025 ("Effective Date"), by and between the Antelope Valley-East Kern Water Agency ("AVEK") and the San Gorgonio Pass Water Agency ("SGPWA"), each a "Party" and together, "the Parties." This MOU sets forth the mutual understanding and intent of the Parties to collaborate on the preparation of a feasibility study and the pursuit of property acquisition under an option agreement for the expansion of AVEK's water bank program.

Recitals

WHEREAS, the Parties are considering the establishment of a banking and exchange agreement within the area overlying the Antelope Valley Groundwater Basin as the area is defined in the Antelope Valley Groundwater Case, Judicial Council No. 4408, Santa Clara County Superior Court, Case No. 1-05-CV-049053 ("Basin Area"); and

WHEREAS, the Parties have engaged in preliminary discussions regarding a long-term Water Banking and Exchange Agreement; and

WHEREAS, the Parties desire to identify opportunities for beneficially expanding AVEK's water bank program, integrating additional banking facilities with the existing infrastructure owned and operated by AVEK, and managing such additional facilities in the manner developed by AVEK (altogether, the "Project"); and

WHEREAS, to meet these objectives, the Parties intend to (a) conduct joint studies to assess the hydrogeological, technical, and environmental feasibility of a banking and exchange agreement in the Basin Area; (b) investigate regulatory, legal, and institutional frameworks that may apply to program implementation; (c) develop conceptual designs and operational strategies for the additional banking facilities; (d) share relevant data and expertise needed to support the evaluation process; and (e) identify property and engage with landowner(s) regarding potential purchase option agreement (altogether, the "Study").

Terms and Conditions

1. The Recitals above constitute the factual basis upon which the Parties have entered into this MOU. The Parties acknowledge the accuracy of the Recitals and hereby agree to the incorporation of the Recitals into this MOU as though fully set forth herein.
2. The Parties intend to engage a consultant to prepare the Feasibility Study that shall include (a) groundwater modeling and hydrogeological analysis; (b) operation constraints regarding recharge, storage, and recovery capacities; (c) conceptual design and sizing of recharge, storage, and recovery infrastructure; (d)

environmental review under CEQA; (e) preliminary engineering and cost estimates; and (f) evaluation of water quality regarding the recovery of stored water. In the event that AVEK retains a consultant to prepare the Feasibility Study, the Parties will enter into a separate funding agreement for, among other things, the cost-sharing of the same. SGPWA agrees to fund eighty percent (80%) and AVEK agrees to fund twenty percent (20%) of the Feasibility Study.

3. AVEK will identify candidate properties suitable for the Project, considering hydrogeological, environmental, and logistical factors.
4. If the Parties ultimately elect to develop the Project following the Feasibility Study, the duties and obligations of the Parties in implementing the Project will be incorporated in a written agreement approved by both Parties.
5. The term of this MOU is two (2) years starting on the Effective Date. This MOU will automatically terminate two (2) years after the Effective Date, unless mutually agreed upon extension, or upon execution of a Water Banking and Exchange Agreement. Either Party may terminate this MOU sooner for any reason or no reason at all by providing thirty (30) days prior written notice to the other Party, provided that work previously authorized or ongoing is funded in accordance with Section 2 of these terms and separate funding agreement (if any).
6. This MOU is governed by the laws of the State of California.
7. The Parties represent that in executing this MOU they have relied solely upon their own judgment, belief, and knowledge, and the advice and recommendations of their own independently selected counsel.
8. This MOU does not obligate either Party to proceed with the proposed Project. It is intended solely to guide pre-development feasibility and identify properties for the Project.

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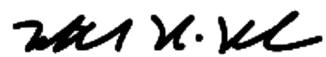
IN WITNESS WHEREOF, the Parties hereto have executed MOU by their duly authorized representatives.

San Gorgonio Pass Water Agency

DocuSigned by:
By:  82EF029E307240E...

Name: Lance Eckhart
Title: General Manager

Antelope Valley-East Kern Water Agency

By:  2A1X-1L

Name: Matthew Knudson
Title: General Manager

Exhibit 2

“Request for Proposals for Feasibility Study to Expand AVEK’s Water Banking
Operation within the Antelope Valley Groundwater Basin”

[SEE ATTACHED]

ANTELOPE VALLEY-EAST KERN WATER AGENCY



REQUEST FOR PROPOSALS (RFP)

for

FEASIBILITY STUDY TO EXPAND AVEK'S WATER BANKING OPERATION WITHIN THE ANTELOPE VALLEY GROUDWATER BASIN

Proposals Due: Friday, November 7, 2025; 5:00 PM

Antelope Valley-East Kern Water Agency
6500 West Avenue N
Palmdale, CA 93551
661-943-3201

October 3, 2025

INTRODUCTION

The Antelope Valley-East Kern Water Agency (“AVEK”), in collaboration with San Gorgonio Pass Water Agency (“SGPWA”), is soliciting proposals from qualified engineering and hydrogeological consulting firms to conduct a comprehensive Feasibility Study for the potential expansion of AVEK’s water banking program within the Antelope Valley Adjudicated Groundwater Basin (“Basin”). This study is a critical step in evaluating the technical, environmental, and operational viability of the proposed project. AVEK will be the contracting agency for all of the work associated with this project.

AVEK is a wholesale supplier of State Water Project (SWP) water to the greater Antelope Valley region. AVEK has developed successful groundwater banking programs to store surplus water available from the SWP during wet periods through groundwater recharge to increase water supply reliability in the greater Antelope Valley. The banking programs include recovery wells to supplement imported water during dry periods or during a disruption of SWP deliveries. Currently, AVEK’s groundwater banks include the Westside Water Bank, Eastside Water Bank, Upper Amargosa Creek Recharge Project, and, most recently the High Desert Water Bank (currently in development in partnership with The Metropolitan Water District of Southern California).

SGPWA is a wholesale water provider located at the terminus of the SWP. As one of the last agencies to receive SWP deliveries, SGPWA is uniquely vulnerable to system outages, capacity limitations, and delivery constraints. To ensure long-term supply reliability for the communities it serves, SGPWA is actively pursuing strategies to diversify its water portfolio and strengthen dry-year resilience. In addition to investments in local supply and reliability projects, SGPWA has identified external groundwater banking as a critical tool to store imported water when available and recover it during periods of reduced SWP deliveries.

INQUIRIES/QUESTIONS

Questions pertaining to the RFP should be emailed to Justin Livesay, Engineering Manager at jlivesay@avek.org by October 29, 2025.

PROPOSAL SUBMITTAL

Proposals are due no later than 5:00 p.m., November 7, 2025, and must be received by that time and date. Proposers must submit one (1) electronic copy of their proposal to mkhudson@avek.org and jlivesay@avek.org. AVEK is not responsible for proposals that are delinquent, lost, mismarked, and sent to an email address other than that given above. AVEK reserves the right, after reviewing the proposals, to reject any or all proposals, or to accept the proposal(s) that in its sole judgment is (are) in the best interest of AVEK.

RFP SCHEDULE

• Release of RFP	October 3, 2025
• Inquiry Deadline	October 29, 2025
• Proposals Due	November 7, 2025; 5:00pm
• AVEK Approval/Award	December 2025
• AVEK to Issue Notice to Proceed	December 2025

REVIEW OF PROPOSALS AND SELECTION OF CONSULTANT

Proposals should provide a straightforward and concise presentation adequate to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of contents.

Proposals submitted will be evaluated by a committee comprised of AVEK staff, AVEK Board Committee, and SGPWA staff. The committee's evaluation will be based upon, but not limited to: proposal cost, strength of proposed methodology, related experience of the firm, AVEK'S experience with the firm, professional qualifications of the individual(s) to be assigned to the project, ability to meet required deadlines, and references from previous clients.

While cost is a key consideration, AVEK reserves the right to choose the best proposal, which may not be based on price. The committee may choose to interview the top candidates.

After evaluating the proposals, AVEK reserves the right to further negotiate the proposed work and/or method and amount of compensation. The respondent must clearly state the period of time for which the proposal will be valid. This period must not be less than ninety (90) days from the date of submittal.

PROPOSAL CONTENT

AVEK requires the proposer to submit a concise proposal clearly addressing all of the requirements outlined in this RFP. Proposals should be limited to twenty (20) 8 1/2" x 11" pages (including the cover letter and resumes).

Proposal must include, at a minimum, the following sections:

- Cover Letter: A brief summary containing highlights of Consultant's proposed approach to the services described in the RFP, including a statement of its understanding of the project and services required, signed by an individual authorized to bind the proposing firm stating the firm has read and will comply with all terms and conditions of the RFP.

- Background on Firm: A brief description of the firm including the size of the organization, location of offices, years in business, organizational chart, name of owner and principal parties, and titles of staff. Qualifications of individuals who will perform the work listed in the Scope of Work along with identification of the individual who will be AVEK's main contact.
- Statement of Understanding and Approach: Provide a description of the methodology the firm will use to complete the Scope of Work as detailed in this RFP. Discuss and describe the firm's experience working on similar projects and provide a statement of the services your firm feels differentiates your firm from others. Additionally, as a part of the summary, identify the responsibilities of AVEK and the responsibilities of the firm.
- Scope of Work: Provide details with specific task descriptions to demonstrate that the proposer has considered all aspects of the proposal, and that the proposer will cover them thoroughly.
- Project Schedule: Provide a project schedule with significant milestone events or deadlines. Scheduling milestones should be concrete and achievable; however, they may be revised on approval of both parties.
- References: Provide the following information for successfully completed and operational water banking and recovery projects:
 - Name, address, and telephone number of the client;
 - Person to contact for references;
 - Time period of project and brief description of the scope of services provided
- Consultant's Consulting Fee: Each proposal shall include a not-to-exceed fee, including hourly rates for each individual (inclusive of all costs), and estimated hours each individual will spend on each task of the project.
- Proposers must disclose any potential conflicts of interest with AVEK, SGPWA, or related entities.

**Antelope Valley-East Kern Water Agency
Feasibility Study to Expand AVEK'S Water Banking Operation**

OBJECTIVES

The selected consultant will be responsible for preparing a comprehensive Feasibility Study for AVEK and SGPWA to evaluate the expansion of AVEK's existing water banking operation. The Feasibility Study shall evaluate the technical, environmental, and regulatory feasibility of expanding AVEK's existing water banking program, with the goal of optimizing imported water supply management for AVEK and SGPWA. The study area shall include the general area depicted on the attached Exhibit A – Titled “Water Bank Expansion Study Areas.”

SCOPE OF WORK

TASK 1 – REVIEW BACKGROUND DATA, PROJECT GOALS, AND PERFORM DESKTOP EVALUATION OF WATER BANK EXPANSION STUDY AREAS

CONSULTANT shall review existing reports, groundwater adjudication documents, historical water banking data to understand the context and goals of the proposed project. CONSULTANT shall meet with AVEK and SGPWA to thoroughly understand the project goals of the two agencies.

CONSULTANT shall perform a desktop evaluation for each of the “Water Bank Expansion Study Areas” shown on Exhibit A attached hereto. CONSULTANT shall receive directions from AVEK before proceeding with Tasks 2 through 8 on the selected Study Area.

Task 1 Deliverables: Technical Memo documenting the research the CONSULTANT conducted and project goals of AVEK and SGPWA. Technical Memo documenting the desktop evaluation of the two Water Bank Expansion Study Areas analyzing recharge, storage, and recovery potential, infrastructure needs, estimated cost comparison, and water quality. Technical Memo shall include a ranking matrix comparing the two study areas.

TASK 2 — GROUNDWATER MODELING AND HYDROGEOLOGIC ANALYSIS

CONSULTANT shall collect and analyze existing data sufficient to:

- Develop and calibrate a groundwater model for the Basin Area using current and historical data.
- Assess aquifer characteristics, including transmissivity, storability, and recharge potential.
- Evaluate the impact of proposed banking operations on groundwater levels and flow patterns.

- Identify potential risks such as subsidence, water quality degradation, or interference with existing wells.
- Review previous onsite geophysics data and model aeromagnetic data.
- Review lithologic and geophysical data to assess correlation with regional stratigraphy and potential offsets.
- Prepare geomorphic study to evaluate depth of burial of inactive faults.
- Prepare local/subregional geologic cross-sections to depict potential fault locations and fault depths.

Task 2 Deliverables: Technical Memo summarizing the groundwater modeling results and hydrogeologic and geologic conditions. The CONSULTANT shall provide an opinion of the estimated recharge rate, storage capacity, and recovery rate.

TASK 3 – OPERATIONAL CONSTRAINTS AND CAPACITY ASSESSMENT

CONSULTANT shall prepare a detailed assessment of operational limitations including seasonal recharge windows, regulatory SWP flows and delivery restrictions, and infrastructure throughput. The analysis should include hydraulic modeling of the scenarios for the proposed onsite conveyance and recovery system.

- Analyze recharge, storage, and recovery capacities under various operational scenarios.
- Identify seasonal and regulatory constraints affecting water banking operations.
- Evaluate infrastructure needs for conveyance, recharge basins, and recovery wells.

Task 3 Deliverables: Technical Memo documenting the operational constraints, capacity assessment, and summarizing the results of the hydraulic modeling.

TASK 4 – CONCEPTUAL DESIGN, INFRASTRUCTURE SIZING, AND CLASS 4 COST ESTIMATE/OPINION

CONSULTANT shall prepare a conceptual design report including layout maps, preliminary engineering drawings, and infrastructure sizing tables. The report should identify potential phasing strategies and cost-effective design alternatives.

- Develop conceptual layouts for recharge and recovery facilities.
- Estimate sizing requirements for turnouts, pipelines, basins, pumps, and treatment systems (if needed).
- Identify integration with existing AVEK infrastructure.
- Provide preliminary engineering designs for proposed facilities.

- Develop cost estimate for proposed capital improvements.

Task 4 Deliverables: Technical Memo summarizing conceptual design, infrastructure sizing, Class 4 Cost Estimate/Opinion

TASK 5 – ENVIRONMENTAL REVIEW AND CEQA COMPLIANCE

CONSULTANT shall perform a desktop review of existing CEQA documentation and publicly available maps and resources to identify potential environmental impacts and associated mitigation requirements. The intent is to identify and understand the timeframes and costs required to implement mitigation measures that might be necessary based upon the conceptual design. A full CEQA study will be conducted by AVEK under a separate contract.

- Review existing CEQA documents.
- Conduct a preliminary environmental assessment to identify potential impacts.
- Recommend mitigation strategies for anticipated environmental impacts and the associated timelines and costs for implementation.

Task 5 Deliverables: Technical Memo summarizing environmental findings.

TASK 6 – WATER QUALITY EVALUATION

CONSULTANT shall evaluate existing water quality data to determine the feasibility of direct pump-back to the SWP of the recovered water considering existing and emerging potable drinking water standards and the DWR Water Quality Policy and Implementation Process for Acceptance of Non-Project Water into the State Water Project.

- Assess baseline water quality in the Basin Area.
- Evaluate potential changes in water quality due to recharge and recovery operations.
- Recommend monitoring protocols and treatment options if necessary.

Task 6 Deliverables: Technical Memo summarizing existing water quality conditions, potential changes to water quality resulting from recharge and recovery cycles, potential constraints on recovery capacities due to water quality, and treatment required to meet pump-in water quality standards (if applicable).

TASK 7 – PROPERTY IDENTIFICATION AND EVALUATION

CONSULTANT shall assist AVEK in identifying candidate properties suitable for recharge and recovery operations. The evaluation of properties shall be based on hydrogeological suitability, environmental constraints, water quality, and logistical access to facilities.

Task 7 Deliverables: Technical Memo reviewing the potentially suitable properties and process of evaluation along with a ranked list of the evaluated properties.

TASK 8 – PROJECT MANAGEMENT

CONSULTANT shall provide monthly progress updates, maintain a project schedule, and coordinate with AVEK staff. CONSULTANT shall also facilitate coordination meetings and prepare presentation materials as needed to staff and committee/board.

ADDITIONAL DELIVERABLES

In addition to the deliverables listed under each Task, the CONSULTANT shall deliver the following documents to AVEK:

- Draft Feasibility Study Report
- Final Feasibility Study Report
- GIS maps / spatial data files and related CAD files
- Groundwater model files and documentation
- Presentation materials for committee and board meetings

PROPOSED SCHEDULE

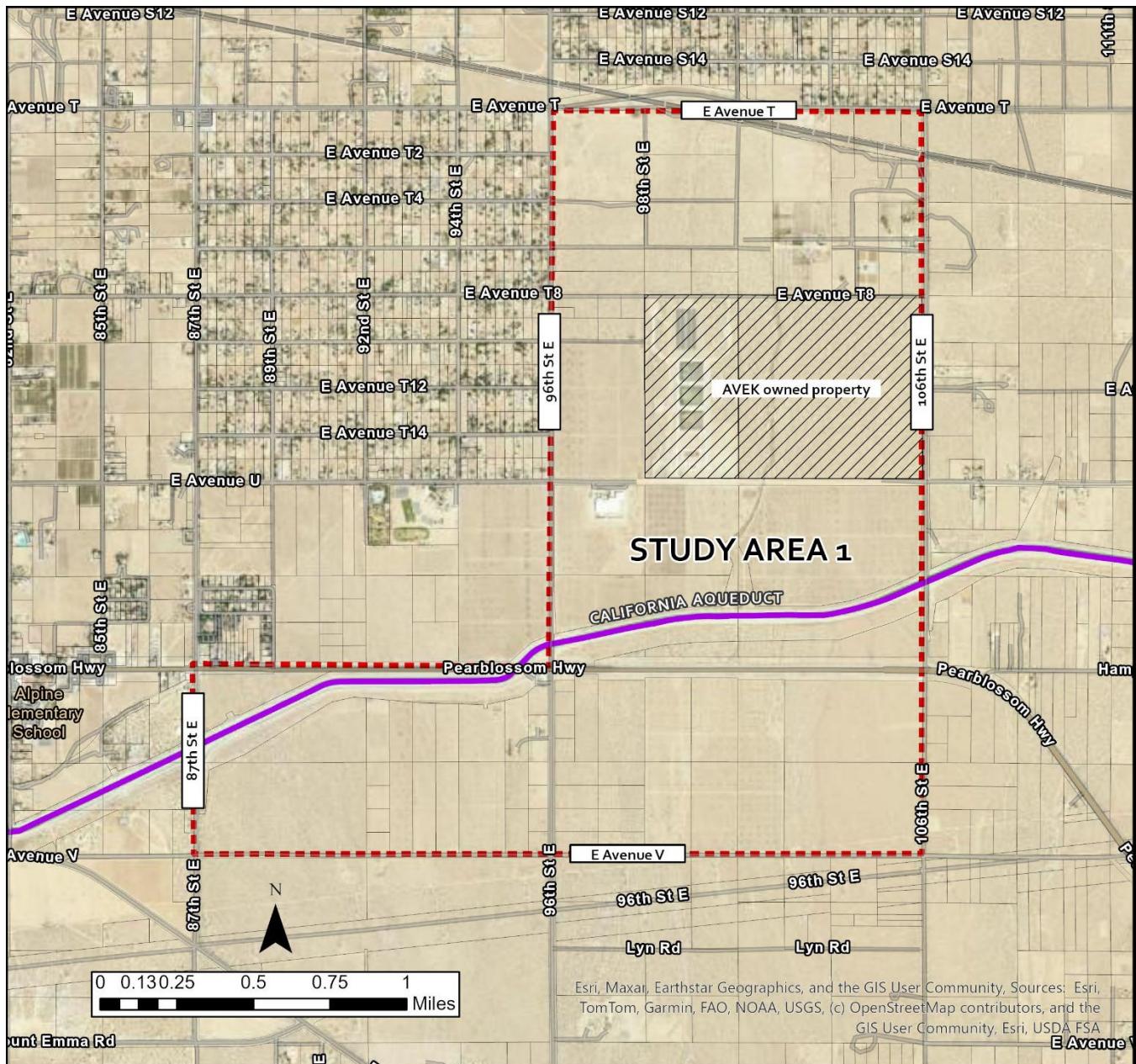
Notice to Proceed	December 2025
Draft Feasibility Study Report	April 2026
Final Feasibility Study Report	June 2026

AVAILABLE INFORMATION AND DATA

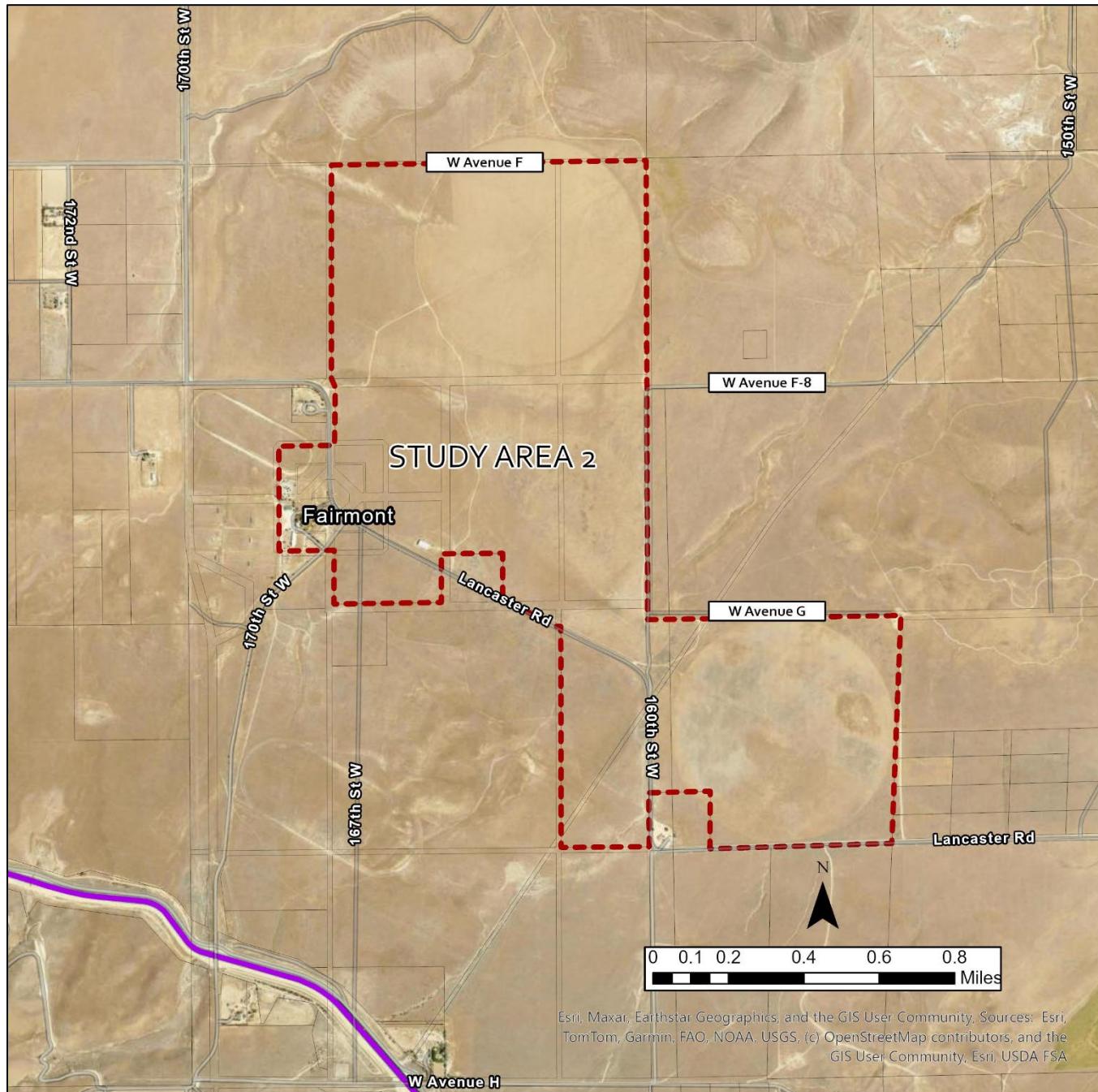
- Eastside Water Bank CEQA Initial Study and Mitigation, Monitoring, and Reporting Program
- Eastside Water Bank Preliminary Design Report
- Eastside Water Bank Expansion Draft CEQA Initial Study/Mitigated Negative Declaration
- Eastside Water Bank Boring Logs, Percolation Test Results, and E-Logs
- Eastside Water Bank Well Completion Reports
- Eastside Water Bank Historical Water Quality Results
- Healy Farms Water Facility Evaluation Technical Memorandum

EXHIBIT A

WATER BANK EXPANSION STUDY AREA No. 1



WATER BANK EXPANSION STUDY AREA No. 2





Consideration of a Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin

BOARD OF DIRECTORS

DECEMBER 1, 2025

Why water banking?



Maximizes water availability: Store excess water during wet years for use in dry years



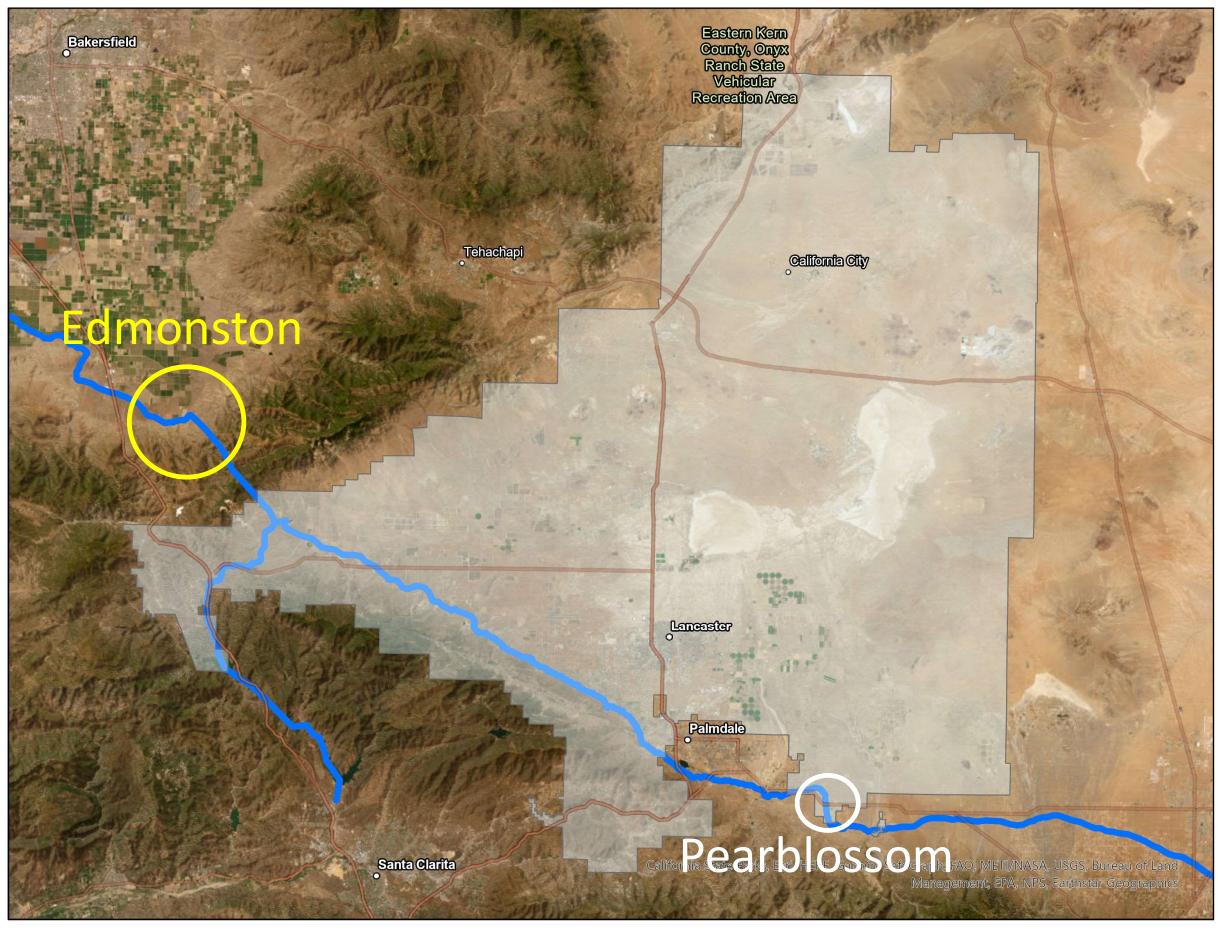
Increases drought resilience: Provides reliable dry year supply



Enhances operational flexibility: Provides a location to store excess water during local outages



Water supply diversification: Reduces reliance on a single source, improving overall reliability



SGPWA staff have been in discussion with AVEK to expand an existing water bank



On August 18, the SGPWA Board of Directors approved an MOU with AVEK to explore water banking. Potential activities under the MOU include:

- Conduct joint studies to assess the hydrogeological, technical, and environmental feasibility of a banking and exchange agreement in the Basin Area.
- Investigate regulatory, legal, and institutional frameworks that may apply to program implementation.
- Develop conceptual designs and operational strategies for the additional banking facilities.
- Share relevant data and expertise needed to support the evaluation process.
- Identify property and engage with landowner(s) regarding potential purchase option agreements.



AVEK and SGPWA staff have been working together to initiate a water banking feasibility study



Staff from both agencies prepared an RFP for this work



The proposals were due back on Nov 7



Staff from both agencies are reviewing the proposals



AVEK will be carrying and managing the consultant contract

A funding agreement is necessary to facilitate this work



The feasibility study is anticipated on costing around \$500,000



The cost share arrangement is 80% SGPWA and 20% AVEK



SGPWAs contribution would be \$400,000 plus a contingency of 10% under these terms

Recommendation

Authorize the General Manager to execute the Funding Agreement Concerning a Feasibility Study on Potentially Expanding Antelope Valley-East Kern Water Banking Operation Within the Antelope Valley Groundwater Basin between the San Gorgonio Pass Water Agency and Antelope Valley-East Kern Water Agency and authorize a budget adjustment to accommodate this work