

REDWOOD VALLEY COUNTY WATER DISTRICT

2370 Webb Ranch Road
P. O. Box 399
Redwood Valley CA 95470
(707) 485-0679

MINUTES

Regular Meeting
Board of Directors
Thursday, March 19, 2009

Directors Present: Donald E. Butow, Hal Voege, Granville Pool, Jeanette Hallman, Merle D. Reuser
Directors Absent: None
Staff Present: General Manager Bill Koehler
Office Manager/Secretary to Board of Directors, Linda Groth
Members of the Public: Roy Beck, Will Carson

CALL TO ORDER: 7:05 p. m. by President, Board of Directors, Donald E. Butow.

1. ROLL CALL.

Granville Pool, Director
Hal Voege, Vice-President
Merle Reuser, Director
Donald E. Butow, President

2. HEARING OF COMMENTS OR QUESTIONS FROM THE ATTENDING PUBLIC.

Mr. Beck spoke of his recent plumbing problem.

Director Hallman arrived at 7:06 p.m.

3. CONSIDER HEARING OF URGENT ITEMS RECEIVED SINCE THE AGENDA WAS POSTED.

General Manager Koehler asked the Board to hear an Urgent Item, to consider appointing a representative to negotiate in good faith with the Round Valley Tribe. There is a deadline of April 13, 2009.

MOTION: Hear Urgent Item.

Pool/Voege Discussion CARRIED
AYES: Pool, Voege, Reuser, Hallman, Butow
NOES: None
ABSENT: None
ABSTAIN: None

General Manager Koehler reported on the first meeting, which was held last Friday and was attended by Supervisor Clendenon from Humboldt County, Supervisor Brown from Mendocino County, Janet Pauli with the Mendocino County Inland Water & Power Commission, and others. PG&E was invited but did not show. Joe Ely, spokesman for the Tribe, announced the purpose of the meeting is to reach a consensus, and if anyone in attendance is not there to reach such a consensus, to please leave.

GM Koehler clarified that the parties who are negotiating will not have the final say: They will go back to their individual Board of Directors and ask for approval. General Manager Koehler said he would like to sit on this committee.

MOTION: General Manager Koehler is to represent Redwood Valley County Water District on the negotiating committee and will report back to the Board of Directors for approval.

Pool/Voege Discussion CARRIED
AYES: Pool, Voege, Reuser, Hallman, Butow
NOES: None
ABSENT: None
ABSTAIN: None

General Manager Koehler asked the Board to hear an Urgent Item regarding a needed letter of support to the County Board of Supervisors regarding the governor's declaration of imminent water disaster.

MOTION: Hear matter so stated.

Pool/Reuser Discussion CARRIED
AYES: Pool, Reuser, Hallman, Voege, Butow
NOES: None
ABSENT: None
ABSTAIN: None

General Manager Koehler reported that the Employer's Council of Mendocino County, spearheaded by Ross Mayfield and John Graff, has asked that all local water agencies send a letter of support to the County Board of Supervisors, for declaring a local emergency and imminent threat of disaster in Mendocino County due to drought conditions. In February 2009, Governor Schwarzenegger declared a state of emergency in California due to the continuing drought. The County declaration will enable water purveyors and the County to take action and to seek assistance that might not otherwise be available. A draft letter was presented to the Board of Directors for consideration. After reviewing the draft and making a couple of small changes, a Motion was made.

MOTION: Approve letter as discussed and send it to the County Board of Supervisors.

Pool/Reuser Discussion CARRIED
AYES: Pool, Reuser, Hallman, Voege, Butow
NOES: None
ABSENT: None
ABSTAIN: None

4. APPROVAL OF CONSENT CALENDAR.

- a. Financial Statement.
- b.-1. Bills Paid since those approved at last Meeting.
- b.-2. Bills Paid as approved at previous Meeting.
- c. Bills Payable.
- d. District Activity.

After review, a Motion was made.

MOTION: Approve the Consent Calendar as presented.

Voege/Pool Discussion CARRIED
AYES: Voege, Pool, Hallman, Reuser, Butow
NOES: None

ABSENT: None
ABSTAIN: None

5. APPROVAL OF MINUTES AS PRESENTED.

The Minutes of the December 18, 2008 Regular Meeting were presented.

There are two corrections:

Item #8.J. Letters to Flood Control. Director Name for making the Motion is to be corrected from "Hal" to "Voegel".

Item #8.K. calPERS. Line two, insert the word "of" between "15%" and "gross".

MOTION: Approve the Minutes of December 18, 2008, as corrected.

Pool/Voegel Discussion CARRIED

AYES: Pool, Voegel, Hallman, Butow

NOES: None

ABSENT: None

ABSTAIN: Reuser

The Minutes of the January 10, 2009 Special Meeting, were presented.

MOTION: Approve the Minutes of January 10, 2009 as presented but also add the Facilitator's notes and General Manager Koehler's fact sheet, to complete the Minutes that were presented.

Hallman/Voegel Discussion CARRIED

AYES: Hallman, Voegel, Pool, Reuser, Butow

NOES: None

ABSENT: None

ABSTAIN: None

The Minutes of the January 15, 2009 Regular Meeting were presented.

There are two corrections:

Item #3, election of officers for the Board of Directors, page 2, Vice-President. Show that Director Voegel abstained from voting.

Item #8. Action Items #4, Dam Feasibility Study line 3. Insert "indicate the Agreement should" between the words "should" and "be". Also, end the sentence with the word "generic".

MOTION: Approve as corrected to show at Item #3, that Director Voegel abstained from voting for Vice President. Change the end of a sentence of Item #8.4. to say, "the letter should indicate the Agreement should be generic."

Voegel/Pool Discussion CARRIED

AYES: Voegel, Pool, Hallman, Butow

NOES: None

ABSENT: None

ABSTAIN: Reuser

6. DIRECTOR AND STAFF REPORTS AND DISCUSSION OF NON-ACTION TOPICS.

Nothing at this time.

7. DIRECTORS AND STAFF REPORTS OTHER THAN THOSE LISTED IN THE GENERAL MANAGER'S REPORT, ACTION TOPICS.

- a. Resolution No. 2009-1, Adopting a Records Retention and Disposal Schedule.

The resolution was presented for consideration.

MOTION: Approve Resolution No. 2009-1, Adopting a Records Retention and Disposal Schedule.

Voegel/Pool Discussion CARRIED

AYES: Voegel, Pool, Hallman, Reuser, Butow

NOES: None

ABSTAIN: None

ABSENT: None

- b. Resolution No. 2009-2, Authorizing Investment of Monies in the Local Investment Fund.

The resolution was presented for consideration.

MOTION: Approve Resolution No. 2009-2, Authorizing Investment of Monies in the Local Agency Investment Fund.

Reuser/Hallman Discussion CARRIED

AYES: Reuser, Hallman, Pool, Voegel, Butow

NOES: None

ABSENT: None

ABSTAIN: None

8. GENERAL MANAGER'S REPORT MARCH, 2009. ACTION ITEMS.

- A. Drought Status.

- B. District Status.

GM Koehler compared the domestic water usage during March 2007 at 27-acre-feet, March 2008 at 25-acre-feet, and March 2009 at 20.67 acre-feet, reflecting the conservation measures being implemented by the District.

- C. Emergency Rate Increase and Additional Fees.

GMKoehler read the Bighorn-Desert View court case, and it just brought up other clouds as to what the judge was trying to say when he made the decision.

RVCWD has a dedicated irrigation distribution system that is deteriorating every day. The Board of Directors recommends referring this matter to Counsel.

As to additional fees, the Directors asked GM Koehler to bring wording and amount of costs + penalty to the Board for further discussion and consideration. It was noted that Prop 218 requires that an increase in rates has to go to the public for the opportunity to protest, and the whole process could take from 30 – 90 days.

There also was discussion about asking all customers to notify the District Office if they observe someone loading up hydrant water.

- D. School Water Audit.

In compliance with the Agreement with SCWA, we will probably provide some new low flow conversion kits for the bathrooms at the public school. Everything else observed at the inspection looked to be already updated for conservation.

E. Rancheria Operations Contract.

GM Koehler reported that the Rancheria amended the contract, he revised that second draft and sent it back. As soon as GM Koehler and the Rancheria agree on language, the contract will be sent to District Counsel for final review.

F. Tire Mulch Grant.

GM Koehler announced that the District did not get the tire mulch grant the first round. The product is free; the Grantee pays for trucking and does the installation. If we get the Grant this year, it will probably be in June or July; otherwise, we'll be on the list for next year.

Action Items:

1. Willingness to Pay Rate Increase Letter.

A lot of ideas were discussed about the proper process for conducting a survey, the proper method of contact for the "first round", the important considerations and topics to address. Director Voegel offered to create the first draft; Director Butow and General Manager Koehler will join him in developing the draft.

2. Intertie.

After a great deal of discussion about the output at the existing intertie with the Calpella CWD, and the limits of what Millview CWD can supply, and expecting nothing from the City of Ukiah unless and until they strike new water, the consensus of the Board of Directors is for General Manager Koehler to focus on maintaining the integrity of the lake pump. During discussion, Will Carson stated that, given the recent rainfall, he feels much more comfortable about Millview CWD being able to help RVCWD. He also said the other aspect is that this also provides redundancy.

3. Feasibility Study Cost Sharing Amendment.

Nothing new to report at this time.

4. New Truck.

This is a terrible economic time, but a good time to buy a truck. There are a lot of hard miles on a utility vehicle. No decision was made at this time regarding a new truck purchase.

9. FINANCIAL REPORT.

a. Discussion and possible action.

After review and discussion, a Motion was made.

MOTION: Accept the Financial Report as presented.

Reuser/Pool Discussion CARRIED

AYES: Reuser, Pool, Hallman, Voegel, Butow

NOES: None

ABSENT: None

ABSTAIN: None

BREAK: 9:32pm

RECONVENE: 9:50pm

10. LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY - LAFCO.

- a. Discussion and possible action on LAFCO topics.

A meeting will be held on April 6, 2009 to discuss the LAFCO annual budget report.

11. INLAND WATER & POWER COMMISSION.

- a. Report of attendance at IW&PC Meetings.
- b. Proposed revision to the feasibility study cost sharing agreement.
- c. Discussion and possible comment on proposed tentative Eel River Settlement
- d. Consider any correspondence concerning the IW&PC.
- e. Discussion and possible action on IW&PC topics.

General Manager Koehler said the first of his figuring of one-acre-foot of water at \$60 per acre-foot was wrong. It is really \$100-200 per. He concluded, why fuss with a \$200 million dam raising project if you're not willing to pay for the water?

12. MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL & WATER CONSERVATION IMPROVEMENT DISTRICT.

- a. Report of attendance at MCRRFC&WCID meetings.
- b. Consider any correspondence concerning the MCRRFC&WCID.
- c. Discussion and possible action on Flood Control District topics.

Director Butow reported that the last meeting focused on Sonoma County Water Agency water rights. On April 7, 2009 we might find out whether or not the State Water Resources Control Board will cut off Frost Protection Water.

General Manager Koehler reported that General Manager Sean White at the FCD was blindsided by the SWRCB cutting the FCD out of the talks. He said the agricultural loss to Mendocino County alone, will be \$200 million if we have frost, and have no frost protection water.

13. REPORT OF ATTENDANCE AT AGENCY MEETINGS, i.e. CITY OF UKIAH, COUNTY BOARD OF SUPERVISORS, OTHER SPECIAL DISTRICT'S, COUNTY OF MENDOCINO PLANNING TEAM/HOUSING ELEMENT, NOT LISTED SEPARATELY HEREIN.

The Employer's Council of Mendocino County has enlisted Ross Mayfield to assist with water emergency procedures and paperwork.

Director Voege attended a recent meeting at the Millview County Water District. They want a letter written that states the water emergency status and he feels that is a marvelous idea, adding that we need to write that letter.

Director Butow added that we need to declare a water supply emergency, and write a letter of support to the County Board of Supervisors.

Director Voege expressed concern that the District's Ordinance isn't effective.

General Manager Koehler added that the Ordinance needs to be rewritten, and that the DWR highly encourages agencies to not use a percentage of usage.

14. SONOMA COUNTY WATER AGENCY.

- a. Consider any correspondence or reports concerning the Sonoma County Water Agency.
- b. Discussion and possible action on SCWA topics; water audits, conservation, etc.

On March 16, 2009, the City of Ukiah hosted the SCWA in its public meeting to discuss water storage in Lake Mendocino and Lake Sonoma and projections of conservation and other measures.

15. STATE WATER RESOURCES CONTROL BOARD.

- a. Updates and possible action.

There will be an upcoming meeting in Sacramento to rule on whether or not they will stop frost protection on the Russian River.

16. STATUS REPORT OF PLACE OF USE ISSUES.

- a. Updates and possible action.

Nothing new to report.

17. STATUS REPORT OF 2800 ACRE-FEET STORAGE RIGHT.

- a. Updates and possible action.

Nothing new to report.

18. CONSIDER ATTENDANCE AT SEMINARS, TRAINING EVENTS, CONFERENCES AS RECEIVED SINCE THE LAST MEETING.

Nothing new to report.

10:11 p.m. Members of the public, Roy Beck and Will Carson left the Meeting.

The Board Secretary left the Meeting.

CLOSED SESSION 10:12 p.m.

19. a. Real Property Negotiations - Government Code Section 54956.8.

Conference with Real Property negotiators.

Address of Property: Water within Lake Mendocino available to Russian River Flood Control & Water Conservation Improvement District, Sonoma County Water Agency, Mendocino County Water Agency or other water by substitution.

Action Proposed: No formal Action is anticipated.

Action will be provided to the Real Property Negotiators consisting of the Attorney and Board of Directors representatives.

- b. Real Property Negotiations; Report of Negotiator, Donald Butow, in regard to progress or lack of progress in negotiations for access to water sources, rights of way, easements or interests in real property related to transmission and storage of water. No address available. Negotiations with County interests and other possibly effected landowners. Government Code Section 54956.8.

- c. Conference call with legal counsel re: Existing Litigation - Government Code Section 54956.9. Complaint by SWRCB regarding Redwood Valley County Water District utilization of water from Lake Mendocino. Arbitration and Cease & Desist Order and Proceeding before the SWRCB.
Action Proposed: The Board will not take action but instead provide guidance and direction to staff.

OPEN SESSION 11:00 p.m.

20. REPORT OF ACTION TAKEN IN CLOSED SESSION ITEM NO. 19.

- a. Real Property Negotiations.
- b. Real Property Negotiations.
- c. Existing Litigation/Arbitration.

Director Butow reported the Board of Directors decided to direct Staff to run a pump test on the property and report back to the Board of Directors with the findings.

The Meeting ended at 11:01 p.m.

The next Regular Meeting will be held at 7:00 p.m. on Thursday, April 16, 2009 at the Water District Office, 2370 Webb Ranch Road, Redwood Valley, California.

APPROVED: _____ Board of Directors _____

DATE: _____ April 16, 2009 _____

SIGNED: _____ General Manager Wm. L. Koehler _____
(Signed by General Manager during absence of Board Secretary Groth)