

REDWOOD VALLEY COUNTY WATER DISTRICT

2370 Webb Ranch Road
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MINUTES

Special Meeting
Board of Directors

Monday, May 4, 2009

10:00 a.m. at the Grange Hall, 8650 East Road, Redwood Valley

Directors Present: Donald E. Butow, Merle Reuser, Granville Pool
Hal Voege arrived after the meeting began

Directors Absent: Jeanette Hallman

Staff Present: General Manager Bill Koehler
Assistant Office Manager Paula Berezay

Members of the Public: Supervisor Carre Brown and several members of the public

Public Meeting to discuss drought and ag water issues

CALL TO ORDER: 10:00 a.m. by President, Board of Directors, Donald E. Butow.

Director Butow gave a brief history of water rights issues. He explained the contract with the R.R. Flood Control District and the negotiations with Sonoma County Water Agency to buy surplus water from them. He mentioned that since July 2008 the District has been buying water from SCWA and in the event of a drought we will have to cut back 50%. Buying water from SCWA costs twice as much as what we were paying RRFCD. He also talked about frost protection issues.

GM Koehler explained the water shortage situation. He talked about the grape industry and the possible loss of revenue and trying to keep water available for frost protection while recognizing the Calif. Water Code demands that the three highest uses of water are human consumption, human sanitation and fire protection. He has not turned irrigation water off except for the brief two-week period in February. The twenty largest ag water users account for using the vast majority of water. Ag users are supposed to have ponds. He wants to work with the public to figure out how best to deliver a limited supply of water. Domestic use comes first, that's the law. The District is proposing to turn off the irrigation water customers who have exceeded their annual minimum and to continue delivering water to those who haven't used their entitlement.

A member of the public asked if he has used 4 acre feet would he still be able to use the remaining 2 acre feet of his annual minimum.

GM Koehler responded that that is his suggestion to the Board. He is looking at all the records and when ag customers reach their minimum they would be turned off. Water from the Flood Control District is not secure and water from Sonoma County is a lot more expensive.

Chuck Vau commented that it is the Districts' responsibility to regulate the water, and to shut off water to growers using water irresponsibly. He said he has talked to three water agencies in the Sacramento Valley and they change their allotment on a monthly basis, because some growers need water earlier and some later; however, each customer should only get so much water.

Director Butow mentioned the frost protection issue. If you use all your water before May 15th and if on May 18th there is frost, you loose all your grapes. How best do we address the issue of frost protection? How flexible can we be to accommodate the issue?

A member of the public asked if water was the only way to frost protect. Director Butow stated the only other method he knows would be the long-pruning method or else no pruning until after frost. GM Koehler stated water appears to be the best way to frost protect.

Randy Dorn asked if everyone gets their minimum is there enough water this year. GM Koehler stated if we turn off the 20 biggest users there might be enough. He also clarified that the 50% reduction is based on the year 2004. Customers over their minimum will not get more after May 15th.

Supervisor Carre Brown explained the Potter Valley diversion situation, adding that on May 1st the full amount was going through the tunnel.

Rudy Light asked, what can we expect from the PV diversion in the long run?

GM Koehler responded that PV is in the works. Also we are investigating storage sites. It is very expensive and will probably at least double ag water prices. Director Voegel explained about PG&E- PV and the strong political agenda. It's a very difficult process.

Chuck Vau asked Supervisor Carre Brown about Decision 1610. She explained that Decision 1610 is coming up; the RRFCD is currently going through the licensing process. The County of Mendocino has no water rights. We are working with several districts to move forward and provide water. Millview CWD has challenged the State Water Board, after which Millview then received a letter from the State, cutting off some of their water. We must be careful on how we proceed.

Chuck Vau asked about the Masonite site and how much will irrigation water be increased if we get more rights. GM Koehler stated the division of water use in RV is approximately 2/3 irrigation and 1/3 domestic use now. If we are able to get additional water it probably won't do much for irrigation customers. The Masonite project is not cost effective. The Calpella intertie would be for domestic use.

Supervisor Carre Brown stated that your Congressman needs to hear from the public. The County of Mendocino is writing Ordinances and developing Regulations that will mandate conservation measures county-wide.

Director Butow said May 15th is the cut-off date to comply with Sonoma County Water Agency. He suggests being flexible with the cut-off, and leaving the door open for those who haven't used their allotment yet.

Director Voegel mentioned that a Customer Survey will be available in the next couple of weeks on the District website and also in hard copy if requested. RVCWD is trying to get the understanding of all the people in the District on long-term issues. We don't have storage. Demand keeps rising - and there is NO surplus water.

A member of the public asked if we are doing anything about storage. Director Butow explained the District is exploring storage and also exploring wells and the costs involved. The cost for

2,000 AF of storage is about \$20 million. How do we fund that? How will it benefit the District? The Board will be making proposals.

GM Koehler stated we need 2400 acre-feet a year. On paper we show 500 acre-feet of ponds in Redwood Valley.

Director Butow said the State Board wanted us to take over all the farm ponds in RV. We would be responsible for everything. There are several liability issues and on the advice of our attorney we will not go there.

Someone asked about financial assistance. GM Koehler stated, nothing right now; we are looking at possibilities.

Supervisor Carre Brown said legislation is being proposed this year in Sacramento that the State Water Board will have authority over well water and ground water.

Rudy Light suggested the District prepare a budget for water availability as best as we can every two weeks and let the customers know the status when the bills are mailed. GM Koehler responded that if we turn off the largest users now it should be enough. Also, we are asking domestic customers to use 60 gallons per person per day.

Supervisor Carre Brown asked Bill to explain where the money paid for the purchase of SCWA surplus water, is going. GM Koehler stated the money is set aside for the conservation program or recycled water use in Mendocino County. So far the District has audited the RV schools. He said, our costs for water is about \$100,000 more to the Sonoma County Water Agency than the water purchased from the R.R. Flood Control District.

An audience member asked who makes the final decisions. Director Butow stated the Board of Directors makes the final decision. He explained the federal loan postponement which now allows the District to go forward looking for storage. Director Voegel added that the Board of Directors has made many efforts in the past but didn't have the money to make a difference.

GM Koehler explained that it costs \$20 million to put in 2000 acre-feet of storage. We are looking at different storage sites. Someone asked if the Board has the gumption to turn off abusers. Director Butow responded we are trying to work with people as best as we can.

Dick Wolford stated it was never intended that District water would supply vineyards with all the water they could use.

Director Butow mentioned that the ag contract states that you will maintain ponds. Six acre-feet was the minimum you had to buy at a base price and the overage-rate was a higher cost per acre-foot.

Ray Hoyt mentioned the letter stating a shut-off of water on May 15th, and to contact the Board for special needs. Director Butow said to call General Manager Bill Koehler with any problems and it can be brought before the Board. We are trying to work with people. Ray Hoyt asked if there was going to be another set of rules? Director Butow replied that there is another meeting tonight at 6:00 p.m. and we want to make a decision.

GM Koehler stated we have changed-out the domestic meters and they have been replaced with radio-read meters; we're now working on stuck ag meters and are currently testing meters.

Chuck Vau commented that you need to know what your water pool is. Director Voegel said there are so many demands on the lake that we have no control over.

Director Butow discussed West Fork and Mill Creek, and mentioned the Marina Drive study.

The Special Meeting ended at 12:08 p.m.

Another Special Meeting on this same topic will be tonight for the benefit of any water district customers that could not attend the 10:00 a.m. Meeting. The second Special Meeting is scheduled for 6:00 p.m. at the Redwood Valley Grange Hall tonight, May 4, 2009.

The next Regular Meeting is scheduled for 7:00 p.m. on Thursday, May 21, 2009 at the Water District Office, 2370 Webb Ranch Road, Redwood Valley, California.

APPROVED: Board of Directors

DATE APPROVED: August 20, 2009

SIGNED: Linda Groth
Secretary, Board of Directors

Minutes prepared by Paula Berezay during the absence of Secretary Groth.