

**REDWOOD VALLEY COUNTY WATER DISTRICT**  
**2370 Webb Ranch Road**  
**P. O. Box 399**  
**Redwood Valley CA 95470**  
**(707) 485-0679**

**MINUTES**  
Board of Directors  
Regular Meeting  
Thursday, June 18, 2009

Directors Present: Jeanette Hallman, Merle Reuser, Donald E. Butow, Hal Voege, Granville Pool

Staff Present: General Manager Bill Koehler

Office Manager/Secretary to the Board of Directors Linda Groth

Members of the Public: Sean White, Lee Howard, Jack Spilman, Gene Galletti, Roy Beck, Jack Cox

CALL TO ORDER: 7:02 P.M. by President, Board of Directors, Donald E. Butow

1. ROLL CALL.

Hal Voege, Vice President  
Merle Reuser, Director  
Jeanette Hallman, Director  
Donald E. Butow, President

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

Nothing at this time.

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

Nothing at this time.

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.

**MOTION: Approve Consent Calendar as presented.**

Voege/Reuser Discussion CARRIED

Ayes: Voege, Reuser, Hallman, Butow

Noes: None

Absent: Pool

Abstain: None

5. APPROVAL OF MINUTES AS PRESENTED.

The Minutes of May 21, 2009 were presented.

**MOTION: Approve the Minutes of May 21, 2009 as presented.**

Hallman/Voege Discussion CARRIED

Ayes: Hallman, Voege, Reuser, Butow

Noes: None

Absent: Pool

Abstain: None

Director Pool arrived at 7:15 p.m. during the following discussion.

6. MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL & WATER CONSERVATION IMPROVEMENT DISTRICT. (Agenda Item No. 12)

- 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.

Board President Don Butow introduced Sean White and Lee Howard of the Mendocino County Russian River Flood Control & Water Conservation Improvement District (District).

Sean White referred to the RVCWD Special Meeting he attended at the R. V. Grange Hall on May 4, 2009 at 6:00 p.m. At that meeting Director Hallman asked Mr. White, what can you do for us? As a follow up to that question, Mr. White reported that every time he and Lee Howard met with Randy Poole and the Sonoma County Ad Hoc Committee over the past 6 months, Randy has made allusions to doing some horse-trading; however at the recent ad hoc committee meeting, Randy came up with a specific proposal.

Mr. White: The basic core of the proposal made by Randy Poole to the Flood Control District (District) is, basically swapping our application for 6000 acre feet, for the 7500 that he has set aside for the D1610 in large part that was to serve Redwood Valley. Now, the problem with that water in D1610 is why we were meeting with Randy in the first place. Largely in the times that that water would be essentially needed by Redwood Valley is the time it wouldn't be available. The resource you need the most is unavailable when you need it the most. So we were talking about how either of our Districts could supply Redwood Valley in a year like this year, and the conversation rapidly swung to, well, let's just fix this thing once and for all. So to do that would take quite a series of changes and it would take some action, but some of those pumps are already primed. One of the main things that we would have to do if that deal were made, beyond agreeing to the terms and conditions of such a deal, would be to change D1610, and also to change SCWA's Place of Use. They've already been mandated to change D1610. Back in the past, that was a door they didn't want to open. They have to open it now anyway; so now the atmosphere down there is, if we have to open it - while it's open let's take care of some longstanding housekeeping issues that we have to deal with. Some of the other things they have to do is change their Place of Use. It already includes Redwood Valley, but it doesn't include a footprint of the District. For this package to have the most utility is to include the upper valley. They would want to make that change and I would encourage that. On the other side of things, we have some Change of Place of Use issues that we would probably want to resolve as well; these include some of our other issues. At the same time, we would have to go down the road of annexation. We have

wanted to do that in the past, but we haven't really had a resource that really made that possible. Right now if we made RV whole, we would just be creating a hole somewhere else, so this block of water and the reason we would want to change their Place of Use to include the entire District is that it's big enough that we can solve the situation here in RV. It would solve a similar situation that we have in Millview, it would solve the smaller but similar situation that we have in Hopland and we would even like to consider taking on the situation we have in Hopland with the Rancheria down there. So, there's a whole suite of options and solutions out there that we could do by pursuing this. Now, a lot of people will tell you that this has been proposed before, and I will say, not really. Similar things have, but the context and some of the specifics of this are markedly different than conditions in the past. Our District in the past, one of the real deal-breakers was the District forever waiting for any word of County Origin of Rights. We were simply not willing to go there without something.

Right out of the box, I told Randy -- we sort of had the first meeting and then we went back and talked amongst ourselves about why similar proposals had fallen apart in the past, and I called Randy back and said I really don't want to get excited and I don't have time to waste, so we should hash out these terms right away because if we can't agree on these terms right away, there is no point in talking about the rest of the terms. One of the terms that is in this proposal that's most interesting, and that is taking the place of our waiving of the County of Origin -- it's really a winner for every side of the equation. In lieu of that, we will have the option to buy back into the project. So if it's our contention that we feel we could own a portion of the stake in the reservoir itself, we can buy it back. The fiscal likelihood of doing that is not so good, but the likelihood of getting a 2<sup>nd</sup> bite of that apple in the past has been infinitesimal; so if you can have the option if you join Sonoma County, it's huge. It might be something that we can afford to do and need to do. So, long and short of it is that it is a transfer of water, a contractual agreement, and that's about where the similarity ends. The other nice thing about using it in context to the big fix is one of the things that will probably be a big sticking point in this community, would be making large surpluses or having a balance in the equation left over. I think that would get a lot of people in the 'smart growth' community very excited, or the 'no-growth' people getting very excited by, you know, largely allocating the vast majority of it to solve peoples existing problems. I think that will help us get away from a lot of that as well. So in a nutshell, that's the deal that is out there. We are on sort of a fast track to get the terms of this down on paper so that we can look at really what's on the table here. I met with Randy and their attorney for about a couple of hours. What we have here in short order is basically a bullet list of what is on the table and what's off the table. I would like to have, obviously, your input and Millviews' input early in the process because as far as a marketing point, if either of the two water districts have concerns or if they are not happy, there is no point in doing it. Once we can agree on the whole list of terms and what's out there, haggling on the finer points of the contract will be a far more complex project. That's going to take some time and burn some money. What I'd like to do is to get all of our Districts here in the Valley and Sonoma County to at least agree in concept to what all the terms are, so that we can move forward on building support for the overall idea. We will need to work together to make this happen locally and at the State Board and everything else. We'll need to be able to demonstrate that we are all working in concert so we have some uniformity here.

Director Butow: Was it also Randy's fast tracking plan to be ready to go prior to opening D-1610?

Sean White: Yes, he has less than a year to do that. The time line that Randy was looking at was to have contractual language out there to be kicked around and that is somewhere near the end of July. In his world, he would like to have this whole shooting match bundled up by early Fall. Obviously hitting all the elements in it to be approved by State Board and Lafco and all that, is a multi-year process. But as far as sort of agreeing to agree to the concept of the terms and conditions of the contract, we would like to have that by the middle of Fall.

Director Voegel: I'm curious how you would divide that 7,500 acre-feet.

Sean White: That's one of the things that we're going to have to split up. Obviously, we're going to need to figure out what your current demand is, what your waiting list is, and we'll need to figure out the same thing with Millview and the same thing for Hopland and we're going to need to come out with something that is equitable to all parties involved. It's one of these things where you initially, in that block where it sets aside for RV, you don't think you could make the claim that you guys really could use anywhere near that much water. And to make this thing fly, we're going to need to have some community partners and we're going to need to spread it around. How we get there, I think we all have a pretty good idea what our annual baseline really is. One of the things that I also want to highlight is that as I said earlier, while it is 7500 for RV - and in D1610 if you start looking at the caveats in there, it shows that the real firmness of that 7500 becomes 'not so firm'. In my conversations with their attorney, if we are going to open this door and D1610 is going to be revised, we'll be adamant that those caveats are removed, because there is no point in going through this and still have RV be in the position of having yet another unreliable contract, it's not going to do any good. So if we're going to basically surrender our apple, which would be for a real firm yield, this water is going to be needed somewhere in line.

Director Voegel: Is there any discussion going on about how the water would be apportioned in a really dry year?

Sean White: I think this is the best part about it. Right now in the Valley, one of the things Randy is looking for to get out of this is, there are two (2) versions of disparity: our version of disparity and their version of disparity. Our version of disparity is that they have most of the water that's in the lake that's in our backyard; that's the pebble in our shoe. The pebble in their shoe is that everybody that gets water from SCWA is subject to a long list of standard b.m.p.'s and practices that we'll have to do and that will cost money and generate work. Anybody receiving SCWA water including our District and all their contractors will be subject to the same type of b.m.p.'s. As far as I'm concerned, and that will have some initial costs to go with it, it's my opinion that if this Agreement doesn't force us to do it, the State Board can force us to do it anyway. So it will probably accelerate the timeline for those things but it's not really adding to the list of things that wouldn't have had to be done otherwise. But where it really works to eliminate disparity in our own community is that everybody will be subject to the same terms everywhere; so if it's a year of 25% conservation, every contractor in the valley will be at 25%; if it's a 50% year, every contractor is going to be at 50%. If it's at 10%, every contractor is going to be at 10%; whatever the curtailment is, that is for all District participants.

Director Pool: Does that include the City?

Sean White: If the City wants to contract with the District, yes. I can't imagine the City would want to miss this opportunity, it would be absolutely unwise. My initial estimate is that if anyone participates in any of this water, every single entity is going to have to behave in exactly the same way. I think that's a big part of what drives a lot of wedges here amongst all of the utilities and all the municipalities. Part of what this will do, is have everybody subject to the same terms and when it's good, we'll all be well fed and when it's not so good we'll all be in the same situation. I think that in a lot of ways, just that, would be a huge win for everybody.

Director Butow: The problem is, the lake water is unreliable. This year because of the efforts of Sonoma County and Sean and others, they got the operation of the lake changed on a temporary year-to-year basis. As I understand, if the D1610 is reopened, they're going to try to make this more permanent because of the flow issues.

Sean White: The full reason that D1610 has to be opened is because of Biological Opinion. One of their terms and conditions of reasonable alternatives is that they have to change their release schedule. In order to do that, they have to open D1610 and they have 18 months of time that was issued to file that petition. The whole reason they have to open it is that both National Marine Fisheries Services and the Department of Fish & Game want summertime releases to be reduced. So this will be one of those rare opportunities that we will get to go to the State Board and support N.O.A.A.

Director Butow: Seems like this is key to making this work, because getting into this issue with Sonoma County without a change in the way the Lake is operated, we'd just be spinning our wheels.

Sean White: Well, I don't think so. At least in a year where it really stinks, at least we'd all be operating under the same criteria. I think, even with no change to the reservoir, there are benefits to doing it. The fact of the matter is, when it doesn't rain, water is tight. There is no way of getting around that. On the flip side of things, the changes that are going to be required under the new D1610 will put somewhere around 15,000 ac-ft of water a year back into the reservoir. That simple little change is a huge win for us. The other thing that we need to think about as well as before it stopped raining, and that is, when I was still down there we had applied to the COE and the District had supported them to operate the reservoir at 761 as well. That is the 'new full'. That is in place; unfortunately it's never rained enough to get us there. 761 is the 'New Full' and with the Biological Opinion changes in place, I think you will see an enhanced drawability, at least more than we've seen since the diversion got changed.

Lee Howard: You've heard this report of our meetings with Sonoma County and how they've done. That's the kind of external portion of this. There is an internal portion of this, that's the representation into Redwood Valley and what we're going to propose to do to change that. In essence, we go back and pick up from 50 years ago, and annex the Flood Control District back into the areas of that place of service; our place of services that we have for the water. This would give the equity to everybody over the whole thing, to have the representation and how it goes and what's going to happen. The annexation is not going to be an easy thing. We have the whole Lafco issue, and there will be some body's that don't like it, but when you start looking at the overall community and the equity and what's been put in to it and how it's been put in to it, I think it's truly sellable. Again, Randy's looking so he doesn't have to deal with this. But with that, there are some things that we can start considering as we work through. Yesterday we met with Alan Lilly and Pam and the attorney and we walked-through a lot of things. The attorney will be gone for a couple of weeks. Randy and I at the meetings wanted to push getting something in black and white by the end of July. I think we'll push that. In the interim though, we will need to look and sit down with the agencies about an MOU about what is going to drive this thing and how it's going to do so. Because I don't want to get down the road a year -

Director Voegel: ...like the Indian settlement.

Lee Howard: Well, the Indian settlement was a little bit different; it's so much external to that. This one's all pretty much, like you say, we'll probably have some internal composition to a degree, but when you sit down and logically put together and show that we're already serving this area, for lack of a better thing, when we have water. Randy is supposed to be serving it when we don't have water. That's a very squishy, mushy 7500 acre-feet. If, in fact, we all are on the same page, all at the same place, with petitions supporting the thing, it's going to be hard, one, for Lafco to say No, I think. It's going to be hard for the State Board to sit up there and say, No.

Sean White: I think it transcends that. I think it's going to be easy for them to say, Yes.

Director Hallman asked Director Butow: Don, didn't you say we don't have a really good contract with Sonoma?

Director Butow: We have a good contract for surplus water with both the Flood Control District and the Sonoma County Water Agency, they just don't have surplus water.

Lee Howard: If we start looking to work these things out, we have to look at a Memorandum of Understanding to facilitate this. There is no doubt in our minds that we're going to be in some type of EIR on this thing. We're probably looking at \$1/4 million for that. If in fact, several entities come together, it gets everybody taken care of for a reasonable situation.

Director Butow: I take it you'll be tracking this over the next few weeks and sketching out the parameters of an MOU.

Sean White: Yes.

Lee Howard: We'll be working on the bullet points for Sonoma County.

Director Butow: And then we'd get together and start hammering out the details in the MOU, so I assume that even though Alan Lilly is on vacation for a couple of weeks, we can still be meeting. And this will probably require a series of meetings between our staff and your staff for working out the finer points and then bringing that back to each of our Boards; so I could see several special meetings on our part with GM Bill Koehler when he reports back whatever details he's gotten out of these meetings and then we can determine as to how much we need to war-chest for the EIR money and things like that.

Lee Howard: And the other things I would suggest is that we try to figure out some time that's mutually available for everybody, and we get together with Frank McMichaels and get a joint meeting with Lafco to sit down and start hammering out with everybody. And everybody can hear the stories and the questions, because there's a lot of caveat there, too, that has to be dealt with.

Director Voegel: The other question that I have is, how do we adjust this or how do we relinquish under the D1610, because it seems to me that this is directly connected to the reopening of the 1610.

Sean White: Well, it is. It's not directly connected, it's just part of it; it is part of that process.

Director Pool: We're talking about rewording, also, that contract.

Sean White: It is going to get reworded; that's the whole point of the meetings. So this change is just one of a number of changes that would need to be addressed. I'll tell you, yesterday, when I spoke to Pam and Howard, this is one part of the process that they want to merge. They did not want to have the EIR relevant to the flow changes mandated in the Biological Opinion married to our EIR for annexation in this contract. I'll tell you, in my experience that is a wise choice. Those two goals are disparate enough that we can treat them separately and not be dealing with piecemealing issues. I can tell you that many times we looked and pursued efficiency by bundling issues, only to have five of them go through unscathed; and one element to get sued and hold up the other five that were part of the EIR. So, I think these two goals are

different enough that they could be treated individually in the EIR, even though both of them are getting tied to the revisions of 1610.

Director Voegel: We're going to have to keep the 1610 revisions in mind as we do this.

Sean White: Oh, it's not in mind, it's the whole corner post of the whole show. If that wasn't happening, we wouldn't be able to have this conversation, so it is central to the whole deal.

Lee Howard: The other thing is that, just like you guys, a lot of guys are already tied-in to an application at the State, for change of Place of Uses. Those again, are going to require EIR's and maybe, just maybe, all this stuff gets folded into one EIR at one time, so that we clean the entire mess up.

Director Voegel: Well, ours is basically done; it just has to be signed. It's sitting there waiting to be signed.

Director Butow: But even so, to be realistic about it other than living with the State, from a practical standpoint we would like to have everything finished up so that we know exactly where we are. And if there was some reason for us to have to expand our District boundaries to accommodate somebody, we can't do anything like that now, the way the situation is. In fact, we even have difficulties with hardship issues.

Sean White: Well, we're in the same place. I mean we have some open business that we're going to need to close before we open new business. We are going to have to have our license inspection done and over with before we open the next can of worms. So I think all of us are going to have some housekeeping we're going to have to do before we get involved in this bigger picture. I think we are going to have plenty of time to do that.

Director Butow: Of course, Sonoma County wants us to get done with this by Fall. As far as our Agreements are concerned, our MOU's or whatever, then the process goes on for whatever it takes.

Sean White: Right; and I really would say that the execution of that Agreement is really sort of the starting point for all of us finishing our housekeeping, so we can move on.

Director Butow: So you think before the State would go and make this thing real, about 2-3 years?

Sean White: I think about 2-3 years sounds about right.

Director Voegel: What do you think the likelihood is that Ukiah would actually agree to any of this.

Sean White: Well, if you'd asked what I thought the likelihood of this coming forward this soon would have been 6-months ago, I would have said, Nothing. So, I don't know. I think that the overall value of this, if we don't mess it up, is high enough that anybody that is reasonable should see the worth of getting involved.

Director Voegel: I see both Ukiah and Millview at this point saying, Hey, we can drill our way out of this.

Sean White: I've gone to the Millview Board of Directors already this week, and I don't think that is necessarily the feeling of the majority of their Board.

Lee Howard: The City of Ukiah is somewhat different?

Sean White: Yes.

Lee Howard: You know, I have worked with Mr. Crane at length through several meetings and last month with Mr. Baldwin, trying to get through this, but our biggest problem right there is staff, and their understanding - they flat-didn't understand what we're trying to propose. The reality of it is that if they're not interested in this opportunity, we won't have trouble selling the 900 acre-feet elsewhere.

Sean White: I do agree, Hal, that someone could drill their way out of it – for a while. Eventually they're going to be in the same place. And essentially, once things are fully reviewed, I don't think this will be seen as a surface-water-free-solution.

Lee Howard: There are people that have said they would be opposed because this is a growth-inducing type thing. In this particular case, the argument is that it probably won't get some of the moratoriums lifted. It's not going to be the answer for everything. It is going to fix 50-years of bad government. We're not going to be able to fix the next 20 years until this is fixed, plain and simple.

Director Pool: The moratorium didn't fix anything, anyway. It certainly hasn't stopped growth in Redwood Valley.

Director Butow: It hasn't stopped growth, and now we have people coming to us wanting to get water.

Director Voege: We have a hundred applications for water.

Lee Howard: Millview has three hundred on their waiting list.

Director Butow: That makes sense, because Millview has a larger population than Redwood Valley.

Lee Howard: The biggest thing here is, right now from us to you, is conceptual. You guys need to chew on this; feel free to call Sean. Let us know what you think. We're not going to go ahead on it until we get some pretty firm things lined up. We're going to have to see an MOU pretty well hammered out and taken care of before we proceed. We're going to work with Randy Poole and Alan Lilly and we're going to push it there. Randy wants to be able to put his stamp on this thing. We will continue pushing to get this thing moving. We need feedback, fairly reasonably promptly from Redwood Valley. The minute we get that, I think the next step would be to sit down with Lafco. Probably a couple-hour session, and just talk the thing out.

Director Voege: So the form that you want would be a Motion by this Board?

Lee Howard: I'm not telling you; whatever you guys need to be comfortable.

Director Voege: What level of confidence do you want to have?

Lee Howard: If we get to a point that we can't do a joint petition with everybody involved in this, and Lafco, I don't want to go there, and my Board doesn't want to go there. So, a Joint Petition to Lafco saying that the concept here is what we're looking at, is probably good enough to get us started. But if we come back and there's only two or three, you know, to take it to our Board and sell it and to be able to sell it to the community as a whole, it's going to be divided right off the bat.

Director Butow: You're absolutely right. Before we can go out and solicit support in the community, we would have to be pretty much together.

Director Voege: We need to be able to answer questions because there are going to be questions galore.

Lee Howard: There are already questions.

Director Butow: Like you say, it's going to fix what needs to be fixed right now.

Sean White: Right, and that's pretty much it. I think if you start doing the math, you're going to see that there's not a whole lot left.

Director Butow: Yes; because there's still only so much water in that lake, and that's going to limit us as to whatever else we can do. With Randy's proposal, we're going to be able to maximize the operation of the lake as it stands right now, and clean up a lot of problems we've had with water rights out there.

General Manager Koehler: I suggest passing a Motion along those lines. That gives me an opportunity to meet with Sean and bring it back to the Board on either the July Board Meeting or Special Meetings as we see fit. Making a Motion is in coordination with the last two lines in the General Manager's Report, Agenda Item 8.c., Water Supply.

Director Butow: I am ready to entertain a Motion to direct staff to meet with Sean White of the Flood Control District and also staff of other Districts.

Director Reuser: If we put together a resolution and do it at the July Meeting, is that going to meet the time line you're looking at?

Sean White: Yes, that would be fine. We know we've thrown a lot out there for you.

Director Butow: We've been very supportive of General Manager Bill Koehler in all our issues that we've had recently in regards to meetings with other agencies and we'll continue that way. So as far as this Board is concerned, I don't think I'll get disagreements, we work pretty hard to be available for committee's and other meetings, etc.

**MOTION: Direct General Manager Koehler to meet with Sean White of the Flood Control District and staff of other Districts and bring reports back to the Board of Directors.**

Pool/Reuser Discussion CARRIED  
Ayes: Pool, Reuser, Hallman, Voege, Butow  
Noes: None  
Absent: None  
Abstain: None

Lee Howard: Before we leave, I've got two more items for you, sort of throwing a stick out there. The first one is we have, as Bill is aware I'm sure, we've done some work, we have new maps, a new pdf/dvd. Anybody is welcome to come visit Sean and get a copy of it. It shows the boundaries and the overlays. It shows all the Flood Control District, it shows all the Districts, it gives us all the parcels, all the AP numbers.

In doing this as part of cleaning up our own house, we learned that there's a bit more of the Flood Control District in Redwood Valley than I had ever anticipated. It goes all the way up Road B and it traipses way back up into Long's and Chase's and then across Hwy 101, to just north of the Barra property and some other things. So by doing this thing, and we asked Bill to run numbers for us to see how much water use is in that area of the FCD that is being served by Redwood Valley. The way it's going to work out is that, if everything works right, all the water used in that area will be accounted to the Flood Control District. We will work out an Agreement with Redwood Valley, that we are serving that water in that area by wheeling through Redwood Valley. As far as your billing with Sonoma County, it will be billed the same as the rest of the people in our District (FCD).

Sean White: It's an incremental step, but it's a step anyway.

Member of the public, Richard Naumann: What does that mean as far as my supply of water? I live just off Road B and I'm worried about cutting my water off and losing my trees.

Lee Howard: It would mean that you are firm; you're as firm anybody in the Flood Control District.

Sean White: It puts you in a better pool of water.

Director Butow: You wouldn't be surplus. The Redwood Valley District would be the vehicle to deliver Flood Control District water to you.

Lee Howard: We're not talking any reductions here. We're talking a firm yield that you don't have today.

General Manager Koehler: This doesn't change anything for individual customers. Whether you live south of Road B or north of Road B, will have no practical impact whatsoever on you.

Member of the public, Naumann: Well, I'm thinking that for every 1,000 gallons you sell, there is revenue coming to Redwood Valley and now you won't have revenue coming in.

Sean White: No, we have wheeling fee's that will still be coming in.

Lee Howard: Again, this is something that has to be flushed out. Your General Manager Bill Koehler is already working on it.

Director Butow: Well, it does open up a whole lot of other issues, true, in regards to, if we are originally approved under the moratorium thing handed down by the courts and say o.k., if you're now buying water from them through us, now suddenly Redwood Valley has a hundred people over here that have been waiting in line for water and we cannot deliver them and not be in violation of the court-order.

Lee Howard: That's a good point. Well, there's a whole bunch of this caveat that, as we clean up our houses and we take care of business, we'll find these things to address.

The other item to talk about, is that we've started down through the process -- we've started one contractual agreement with a private firm in the Ukiah area for a Water Fill, a water-truck fill.

Sean White: Sort of a sanctioned place where people can legally fill up their water trucks.

Lee Howard: What we would like to ask you to do, is consider putting a Fill here in Redwood Valley, some place that you can monitor, and we will supply project water to that Fill; especially if it can be put on line fairly soon, as an emergency type situation for some of this stuff.

Director Butow: Would you be talking domestic or?

Lee Howard: We're talking about raw water, pretty much, but that would be pretty much your call, in what you have. But we would cover the water usage in that, and we're going to pretty much put a caveat, in that you can't come in and haul 24/7 with 50 trucks, for example.

Director Butow: We do have a facility here where haulers could draw raw or ag water, before this rationing situation occurred. Last year we supplied drinking water to the CDF camps up the hill, but not fire suppression water. The water trucks do have to come to the water treatment plant to get filled, so that's a place we can control.

Lee Howard: That's what we want.

General Manager Koehler: We can have that in 15 minutes.

Lee Howard: Alright, we will work to an Agreement to that end.

Director Butow: I'll entertain a Motion so stating.

**MOTION: Direct General Manager Koehler to work out an Agreement with the Mendocino County Russian River Flood Control & Water Conservation Improvement District in regards to our raw water Fill Station.**

Voege/Reuser Discussion CARRIED  
Ayes: Voege, Reuser, Hallman, Pool, Butow  
Noes: None  
Absent: None  
Abstain: None

Mr. White and Mr. Howard left the Meeting at 7:58 p.m.

Member of the public expressed concern about not utilizing the full capacity of the lake.

Director Butow reminded him that the USArmy Corps of Engineers operates the lake and that we're trying to get them to allow the water to back up more so that even if they have to do an October release, there will still be water to carry over into the following winter and then operate the lake at a little higher level.

Director Voege said the other thing that the COE has now agreed to, is that the top lake level will be 763', up from 748'. **CORRECTION, BOARD OF DIRECTORS 8/20/09: TOP LAKE LEVEL WILL BE 761'.** Another thing is that they got an appropriation from Congress through this Stimulus Package that lets them do a bunch of things. Part of that includes two things that help Redwood Valley. 1) it lets them re-do the sewer system in the campgrounds, which was deteriorating anyway. But what it lets them do is raise it up, so that there is no lake contamination.

Director Butow added, and it lets them readjust their campgrounds to accommodate the higher water level.

Director Voege agreed, adding that the other item that helps us is raising the road that runs down along the lake shore on the inlet side, which, if you raise the lake level 5', is going to be underwater. So they will use some of that money to do a different road to get over to that campground. Both of those things will help to make it really possible in real time, to raise the water level if we ever get any water.

Director Butow said that right now, the water levels at Healdsburg dictate the releases until July 6<sup>th</sup>, and that allows the Corps of Engineers to cut down the amount of releases at this end. He also reviewed some of the history about Warm Springs Dam being built with the whole idea that they were going to release their water flows down Dry Creek. Then Fish & Game said that the releases would have to be low enough to allow the young fish to survive in the river. He said that Warm Springs Dam has about 300,000 acre-feet of water and they can't get at it unless they put a pipe to detour around Dry Creek at a cost of several billion dollars.

Director Voege added that an interesting thing is that as a preliminary deal, they were proposing to sort of re-engineer Dry Creek and put diversions in, so that there were areas for fish ~~CORRECTION, BOARD OF DIRECTORS 8/20/09:~~ **FISH** to sit in even if there was more water going down, but they can't do that either, because they can't get the landowners to let them cross their properties.

Director Butow concluded that, unless they do a condemnation action, they are stuck, resulting in Lake Mendocino being over-used by two totally different entities, and there is not enough to go around.

## 7. DIRECTORS AND STAFF REPORTS AND DISCUSSION OF NON-ACTION TOPICS. (AGENDA ITEM NO. 6)

a. Director Voege reported that Will Carson of Millview CWD cannot be at this meeting tonight, but he wants to let us know a), the Millview CWD customers actually managed a 50% reduction in usage this past month; b) Millview CWD previously received a letter from the State saying they cannot use their original license right now; and then Millview received another letter from the State Agency saying they can use it through the month of June; and, c) Millview is looking to drill three wells: one at the District plant; one along the river by their existing well; and a third possible well site on their property on the west fork of the river.

b. Director Voege reported that County Supervisor Brown is unable to attend this Board Meeting, however she wants the Board of Directors to know that there will be a Review of the Ordinance (of countywide water reductions) at the Board of Supervisors Chambers on June 24, 2009. She hopes this Review will be well attended by the public.

c. GM Koehler reported a current event which will most likely be reported in the newspaper tomorrow: There was an accident that caused 2-1/2 million gallons of water to be dumped into the west branch of the Russian River on Thursday and Friday. We are still determining the facts, but the valve was closed inappropriately at the construction site and Granite did not inform us the valve was closed. With the valve being closed, it caused the surge tank to overflow when our pumps kicked on, on automatic, Thursday and Friday. The overflow went down the ravines, chewing away at the hillside and into the river, dumping a load of silt into the river. We have done everything appropriately responsible with the regulatory agencies, notifying them within minutes from the time we heard of the event, standing up and saying this is what happened; this is what we're doing to prevent it from every happening again. It's still under investigation. Some remediation will need to be done. That is an ongoing process.

8. DIRECTORS AND STAFF REPORTS OTHER THAN THOSE LISTED IN GENERAL MANAGER'S REPORT. ACTION TOPICS. (AGENDA ITEM NO. 7)

- a. Appoint committee to evaluate water rates and report to the Board of Directors.

Director Butow, Director Pool and GM Koehler will be the committee to evaluate water rates and report to the Board of Directors.

9. GENERAL MANAGER'S REPORT JUNE, 2009. ACTION ITEMS. (AGENDA ITEM NO. 8)

- A. District Operations.  
B. Temporary Urgency Change Petition.

The State Board issued a revised Order on May 28, 2009 modifying the previous April 10<sup>th</sup> Order but still requiring the mandatory reduction in diversions. Because of some unclear language in the Revised Order, General Manager Koehler is asking the Board of Directors to provide direction regarding continued implementation of 50% mandatory conservation, Tier 4 of the District's Ordinance.

**MOTION: Maintain implementation of Tier 4 of the District's Ordinance, with 50% mandatory conservation.**

Voege/Hallman Discussion CARRIED  
Ayes: Voege, Hallman, Pool, Reuser, Butow  
Noes: None  
Absent: None  
Abstain: None

- C. Water Supply.

The Board supports the attendance of GM Koehler with the Flood Control District and the Sonoma County Water Agency in preliminary talks regarding how to benefit from the two diversion applications so that they would serve the most parties. A resolution will be developed and presented to the Board of Directors at a future Board Meeting.

- D. Well Testing.

General Manager Koehler reported the yield of the two wells at the Cox property is 70-80 gpm. The consensus of the Board is for GM Koehler to continue talking to the property owner, with the hopes of bringing back an 'agreement in principal' to present to the Board.

- E. Survey.

The Board thanked Director Voege for his very good job on developing the survey. Responses received so far, are very thoughtful. A Reminder postcard will be sent to those who have not yet responded.

BREAK: 9:02 p.m.

Members of the public Spilman, Cox, Naumann left the Meeting during Break

RECONVENE: 9:30P

F. Water Conservation and Fishery Advisory Board. (WC&FAB)

General Manager Koehler reported that the total funding available this year is \$47,630.72. He provided the WC&FAB Resolution No. 09-01, Recommending Funding of Four Water Conservation Projects from the RVCWD Contract Fund.

**MOTION: Approve expenditures outlined in Resolution No. 09-01 of the Water Conservation & Fishery Advisory Board.**

Hallman/Pool Discussion CARRIED

Ayes: Hallman, Pool, Voege, Reuser, Butow

Noes: None

Absent: None

Abstain: None

G. Actual Cost of Water Production.

H. Pinecrest Well.

The public school district owns property on Pinecrest Drive, and the property is served by a well that shows some possibility. It will take some testing to determine several factors to establish whether or not the well water would be of benefit to RVCWD. In order to proceed, GM Koehler needs the authority of the Board of Directors to contact the School Board.

**MOTION: Give General Manager Koehler permission to represent the District in discussions with the Ukiah Unified School District Board regarding the well on Pinecrest Drive.**

Voege/Pool Discussion CARRIED

Ayes: Voege, Pool, Hallman, Reuser, Butow

Noes: None

Absent: None

Abstain: None

Member of the public, Roy Beck left the Meeting at 10:04 p.m.

10. FINANCIAL REPORT. (AGENDA ITEM NO. 9)

a. Discussion and possible action.

The monthly financial report was presented and reviewed.

The 2009/2010 proposed budget will be ready for next Regular Meeting.

11. LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY – LAFCO. (AGENDA ITEM NO. 10)

Nothing new to report at this time.

12. INLAND WATER & POWER COMMISSION. (AGENDA ITEM NO. 11)

- 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.

Director Voege reported:

- there will be an Eel-Russian River committee meeting on August 27, 2009 in Humboldt County.
- the water conservation ordinance from the County is with legal counsel for review.
- on June 24<sup>th</sup> the Board of Supervisors will vote
- there was a long discussion at the IW&PC meeting regarding the article, which is full of lies, in the Eel River Reporter. Janet Pauli is still working on getting the pictures and dialog together for the video.
- there is no money in the Dillabough/C.O.E. budget for the Study.
- there will be a new meeting with all Boards, on the Lake Pillsbury storage curve.

13. SONOMA COUNTY WATER AGENCY. (AGENDA ITEM NO. 14).

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

Discussed previously throughout the Meeting.

14. STATE WATER RESOURCES CONTROL BOARD. (AGENDA ITEM NO. 15)

- a. Updates and possible action.

Director Voege said there is going to be a reshuffle, a consolidation of several agencies (Fish & Game--Dept of Natural Resources, etc.) into one big agency of the SWRCB. **CORRECTION, BOARD OF DIRECTORS 8/20/09: REMOVE: SWRCB and insert word, UMBRELLA, to say "into one big UMBRELLA AGENCY."** He expressed concern that the RVCWD paperwork will get lost in the shuffle.

There being no more action items to discuss, the Meeting Ended at 10:32 PM

The next Regular Meeting is scheduled for 7:00 p.m. on Thursday, July 16, 2009 at the Water District Office, 2370 Webb Ranch Road, Redwood Valley, California.

APPROVED WITH CORRECTIONS: Board of Directors

DATE APPROVED: August 20, 2009

SIGNED: Linda Groth  
Secretary, Board of Directors

Also noted: The Agency name of LAFCO as mentioned throughout the Meeting, should not be spelled Lafco. It should be spelled as LAFCO or LAFCo.