

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, October 16, 2008

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

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

1. ROLL CALL.

Granville Pool, Director
Hal Voege, Director
Jeanette Hallman, Director
John W. Groth, Vice-President
Donald E. Butow, President

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

No comments received from the attending public.

Board President Don Butow announced the recognition of Special Anniversaries, with appreciation, of two long-term employees: 30-years on September 25, 2008 for Linda Groth, and 25-years on October 31, 2008 for Paula Berezay.

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

Nothing reported 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 the Consent Calendar as presented.

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

5. APPROVAL OF MINUTES AS PRESENTED.

MINUTES PRESENTED: Regular Meeting, Thursday, September 18, 2008.

Director Hallman said she would abstain from voting, as she was not in attendance at that meeting.

MOTION: Approve the Minutes of September 18, 2008 as presented.

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

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

Director Groth reported on his attendance at a recent gathering for Congressman Mike Thompson, at which he had the opportunity to further express thanks and appreciation to Congressman Thompson, on behalf of Redwood Valley County Water District and its customers, for his years of commitment and the successful efforts in postponing the payback of the District's federal loan. This action allows the RV District, for the first time in its history, to undertake loan financing for expansion of water storage facilities, among other things.

On another topic, Director Groth mentioned that the end of daylight savings time is approaching, and it will soon be getting dark before 5 p.m. Perhaps the Board would entertain the idea of setting 'winter hours' for the Board Meetings, something before the usual 7 p.m. The Directors agreed to have the matter presented as an action item on the Agenda for the next Meeting.

7. DIRECTOR AND STAFF REPORTS OTHER THAN THOSE LISTED IN GENERAL MANAGER'S REPORT. ACTION ITEMS.

A. Resolution No. 2008-4, Amending Appendix to Conflict of Interest Code.

The Office of the County Counsel has requested that the July 17, 2008 Board Action approving an amendment to the District's Conflict of Interest Code, be submitted in a Resolution format.

MOTION: Approve Resolution No. 2008-4, Amending Appendix to Conflict of Interest Code.

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

8. GENERAL MANAGER'S REPORT, SEPTEMBER, 2008. ACTION ITEMS.

- A. Plant Operations.
- B. Water Usage.
- C. Quagga Mussel.
- D. Subdivision.
- E. Eel Russian Commission.
- F. State Board.
- G. Water Usage/Conservation.
- H. Action Items:

H-1. Update and guidance on proceeding with application for SRF funding.

General Manager Koehler stated that the application for SRF funding was submitted by former G.M. Darin McCosker and it has taken all this time to process, but we now have a deadline of February 27, 2009 for the Board to (see correction below) decide whether or not to proceed with the application. This is a low-interest loan but the preliminary requirements add up to a lot of money; for instance, easements will be required, among other details. Director Hallman expressed concern about the expenses and suggested the details should be presented on-paper for the Directors to consider. General Manager Koehler suggested that the District could renew its membership in California Rural Water Association to avail the assistance of their SRF advisors, and the Directors encouraged him to do so, with an updated report to the Board at the November Meeting.

Corrected, Regular Meeting of November 20, 2009. 3rd line above should show: deadline of February 27, 2009 for the Board to **submit an** application.

H-2. Water supply.

No action at this time.

H-3. Red Flag Rule.

The Red Flag Rule was established to prevent customer identity theft. Although the District's vulnerability is extremely low, the District is required to comply. The appropriate employees will be trained on the contents and procedures of the Identity Theft and Prevention Program.

MOTION: In compliance with the Red Flag Rule requirements, approve and adopt the Identity Theft Prevention Program as presented by staff.

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

H-4. System services performed at Redwood Valley Rancheria.

The Redwood Valley Rancheria would like to discuss the possibility of contracting with the RVCWD for basic water quality testing, routine inspection and meter reading. General Manager Koehler estimates these tasks would require approximately 1-hour per week or

5-hours per month and based upon wages, workers' comp and benefits, he thinks \$400 per month would be an appropriate fee. He feels that staff can handle this and he verbally listed items to be included in a Memorandum of Understanding between the District and the Rancheria if the Board of Directors does approve proceeding with the matter. If all parties are in agreement, the matter will be submitted to legal counsel for review and comments at the appropriate time.

MOTION: Proceed with developing a Memorandum of Understanding for monitoring and other tasks as proposed by the Redwood Valley Rancheria.

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

A status report will be provided at the next Board Meeting.

9. FINANCIAL REPORT.

Director Groth provided a verbal review of the budget, including quarterly figures and expenses for the fiscal year to date.

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

Nothing to report.

11. INLAND WATER & POWER COMMISSION.

- a. Report of attendance at IW&PC Meetings.
- b. Discussion and possible comment on proposed tentative Eel River Settlement.
- c. Consider any correspondence concerning the IW&PC.
- d. Discussion and possible action on IW&PC topics.

Director Butow reported that he, Director Voege and General Manager Koehler attended the monthly meeting. There were some comments about upcoming litigation in the proposed sale of pre-1914 water rights from Tom Hill and Steven Gomes to the Millview CWD. It appears Millview, Hill and Gomes are suing the State Water Resources Control Board. General Manager Koehler said this is being heard as a Civil Action in November, here in Ukiah and he will provide the court date when he receives it.

Director Butow and General Manager Koehler reported that the Commission is still trying to determine how to handle agencies that drop out of the IW&PC and then come back. There is a tentative proposal to create a grace period of 2-3 years wherein an agency could go out and come back in, paying member fee's and interest at that time. After that period of time, the agency would also pay some sort of penalty fee.

Director Voege said there was discussion regarding the Lake Pillsbury releases proposed by P.G.&E. and the F.E.R.C. Hearing on the license; he added that Janet Pauli said they need to send a letter to Intervene before the November 2008 court date.

At this time, the RV Board of Directors agreed unanimously to support the plan proposed by P.G.&E. to provide frost protection and late fall irrigation water for crops in Potter Valley. A letter will be sent

to F.E.R.C. with comments and Motion to Intervene, as those flows through Potter Valley are captured in Lake Mendocino and are vital to Redwood Valley and other downstream users.

Regarding the Corps of Engineers feasibility study on the Coyote Dam, it was noted that, for the \$300,000 the C.O.E. has received, the only thing they have available to show for it is a bathymetric topo. Also noted, the C.O.E. has a request for \$100,000 in the Senate for the upcoming year.

8:45 P.M. -- Break

9:00 P.M. -- Reconvene

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 Groth and General Manager Koehler attended the ad hoc meeting and the regular meeting. It appears that the issue of location of the master meter may be resolved and this matter is expected to be ratified at the FCD's November regular meeting.

As to the FCD's filing for 6,000 acre-feet on partial assignment of its Applications, it was reported that eight protests have been filed, so far.

13. REPORT OF ATTENDANCE AT AGENCY MEETINGS, I.E. CITY OF UKIAH, COUNTY BOARD OF SUPERVISORS, OTHER SPECIAL DISTRICTS, COUNTY OF MENDOCINO PLANNING TEAM/HOUSING ELEMENT, NOT LISTED SEPARATELY HEREIN.

The next Eel-Russian River Commission meeting in Santa Rosa is scheduled for 1:30 p.m. on Wednesday, October 22, 2008.

The Section 7 Hearings will be held at the Board of Supervisors Chambers in Ukiah at 6:30 p.m. on Thursday, November 13, 2008.

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.

Nothing new to report.

15. STATE WATER RESOURCES CONTROL BOARD.

- a. Updates and possible action.

Still waiting for paperwork to proceed through their system.

16. STATUS REPORT OF PLACE OF USE ISSUES.

- a. Updates and possible action.

Still waiting for paperwork to proceed through their system.

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

a. Updates and possible action.

Nothing new to report at this time.

The Meeting ended at 9:30 p.m.

The next Regular Meeting will be at 7:00 p.m. on Thursday, November 20, 2008 at the Water District Office, 2370 Webb Ranch Road, Redwood Valley, California.

APPROVED: As Corrected on Page 3 Board of Directors

DATE: November 20, 2008

SIGNED: William L. Koehler
 General Manager

Page 3, Item #8, H., H-1: Line 3 corrected to state:
 deadline of February 27, 2009 for the Board to submit an application