

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
February 18, 2010

Directors Present: Donald E. Butow, Jeanette Hallman, Hal Voege, Granville Pool, Merle Reuser
Staff Present: Office Manager/Secretary to Board of Directors, Linda Groth
Staff Excused: General Manager Bill Koehler
Others Present: Roy Beck

CALLED TO ORDER: 7:00 P.M.

1. ROLL CALL.

Hal Voege, Vice-President, Board of Directors
Merle Reuser, Director
Jeanette Hallman, Director
Donald E. Butow, President, Board of Directors

2. CONSIDER HEARING OF URGENT ITEMS RECEIVED SINCE THE AGENDA WAS POSTED.
(Agenda Item No. 3)

Director Butow: We have this urgent item referring to this supplemental information in the General Manager's Report in regards to the possible approval to proceed with the engineering to eliminate the surge tank.

MOTION: Hear the urgent item as presented.

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

Director Pool arrived at 7:03 P.M.

In General Manager Koehler's absence, the Directors took a few moments to read the Supplemental Information he provided regarding a request received today from a party interested in purchasing the house next to the surge tank. This party stated that his offer to the bank will be contingent on the ability to remove the surge tank. GM Koehler further reported that at some time in the past, Green Valley Consulting Engineers in Santa Rosa had done a preliminary review and indicated that the functions performed by the surge tank could also be done by replacing it with a large Combination Air Valve (CAV) which allows air to

escape when the pipe is filling and allows air to enter if the pipe is suddenly de-watered due to a line break. General Manager Koehler further reported that the interested party should have to commit to paying for the actual engineering design, including a construction estimate to install a large CAV, to pay all design and construction costs, and to provide a utility easement and other additional details as outlined. He asked the Board of Directors to consider having him proceed with negotiations on behalf of the District, with this interested party.

Director Butow: As long as this party is required to pay for all this, and there is no cost to the District, I don't have an objection at this point.

Director Voegel: I think we ought to authorize the General Manager to go ahead and proceed with negotiations.

MOTION: Authorize General Manager Koehler to proceed with the negotiations as stated.

Voegel/Reuser Discussion CARRIED

AYES: Voegel, Reuser, Hallman, Pool, Butow

NOES: None

ABSENT: None

ABSTAIN: None

3. APPROVAL OF CONSENT CALENDAR. (Agenda Item No. 4)

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.

Voegel/Reuser Discussion CARRIED

AYES: Voegel, Reuser, Hallman, Pool, Butow

NOES: None

ABSENT: None

ABSTAIN: None

4. DIRECTORS AND STAFF REPORTS AND DISCUSSION OF NON-ACTION TOPICS. (Agenda Item No. 6)

Director Voegel: The "Using Water Wisely" Workshop is next Month. All the speakers are lined up. We also have eight (8) people who have requested tables so they can set up their presentations -- a table for greywater, for example, and there will also be some landscapers. The County Water Agency will bring their computer, projector and screen, and maybe even their p.a. system. Also, Dripworks from Willits and consultants and specialists from Ft. Bragg, Anderson Valley and Santa Rosa will be there. This will be held on Saturday, March 20th at the Redwood Valley Grange Hall. Postcard Notices will be mailed next week. A detailed Letter will follow the Postcard mailing.

Director Voegel: I spoke with Dave Jensen at County Environmental Health, who indicated that Chris at Planning & Building says that you've got to have a Building Permit for installing a greywater system. So I went to Planning & Building to obtain their requirements on greywater, and they said, Oh, we never do anything with greywater. We don't have regulations about greywater, we don't handle greywater, nothing.

One lady said to me, I've been here over 30-something years and I've never done it. So I got hold of Jensen again and said, Building & Planning says they don't have anything. So he said, Okay. Then he talked to Chris Warrick and sure enough, what they said is, "we don't regulate greywater, we just regulate the pipe." So, not the greywater, just the pipe it runs through. What he says is, "anything that goes through the wall or under the house, requires a permit." It's called a Counter Plumbing Permit, and they will inspect it, and it's \$84.66. Now this is from the Planning & Building Department, we don't know yet what Environmental Health will require because Dave hasn't finished reading the updated Rules & Reg's yet.

5. GENERAL MANAGER'S REPORT FEBRUARY, 2010. ACTION ITEMS. (Agenda Item No. 8)

A. District Operations.

Dir. Butow: Okay, now we have the Manager's Report on the state of the interior of pressure filter #1, which was originally installed in 1986. The original surface wash and piping is badly deteriorated and needs replacing. The interior of the vessel is badly rusted and must be recoated. The cost of removing the old system and installing a new stainless steel surface wash system and the EnduraFlex Coating, is \$36,659.92. This total amount also includes the amount of the previous quote which was for just the surface wash repair, but it does not include the media replacement.

Dir. Hallman: Just real fast, who did, I saw the one quote, but-

Dir. Voege: Well, that's the only quote. And the reason it's the only quote is Bill (GM Koehler), in fact, said he tried to get other vendors to quote and they asked who had been doing the work right along, and he said, 'ERS Industrial Services' and they said, We can't compete and we won't even try.

Dir. Reuser: So the lack of competitive bids is because nobody will do it; nobody will bid.

Dir. Butow: Yeah. Nobody else will do it.

Dir. Hallman: It's not to sound critical or anything, but Bill has a hard time getting competitor bids on a lot of things, this isn't the first time we've heard this information. I'm just wondering why, I mean, this has been a thing I've heard for years now, that, Oh, this is the only bid we got, or, We put it out to bid and we only got this bid back. I'm just wondering why he's having such a hard time getting bids.

Dir. Pool: Seems like something we should be talking about when he's here.

Dir. Hallman: Yeah.

Dir. Voege: Well the only one that I know about recently had to do with the surge tank overflow and it wasn't a question of where to get the competitive bids, it was a question of, there were two weeks to get it done!

Dir. Hallman: No, I'm just saying there have been other times. This has been ongoing.

Dir. Butow: From time to time we have approved a single bid when there was a time constraint. The last one, and I don't remember exactly when it was, when we approved a single bid mailing because we couldn't get anybody else to bid it. We did put it out to bid for 90-days and nobody came up with anything.

Dir. Hallman: I'm just saying, it's been an ongoing issue for me, things that we haven't been getting bids for.

Dir. Voege: Well, can we put something in there that says that we show three bids, or, the final bid, or sending something back saying "No Bid"?

Dir. Hallman: I would like to start seeing something, like I said.

Dir. Reuser: I think a part of our problem was location. There are a lot of underground companies that just don't go north of San Rafael.

Dir. Hallman: Well I know that Wednesday I was talking to a contractor who happens to be a friend of my Dad, and I was telling him, Yeah, we only got one bid back on this job, and it's huge. And he was like, Well, where was the information? Did he put it in the trade magazines? And I was like, I don't know where he put it. But anyway, for whatever reason, he's not getting bids back and I'd like that to change.

Dir. Pool: Well one question worth asking is, When we put things out to bid, do we put them out to the Builder's Exchange?

Dir. Reuser: Yeah, if you get it to the North Coast Builder's Exchange that's probably the best way to go.

Dir. Pool: Yes, because at the County we did that; and for some things we did it wider, too, but we always did at least that.

Dir. Hallman: And I don't think we did that with our FEMA project. I don't think that went to the Builder's Exchange.

Dir. Pool: I know; it bothers me, too.

Dir. Reuser: I know I'd at least like to see something saying either, 'We don't bid it.' or, 'Here is our \$\$ number.' Because one of the things that happens is that the next person is, if this guy is bidding \$5,400 and the next guy is bidding \$27,000, you really have to look at the person who's bidding \$5,000 and I think, can you do the work for that little?

Dir. Butow: Yeah, there are some guys that will do the work for the underbid and then want to have a cost adjustment later. A lot of guys operate that way, but in fairness to questions about all this, make a note of it so that at the next meeting we can bring it up and we can ask Bill about it or discuss it so we can make a policy change or decision as to how we want future bids. Because we can also get this business of, Well this friend of my Dad's, and this 'n that and the other thing; and the guy is quick to say, Well, I would have bid that, or, I could have bid that, when in actual fact he couldn't have because he wasn't qualified or whatever.

Dir. Hallman: Well I'm just saying that this contractor didn't even know about it, and I mean, that was a large job.

Dir. Pool: I know with the County projects, a lot of people-

Dir. Butow: Are you talking about the large FEMA funds where Granite Construction got the bid?

Dir. Hallman: Yeah.

Dir. Butow: We'd have to go back and review what the conditions were surrounding that.

Dir. Hallman: I'm just saying there were people that didn't even know about it.

Dir. Pool: One of the things I would hear when I was at the County is, people would say, 'I want to bid on jobs' but when it came right down to it, they didn't have the bonding capacity for our jobs when we had a bonding requirement. A lot of people can't make that.

Dir. Reuser: I think if we add a little more clarity to the process, it wouldn't hurt.

Dir. Butow: Yeah, just to say 'Well, we did it' and then Bill can come back and say, 'Well, I disqualified so and so bidder because he doesn't have the equipment or capacity or whatever and he planned on subbing it out to someone else.

Dir. Hallman: Like I said, at this point I'm trying to think of the last time that we even had more than one bid to look at, and it's been a while.

Dir. Butow: Well it's something to think about and when we have the bids come up or a job comes up, we can just do it.

Dir. Hallman: I think the solar panels were the last time that we had more than one bid; and we've done a lot since then.

Dir. Butow: Primarily the FEMA project with Granite Construction is probably the biggest one and then of course if an emergency comes up – that's something we don't have control over.

Dir. Hallman: That's different. I'm just saying-

Dir. Butow: That's when you just hope you've got somebody quickly to get you where you're going.

Dir. Butow: Okay, now, I'll entertain a Motion to approve the bid for filter recoating and surface washer repair in the amount of \$36,659.92.

Dir. Voegel: In terms of bidders, how do you want this to go?

Dir. Hallman: You know what, I voted No on the overflow, as you remember, because it didn't go to bid and I would actually vote No on this as well, just on that principle.

Dir. Butow: You're just voting No on that principle and not in regards to the repair situation?

Dir. Hallman: Yeah.

Dir. Voegel: Okay, what would be the alternative at this point? I mean, Bill is going to be back on Monday. Would a description of who the other companies that were contacted and chose not to bid, be sufficient or do you want something in writing?

Dir. Hallman: I think I would like something from the people saying that 'We won't bid at this time.'

Dir. Reuser: Well I don't think that is a bad thing to keep on file for a couple years, just in case there are ever any accusations that we're doing anything out-of-sorts here.

Dir. Butow: I'm still entertaining a Motion.

Dir. Voegel: I think we ought to do something tentative which basically says, We approve this, given that-

Dir. Reuser: it is the low bid or only bid.

Dir. Pool: Subject to-

Dir. Voegel: Yeah, subject to knowing that other bidders turned it down.

Dir. Pool: Subject to documentation that other bids were diligently sought and that no more bidders stepped forward.

Dir. Butow: Yeah, if Bill called so-&-so and they deferred to ERS because they wouldn't be able to match the cost or the bid.

Dir. Hallman: I know that Bill corresponds by email; so, an email, anything.

Dir. Voegel: I think that's fair.

Dir. Pool: Or even a memo that documents a telephone call, who Bill talked to at the companies; that's fine.

Dir. Hallman: Like I said, it's been on-going. It's something that I have brought up before.

MOTION: We tentatively approve this Bid from ERS Industrial Services, Inc. in the amount of \$36,659.92, subject to confirmation that other bidders were contacted and chose not to bid.

Voegel/Hallman Discussion CARRIED

AYES: Voegel, Hallman, Pool, Reuser, Butow

NOES: None

ABSENT: None

ABSTAIN: None

Dir. Reuser: If you guys don't mind, I'll pass this along to a group I'm working with right now that is a large, national company that does this stuff.

Dir. Hallman: Like I said, I'm really feeling like we need to get competitive with our bids. I really really like Bill but I just feel that's an area that's a little weak.

Dir. Butow: Well, each one has to be considered on its own merits, but your points are well taken. If nothing else, if all that we can get is a single bid, there must be some documentation supporting why we are just going to go with a single bid.

Dir. Butow: Okay, now let's go on with the General Manager's Report.

C. Surge Tank

Dir. Voegel: I asked Bill (GM Koehler) about the preliminary Hearing in Sacramento and it turns out the meeting was cancelled. As to the overflow issue, we don't know yet whether or not we will be Fined.

Dir. Reuser: Everything is kind of pointing towards 'No', though; right?

Dir. Voegel: Yeah, but basically he is saying, unless the Regional Board issues a Fine, we will not incur any costs. At this point it turns out, and I didn't write down the name of the guy, but apparently the guy in Sacramento is not paying attention. The local Regional Quality Control group is apparently going to say, Hey look, they did it ahead of time, what are you talking about? So, the people in the agency themselves are-

Dir. Butow: Are messing around.

Dir. Pool: You know, that brings up a point that I think is worth mentioning. When I worked for the County I had quite a bit of dealing with the Regional Board. I never dealt with Sacramento and since I've been hearing the water issue, all I hear is Sacramento – and it's a hundred per cent bad, and it keeps getting worse. In my experience with the local Regional Board, it was excellent.

Dir. Voegel: That apparently is the deal, the local Regional Board people are saying, It's a done deal. And I guess the theory of a Fine, was to get you off your butt and make you do something.

Dir. Butow: Right. And so we did.

Dir. Pool: Long before they had to decide the issue of whether to Fine, we had it done!

Dir. Voegel: We had it done.

Dir. Butow. Okay. And now we'll move on to the GM Report that the variable frequency drive continues to intermittently fail. Bill mentioned last month that he was having trouble with it. It was installed in 1992 and it isn't cost effective to repair. The newer vfd's are much smaller, cheaper and more efficient. Bill is requesting approval to replace the vfd at a cost of \$6,300 which includes installation.

MOTION: Approve replacement and installation of the variable frequency drive at the cost of \$6,300.

Pool/Reuser Discussion CARRIED

AYES: Pool, Reuser, Voegel, Hallman, Butow

NOES: None

ABSENT: None

ABSTAIN: None

B. SRF Funding.

Dir. Butow: As previously approved by the Board, the General Manager did not continue with the loan application for SRF Funding.

D. Change of Place of Use Protest.

Dir. Butow: General Manager Koehler reports that our legal counsel has responded to the one Protest to our Petition. We have agreed to the standard conditions requested by Sonoma County Water Agency and expect to enter into an agreement with them to drop their Protest.

Member of the public, Mr. Beck, left the Meeting at this time.

E. Pinecrest Well.

Dir. Reuser: There is absolutely positively no new news on the Pinecrest well. It didn't even get brought up at the last Meeting because of the funding issues. I think it is just so far out of the reality right now. We've been pushing their attorney to keep dealing on this issue, but he pretty much said, Move along guys, give us a break here. So with the closing of two schools, they don't have time to even think about this matter.

Dir. Voegel: Well the thing that concerns me is that there is a fair bit of agitation with the budget constraints. The school might have to sell that property because they are hurting.

Dir. Hallman: There are a lot of people that are complaining that they are holding on to that property and some people are even accusing them of doing it for reasons other than education.

Dir. Butow: Are you talking about the school itself or the outdoor education property?

Dir. Hallman: They are accusing the UUSD (Ukiah Unified School District) of holding on to that property instead of selling it, for -

Dir. Pool: speculative reasons. I've heard that complaint.

Dir. Hallman: Yes, and it's getting louder. But the thing is, that there are people who don't believe they should hold on to that property when they can't even keep the schools open.

Dir. Butow: Well that was talked about even before they built Eagle Peak, and they were saying, why are you going over there and buying more property when you've already got this property already that was set aside for you? And I believe that the guy donated that property to the school for a dollar or something, provided that it was to be retained for school use, and that it could revert back to the estate if it was being used for something else.

Dir. Hallman: I don't know any of that. I just know the School Board has a lot going on right now.

Dir. Butow: Well, because when they built Eagle Peak, immediately that other property became an outdoor resource, kids-in-the-woods deal.

Dir. Pool: I think they also have an anonymous endowment that largely pays for that program.

F. Lake Level.

Dir. Butow: The General Manager's Report indicates that the lake reached the conservation pool level, 78,400 acre-feet, in early February. The Corps of Engineers is releasing enough water to prepare for future storms and starting March 1st, the conservation pool will be raised daily until it reaches 87,400 acre-feet at the end of March. It is also reported that Sonoma County Water Agency has asked that the lake be operated at 761' instead of 748'.

G. Cryptosporidium Testing.

Dir. Butow: GM Koehler reports that the District may be below the new threshold level being reviewed by the E.P.A.

6. FINANCIAL REPORT. (Agenda Item #9)

The Financial Report was reviewed.

MOTION: Approve the Financial Report as presented.

Voege/Reuser Discussion CARRIED

AYES: Voege, Reuser, Hallman, Pool, Butow

NOES: None

ABSENT: None

ABSTAIN: None

7. LOCAL AGENCY FORMATION COMMISSION OF MENDOCINO COUNTY – LAFCO.
(Agenda Item No. 10)

Dir. Butow: At the last Flood Control District Meeting, they endorsed the nomination of Richard Shoemaker as a Commissioner on the Local Agency Formation Commission.

8. INLAND WATER & POWER COMMISSION. (Agenda Item No. 11)

Dir. Butow: I was sick and couldn't attend the IW&PC Meeting. I'll turn the reporting over to Director Voege as the IW&PC Alternate Commissioner.

Dir Voege: The most interesting thing that happened was the election of officers, and Don Butow is now Vice-President of the Inland Water & Power Commission.

Also, after many years, Steve Quisenberry is no longer Legal Counsel for the Round Valley Tribes. We don't know any details.

The IW&PC is sending a letter to FERC talking about changing the water storage curve in Lake Pillsbury. Sonoma County Water Agency now has an Acting Manager; his name is Grant Davis.

The growers in Sonoma County had a meeting with the Corps of Engineers and apparently most of the discussion had to do with Lake Mendocino rather than Lake Sonoma and Mike Dillabough was there. Of all the Corps of Engineers people, he is the straightest shooter and easiest to understand and he really tries to work with you. He said a couple of interesting things. One of them was, somebody asked him why they don't just dredge Lake Mendocino. He said, Well, there is 7.2 million cubic yards of sediment in Lake Mendocino and it would cost \$200,000,000 to dredge it, if you had a place to put it.

Dir. Reuser: And that's just to get it out.

Dir. Voege: To get it out. So, it ain't gonna happen. I mean, it would be cheaper to dig another hole in the ground.

The comments regarding D1610 have an incredibly short lead time, they need to be sent out by March 1st and if any of us have any comments about D1610, we can act.

I also went to the Millview CWD Meeting. For what it's worth on the Hill & Gomes thing, it's now in the hands of the SWRCB, which we know grinds slowly, if at all. It's not clear how long that is going to take, or what the outcome is going to be. Apparently Tim, the GM at Millview, got really savaged by the attorney at the State. But then the State guy apparently kept insisting that they didn't have any Rights and even when it was read to him that there was a Pre-1914 Right there, he kept insisting that wasn't true.

Dir. Butow: This was the State's attorney?

Dir. Voege: Well, he was a guy from the SWRCB. Apparently he got very irate and antagonistic about it. The comments that I heard at Millview about it were basically, Boy, I'm glad I wasn't in his shoes. The State

guy kept pushing his Party Line, even though it was obvious that it wasn't correct. So we'll see; everything is up in the air. That's it on the IW&PC.

Dir. Butow: Okay. Was anything said about a rumor I heard about them possibly putting a pipe in Lake Sonoma and running it up over the hill there, in to Cloverdale?

Dir. Voegel: Yes. Thank you. That also came up. They are talking about tapping the back of Lake Sonoma and then going in. I asked Sean about it because they're talking about this Biological Opinion that says you get 25 cubic feet per second, saying, If you put the outflow from Lake Sonoma into the stream don't you get more than 25 cubic feet per second? And he said, Well no, it's big enough down there, you don't have that. So I don't know how much they're going to pump, because it can't be more. It's not clear how they're going to manage that Biological Opinion.

Dir. Pool: To go to Cloverdale, are they talking about going over the old County **correction: Kelly** road right-of-way?

Dir. Reuser: No, there are two. There would be either Hot Springs Road or Dry Creek Road. Dry Creek Road is probably only for 8 miles. I think it's probably about 15 miles out the County Road. A family bought that road from the Corps.

Some discussion followed about roads in the area.

Dir. Voegel: Apparently it's all downhill.

Dir. Reuser: It is.

Dir. Voegel: So, it doesn't even require any pumping except to get up the hill from the Lake.

Dir. Pool: That sounds a lot more promising than trying to go through the Dry Creek proper.

Dir. Voegel: Yeah, and they're not going to mitigate the Dry Creek, either.

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

Dir. Pool: The big topic there was this letter that Devon Jones wrote. I have a copy here.

Dir. Butow: Oh yeah, they're still talking about this frost protection issue and this is the one where the SWRCB wanted them to turn over the names of all the people along the river, and they said, hey, wait a minute, if the guy is a legal diverter, you already have the paperwork sitting in your files; and we don't know who any illegal ones are.

Dir. Reuser: Was that letter from the State delivered to Fetzer or to the Farm Bureau?

Dir. Pool: The request was delivered to Dave Koball at Fetzer.

Dir. Reuser: Yeah, that's what I thought. It went directly to one person, saying, Turn your neighbors in.

(Note: Quite a bit of 'over-talk' ensued. Everyone spoke at once; nothing clear on the tape.)

Dir. Voegel: So then the next thing that Vicky Whitney (SWRCB) did, she went to URSA and basically said, Oh, well, if we can't get all the people, you just give us the people who are members of your organization.

Dir. Reuser: So we're not going to go after the illegal people, we're going after the people that are doing the right thing.

Dir. Butow: And all of these guys whose names are on this list -

Dir. Reuser: are dead men walking. There's no other way about it.

Dir. Butow: That's what happened to Bob Parker and me when we told them that No, we weren't going to absorb all the ag ponds in Redwood Valley into the Water District system. Two days later we each received a giant packet saying our ponds are illegal.

Dir. Reuser: Well that was a pretty bold move for all those folks to sign that response letter, but that's what we need.

Dir. Voegel: She's out of control.

Dir. Butow: Yeah, and it's getting worse.

Dir. Pool: It's clearly not about her doing the job that Statute says she needs to do, because, even when property owners are moving heaven and earth to do the things the Statute wants done, she's still, you know, it's all about winning.

Dir. Reuser: And you know, it puts Fetzer in a really bad position because when their neighbor does get busted, here's Fetzer. You know, their name has been attached to this, no matter how much they protest and say they're not going to do it. It's really a pretty underhanded move.

Dir. Voegel: Oh yeah, it is.

Dir. Pool: Sleazy.

Dir. Voegel: Sleazy. That's right.

10. SONOMA COUNTY WATER AGENCY. (Agenda Item No. 14)

Dir. Butow: It's already been reported in this meeting that the Agency has a new Acting Manager.

Dir. Voegel: The dust hasn't settled yet.

11. STATUS REPORT OF PLACE OF USE ISSUES. (Agenda Item No. 16).

Dir. Butow: This matter is still on hold.

The Meeting ended at 8:10 P.M.

The next Regular Meeting is Thursday, March 18, 2010 at 7:00 P.M. at the Water District Office, 2370 Webb Ranch Road, Redwood Valley, California.

Correction Page 10: Kelly Road

MINUTES APPROVED AS CORRECTED: Board of Directors

DATE APPROVED: April 15, 2010

SIGNED: Linda Groth
Secretary, Board of Directors