

REDWOOD VALLEY COUNTY WATER DISTRICT
2370 Webb Ranch Road
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Redwood Valley CA 95470
(707) 485-0679

MINUTES
Regular Meeting
Board of Directors
Thursday, May 21, 2009

Directors Present: Donald E. Butow, Hal Voege, Granville Pool, Jeanette Hallman
Directors Absent: Merle D. Reuser
Staff Present: General Manager Bill Koehler
Office Manager/Secretary to Board of Directors, Linda Groth
Members of the Public: Roy Beck, Will Carson, Jack Spilman, Roger Butler

CALL TO ORDER: 7:00 p. m. by President, Board of Directors, Donald E. Butow.

1. ROLL CALL.

Granville Pool, Director
Hal Voege, Vice-President/Director
Jeanette Hallman, Director
Donald E. Butow, President/Director

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.

During review, it was noted that any District funds spent on FEMA projects during 2009 have not yet been reimbursed.

After review, a Motion was made.

MOTION: Approve the Consent Calendar as presented.

Voege/Hallman Discussion CARRIED

Ayes: Voege, Hallman, Pool, Butow

Noes: None

Absent: Reuser

Abstain: None

5. APPROVAL OF MINUTES AS PRESENTED.

Minutes of the April 16, 2009 Regular Meeting were presented.

Correction at Item #9: Correct the spelling of Poole, to Pool.

MOTION: Approve Minutes of April 16, 2009, as corrected.

Hallman/Pool Discussion CARRIED

Ayes: Hallman, Pool, Voege, Butow

Noes: None

Absent: Reuser

Abstain: None

Minutes of the May 4, 2009, 6:00 p.m. Special Meeting were presented.

Correction: (Page 1, 1st paragraph)

Change: City of Ukiah, to: County of Mendocino

Correction: (Page 2, 4th paragraph)

Replace whole paragraph, to say:

General Manager Koehler reported that he contacted 90%-95% of our ag customers. Many of them have no ponds and many of our customers with ponds said there is no point in giving them water unless a frost event is eminent because their ponds are unlined.

Correction: (Page 2, 9th paragraph, 2nd sentence)

In middle of sentence, change word: tables, to: sources

Correction: (Page 4, last paragraph, 2nd sentence)

At beginning of sentence, insert:

General Manager Koehler said,

Correction: (Page 4, last paragraph, 3rd sentence)

Replace the figure: 20,000, with the correct figure: 2,000

MOTION: Approve Minutes of May 4, 2009, 6:00 p.m., as corrected.

Voege/Pool Discussion CARRIED

Ayes: Voege, Pool, Hallman, Butow

Noes: None

Absent: Reuser

Abstain: None

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

GM Koehler announced that the Round Valley Tribal settlement is no longer on the table; it has been pulled. The unity of the various tribal groups is a thing of the past and that original proposal is gone. A similar proposal may come in the future.

Directors Voege and Pool explained that there has been a controversy, forever, about the tunnel that goes from the Eel River to the Russian River and on to Lake Mendocino. Both NMFS (National Marine Fisheries) and FERC were looking at a reasonable improvement settlement. The 'Friends of the Eel' group fought it tooth and nail, and got it stopped. The Round Valley Tribe proposed changing the storage curve so that it is realistic, and in return for that, there are some things they want.

GM Koehler said the storage curve in Lake Mendocino is based upon elevation above sea level; the storage curve in Lake Pillsbury is based on volume, with no real accommodation for the fact that it has lost volume due to silt. Consequently, it's based on a volume that cannot be attained.

Will Carson said that his interpretation of this is, the Tribes that are in favor of it would be butting their head against the wall forever if they try to proceed with anything. The only way that you could establish a rapport among the different factions is for the ones that want to go ahead, to step back, and establish a common understanding. And then once they satisfy and pacify, and eliminate a lot of the frustration, then they can begin again. Mr. Carson added that he really doesn't see where the Tribes that are having to say, o.k. we can't go any farther, had any choice but to say, Let's just take a time out. We'll start back on it again.

Director Butow said that what was going to come out of it, was reasonable usage of the water without negatively impacting the downstream users of the Eel River. Historically the folks on the Eel River don't feel that any of the Eel River water belongs to the folks in Mendocino County. They want the Eel given back to its original flows, which supposedly will rejuvenate the salmon industry, etc., etc. They refuse to recognize the right of origin of Lake and Mendocino Counties on that branch of the Eel River. That watershed in that branch of the Eel is just as much Mendocino County's as the watersheds in Cold Creek and Potter Valley. The other thing people don't understand is that that Permit to transfer water into the Russian is through an electrical generation permit, not a water diversion permit. Should PG&E decide to abandon that project, that water would be shut off. There would be no way, other than a Filing on that water at that particular diversion, for an appropriate water right.

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

a. Director Butow said we're going to have to appoint a committee regarding rates. GM Koehler explained that SCWA water costs \$40 per acre-foot more than FCD water; and that each new fiscal year, the SCWA price goes up 3%-5%. Director Butow added that in general, with reduced water sales and with purchasing more expensive water, we suddenly have a very small margin of funds for District operation and maintenance. He also noted that the recent issue of the ACWA magazine reports that Governor Schwarzenegger can borrow tax money from California Special District's.

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

A. District Operation.

Granite Construction Company has begun the canyon crossing repair project.

B. Conservation Issues.

GM Bill Koehler said he, along with Supervisor Carre Brown and MCWA General Manager Roland Sanford will be meeting as a Committee on May 28, 2009 so they will be ready for the June 2, 2009 Board of Supervisors meeting. This is a standing Committee, per the Agreement with Sonoma County Water Agency, in compliance with the Brown Act guidelines, and the public is welcome to attend. The official title of the Committee is Mendocino Water Conservation and Fishery Advisory Board.

He said the District needs to figure out what we're going to spend the \$47,000 on right now; it has to be either conservation or else fishery habitat improvement. To date, it has been generally agreed to spend it on conservation measures. The first step for serious domestic conservation is getting the water audits going.

The water audit at both public schools revealed their conservation efforts leave very little left to be implemented. Aside from some minor items inside the school, the one area of improvement needed is the turf watering procedure for the playgrounds. GM Koehler has requested that the School Board come up with a proposal to retrofit the irrigation systems for the playing fields. He is suggesting they look at "smart controllers" that sense the moisture in the ground and actively communicate with weather satellites and will turn the sprinklers on and off only as needed, resulting in the schools using a lot less water. He doesn't expect to spend more than \$1,000 on the two schools combined. Although the Governor has prohibited commercial turf watering, this is an exemption because this is turf that is used actively. There is a proposal from the County Facilities Manager for activating the existing well at Lions Park and getting the park off of the District delivery system. Director Pool expressed concern that the well should be tested to determine if it can really deliver for Lions Park, so that they won't come back later in the year, saying they need water. GM Koehler will get back to the County for confirmation.

The SWRCB insists we do more than talk about doing something to deal with the river level dropping during frost protection. The Emergency Declaration with the Temporary Urgency Petition to the SWRCB, cannot be repeated. The Committee will recommend a new USGS stream gauge in the upper Russian River at the Perkins Street Bridge. The USGS approves this site; it is easy to access, with the location having a tight cross section. Currently the nearest stream gauge is in Hopland, which is some 14-16 hours down-river. The next real gauge is in Healdsburg, which is about 2-1/2 days downstream from the Lake. A new stream gauge would cost \$27,500 and it will cost \$21,000 per year to run it. The intent is to put in the gauge and then give it to SCWA, as they are ultimately the regulators of the flow coming out of the dam. This will provide SCWA with real measurements, rather than having to ramp up and ramp down. This is the key piece to regulating the withdrawals from the river, and the more we can regulate the withdrawals from the river, the more stays in the Lake.

General Manager Koehler asked the Board to give him a vote of confidence for proceeding with the Lions Park, the playgrounds at the two public schools, the minor items for the inside of the 2 public schools, the 25% share of the USGS stream gauge, and then start setting up to go to the water audit. All of that spends, maybe, 1/3rd of the total money we have for this year. The water audit will tell us what we need to be spending the money on, in line with the California Urban Water Management Council's Best Management Practices.

MOTION: Authorize General Manager Koehler to proceed with the projects he has outlined.

Voege/Hallman Discussion CARRIED

Ayes: Voege, Hallman, Pool, Butow

Noes: None

Absent: Reuser

Abstain: None

Member of the public, Roger Butler asked questions about the management of the currently requested 60-gallons-per-person-per day for water rationing. He was told that all of this is under review and the intent is for the community as a whole to maintain a satisfactory level of conservation. And right now, the overall Redwood Valley customer base is conserving.

Mr. Butler thanked the Board for the good job they are doing, and left the meeting at 8:30 p.m.

C. SCWA Surplus Water Purchase Agreement.

The 5-year Renewal of the Joinder in the November 15, 2005 Agreement for Sale of Surplus Water was presented. This agency agrees to an additional 5-year renewal period of the Agreement, being November 1, 2009 through October 31, 2014, and continuing to be subject to the water conservation and management requirements of the Agreement and continuing with participation in the Mendocino Water Conservation and Fishery Advisory Board.

MOTION: Authorize Board President Butow to sign the Renewal on behalf of Redwood Valley County Water District.

Voege/Pool Discussion CARRIED

Ayes: Voege, Pool, Hallman, Butow

Noes: None

Absent: Reuser

Abstain: None

D. Future Ag Terminations.

The Directors discussed whether or not the Board Action taken at the May 4, 2009 Special Meeting at 6:00 p.m. would be policy during future drought conditions, or if it needs to be modified. During discussion, Director Voege reminded everyone that there is a climate phenomenon going on and that weather patterns are changing from the past. This will have an impact on water usage. Member of the public, Jack Spilman was concerned that his vineyard wasn't planted until after the 2004 look-back period. The Directors want to be fair to all the District customers. The General Manager will review this type of situation on a case-by-case basis.

The May 4, 2009 Motion will not be modified at the present time. It was also noted that a letter will be going out to the ag customers within the next two weeks, emphasizing the need for the ranchers to review their farming practices and consider building off-stream storage for drought years such as this.

E. Annexation to Russian River Flood Control District.

Several years ago the District received a detailed letter from legal counsel, outlining the steps to be taken in the process for annexation into the Flood Control District. There were also opinions expressed by legal counsel, which referred to past practices of the FCD that have since been resolved, and do not apply to the current operation of the FCD. GM Koehler said he recently spoke to Sean White at the Flood Control District and told him about the letter. General Manager White had already suggested to Redwood Valley that some of those same steps as outlined, be taken in preparation for potential annexation.

BREAK: 9:17 p.m.

Director Hallman left the Meeting during Break.

RECONVENE: 9:40 p.m.

9. FINANCIAL REPORT.

- a. Discussion and possible action.

After review and discussion, a Motion was made.

MOTION: Approve the Financial Report as presented.

Voegel/Pool Discussion CARRIED

Ayes: Voegel, Pool, Butow

Noes: None

Absent: Hallman, Reuser

Abstain: None

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

- a. Discussion and possible action on LAFCO topics.

11. INLAND WATER & POWER COMMISSION.

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

Director Voege reported that apparently Lake Pillsbury has been overflowing, with just a small portion of overflow actually going to diversion. He also said there is still a big question about how David Doak spent the IW&PC money.

Director Voege said there has been a third director of the Hopland Utility District to recently resign. That same director also sat on the LAFCO Board, so there is an additional Board opening that will have to be appointed.

Will Carson said that Millview CWD cannot use their traditional water right. In 2000, the Department of Health put Millview on moratorium, stating that their existing contracts with the Flood Control District are not a firm enough supply. And when Millview challenged the SWRCB, about three weeks later a letter came in from the State, saying Millview didn't act in a timely manner in renewing their Main Water Right. In theory, the Flood Control District would supply Millview. The draft Cease & Desist Order leaves Millview with only Flood Control District water to use; and now the FCD has to cut back 50%, which is very hard for Millview.

After further comments, GM Koehler said the IW&PC members are looking to approve the Feasibility Study. At the current level of funding, it will be a 10-15 year study. He also said the status of the renew/get back in Agreement is not progressing. He noted that this will be the second annual payment that RVCWD has not made.

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.

GM Koehler said the new contract water rate with the Flood Control District is \$97.00 per acre-foot.

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

Director Voege reported that County C.E.O. Tom Mitchell is objecting to the Emergency Declaration at this time. Although Redwood Valley CWD and Millview CWD responded immediately, the other water agencies did not. If the emergency declaration lapses, the SWRCB will have to look at it differently and could allow for more outflow from the Lake.

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.

GM Koehler said the contract renewal process for the Agreement for Sale of Surplus Water will be getting started.

Also, the Committee will be meeting to develop information for its presentation to the Sonoma County Water Agency for their approval, as is required before expenditures from the Contract Fund can be made.

15. STATE WATER RESOURCES CONTROL BOARD.

- a. Updates and possible action.

GM Koehler reported that inspectors from the SWRCB will be here June 22nd and 23rd.

16. STATUS REPORT OF PLACE OF USE ISSUES.

- a. Updates and possible action.

Nothing new to report.

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

- a. Updates and possible action.

Nothing new to report.

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

There is free training today through Rural Communities Assistance Assoc.

The Meeting ended at 10:30 p.m.

The next Regular Meeting will be held at 7:00 p.m. on Thursday, June 18, 2009 at the Water District Office, 2370 Webb Ranch Road, Redwood Valley, California.

APPROVED: Board of Directors

DATE: June 18, 2009

SIGNED: Linda Groth
Secretary, Board of Directors