

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

MINUTES
Regular Meeting
Board of Directors
Thursday, September 15, 2011

Directors Present: Donald E. Butow, Hal Voege, Granville Pool, Merle D. Reuser
Directors Excused: Jeanette Hallman
Staff Present: Bill Koehler, General Manager
Linda Groth, Board Secretary/Office Manager
Others Present: Jack Spilman; also, Pam Ricetti arrived after the meeting began

CALL TO ORDER: 7:02 P.M.

1. ROLL CALL.

Hal Voege, Director
Granville Pool, Board Vice-President
Merle D. Reuser, Director
Donald Butow, Board President

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

Member of public, Jack Spilman expressed support for using a heavy duty truck to tow any heavy equipment that might be needed for various jobs from time to time.

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

Nothing submitted.

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.

After review, a Motion was made.

MOTION: Approve the Consent Calendar as submitted.
Pool/Voege Discussion CARRIED
AYES: Pool, Voege, Reuser, Butow
ABSENT: Hallman
ABSTAIN: None

5. APPROVAL OF MINUTES AS PRESENTED.

The Minutes of August 18, 2011 were presented.

It was noted that on Page 3 (the County D.O.T. bridge replacement project on School Way in Redwood Valley), the Minutes state that the current cost projection for the Water District to relocate its domestic and irrigation water transmission mains, is now \$350,000.

The Directors acknowledged that the original cost projection of \$250,000 was likely 'too conservative'.

MOTION: Approve the Minutes of August 18, 2011 as presented.

Voegel/Pool Discussion CARRIED

AYES: Voegel, Pool, Reuser, Butow

NOES: None

ABSENT: Hallman

ABSTAIN: None

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

None.

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

ACTION ITEMS.

a. Conservation, other than in GM Report.

Nothing submitted.

Member of the Public, Pam Ricetti arrived during the discussion of the General Manager's Report and Action Items.

8. GENERAL MANAGER'S REPORT AND ACTION ITEMS.

a. District Operations.

The District is operating normally except for the unusually high number of leaks that had to be repaired.

b. School Way Bridge.

During the past month, we installed 4 isolation valves on School Way, in preparation for the County D.O.T. project. We will be able to use these new valves to isolate both the domestic and irrigation mains to determine if we have adequate supply without installing a temporary bypass. If we don't need a temporary bypass it will save a considerable amount of money including the additional 8 valves that have no other use besides the bypass itself. The field crew worked a lot of overtime installing the valves because once the mains were cut, we had to finish it the same day.

We also relocated the fire hydrant to a new spot that will allow it to remain in service during the D.O.T. work. In addition, we plan to relocate three domestic services so that they will not need to be turned off when the new water lines are installed.

c. Surge Tank Overflow.

GM Koehler met with Fish and Game and the Regional Water Board on August 31st. Unfortunately they are requiring \$62,000 in mitigation that was not included in the agreement with Granite. The confusion about the payment stems from the complicated way Fish and Game calculates the need for mitigation. Our assumption was that the additional repairs to the former illegal dump site would compensate for temporal loss of habitat on the West Branch. Although we spent enough money, the calculation of actual damage to the ephemeral tributary was only assigned a value of \$22,000 so that is the only credit we can claim. The Mendocino County Resource Conservation District will be the agency assigned to selecting a mitigation project. One alternative method of payment would be to use funds already set aside to pay SCWA for water, as 'habitat improvement' is one of the allowable costs per the agreement. GM Koehler spoke with the director of the RCD and requested that projects be selected that meet the conditions of the agreement, and would basically be in the area of the West Fork that is north of Highway 20. In addition to the \$62,000 there will also be some amount of direct costs that will be invoiced by Fish and Game, probably less than \$5,000. This is, however, the end of the matter according to the written Clean Up and Abatement Order.

Director Reuser asked if there is any monitoring attached to this, for example, for the next 5 years. GM Koehler stated that once we write the check to the RCD, they will take over the project. He clarified, Rau & Associates will put together the total package that all the agencies will 'sign off' on. We will write a check for \$62,000 to RCD. GM Koehler specifically asked Fish and Game point-blank: We sign the check for \$62,000 and give it to RCD, are we done? The answer was: Yes.

GM Koehler continued, there are three ways we can pay for this, 1) have our insurance company pay; this would definitely affect our rates. 2) we could pay one half and tell them to charge Granite for the other \$31,000. 3) GM Koehler would have to work very hard to get SCWA to finally accept that this is a valid project in our agreement with them.

Director Reuser expressed displeasure in the way Fish and Game has handled this. We thought we were done, and on that basis we settled with Granite. Then 1-1/2 years later, Fish and Game says we owe another \$62,000! Very unfair.

Director Pool suggested that we think about writing a letter of protest to the regional higher-ups of both Fish and Game, and Water Quality, explaining why we think this is unfair. Try to make a case that they haven't treated us fairly--

GM Koehler interjected, Including assigning the blame to us because they couldn't even figure out whose fault it was in the first place. As it was, Granite clearly admitted that they had manipulated those valves - and in the contract with us, it clearly stated that they were not to, under any circumstances, manipulate those valves.

Director Pool stated that we've done everything that we felt we could do to respond, to be responsible, and to do what they asked us to do. Then they come after the fact, when it appears we have no recourse, and they change the game.

Consensus of the Board is yes, GM Koehler should write the protest letter and lodge the complaint as discussed.

President Butow suggested that when GM Koehler has his talk with SCWA, to also mention this situation and then suggest that this is a valid project in our agreement with them.

d. Tire Bark.

Confirmation has been received. The final progress payment to the District is being processed in the amount of \$8,549.90.

e. Water payment to Flood Control.

GM Koehler met with GM White (FCD) and reviewed Redwood's points of concern on the FCD annual billing. It was established that none of the legal fees listed were for the FCD mitigation against Millview. It was further established that the costs for both purchasing and installing meters, will be recalculated. A refigured invoice will be submitted and Redwood will pay it, minus the \$30,000 advance we already paid to the FCD.

f. Coyote Valley Dam report.

The 10-page "Quality Control Certification/Completion of Quality Control Activities – Hydrologic and Hydraulic Modeling of Coyote Valley Dam for With and Without Failure of the Dam" report was reviewed. The last paragraph on the first page says: The PMF (Probable Maximum Flood) event would reach an elevation of 787.3 feet. GM Koehler commented that 787.3 feet is 2.3 feet higher than the top the District's caisson. So this figure is either a typo or they are supposing that the dam has already been raised. It's one-or-the-other. GM Koehler has asked Sean White to bring this up when Sean goes to San Francisco in the near future to meet with the U.S. Army Corps of Engineers.

9. FINANCIAL REPORT.

The financial report was reviewed and discussed.

10. LOCAL AGENCY FORMATION COMMISSION.

Nothing to report.

11. M. C. INLAND WATER & POWER COMMISSION.

Because members of the public in attendance, Jack Spilman and Pam Ricetti have Filed as candidates to run for a seat on the Redwood Valley CWD Board of Directors in November, President Butow asked Director Hal Voegel to provide some background on this agency for their information. Director Voegel stated that for years the IW&PC has been saying that it would be a terrible thing if that tunnel between the Eel River and Potter Valley ever got closed. Well, there is an organization originating out of Marin County called Friends of the Eel River, which is actually 'enemies of that tunnel'. Their goal is to do whatever it takes and to spend whatever amount of money it takes, to close down that tunnel and have the dams removed.

Director Voegel said he has been stating for several years that the IW&PC should do something to rebut the falsehoods and inaccuracies being publicized by that organization. And back in January he urged the IW&PC to hire a PR consultant, and to go get our side of the story out there. It took until June, but the Commission did come up with 'seed money' and they hired a consultant named Paige Poulos, who is highly qualified, and who actually lives in Potter Valley. Director Voegel continued reviewing the facts. The 'Friends of the Eel River' is stating that 116-million acre-feet of water goes down the Russian, and this in turn, de-waters the Eel. Director Voegel felt that we should find out just how much water does go out of the mouth of the Eel. He and Supervisor Carre Brown, who is serving as a Commissioner on the IW&PC, have done some research and there is now a list of points for Consultant Poulos to pursue in obtaining the true facts, including what the effect on this side of the divide would be, without that tunnel, and then getting that information publicized.

President Butow said that one of the main purposes of the Inland Water & Power Commission is to work to protect the diversion through Potter Valley into the Russian River. This diversion feeds the Russian River for all the downstream users, including Marin County. He added that Lake Sonoma near Healdsburg has the physical capacity, without any additional rainfall, to provide 3-years of water.

Unfortunately, because of new laws that have been passed since that dam was built, the Dry Creek cannot be used as a conduit to get any of that Lake Sonoma water into the Russian River.

Director Voegel stated that Relicensing of the Eel River is coming up in 2022 and the Friends of the Eel River is looking for half a million dollars for legal, to fight it. So if we don't get a groundswell of public opinion and some financial backing from the cities and agencies that benefit from water out of the Russian River, we're all going to be in a world of hurt.

12. MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL & WATER CONSERVATION IMPROVEMENT DISTRICT.

President Butow reported that when he and GM Koehler attended the recent FCD meeting, their Board approved their Resolution 11-02, honoring well-known and well-respected City of Fort Bragg Councilman, Jere Melo, who was a recent murder victim of a deranged gunman. President Butow and GM Koehler support the RV Board of Directors preparing a similar document, one copy of which will go to Mr. Melo's widow. President Butow and Director Reuser spoke of their personal interaction with Jere Melo on various matters in years past and their tremendous respect for him. Director Reuser offered to work on the preparation of a Resolution for the RV Board. All members agreed that they will sign the finished document as soon as it is prepared, and then it will be delivered.

GM Koehler reported the Sonoma County Supervisors McGuire and Carillo, and Pam Jeane, Grant Davis and the SCWA chief engineer came to Ukiah as scheduled on August 30, 2011 and met with the RVCWD and FCD ad hoc committees and General Managers. It was a whirlwind tour of driving to the RV Water Treatment Plant, the RV intake at Lake Mendocino, the RV master metering vault, the FCD's newly installed meters, their storage ponds and the stream gauge. They also made a point to drive through other small water districts and point out their office locations, which showed Sonoma that we are a conglomeration of small water districts. During this tour, Grant Davis stated that they were renaming this visit, as it was not going to be called a meeting of the SCWA ad hoc committee. They are not ready to move to that stage of formality yet; it is an introductory period for them and this was an introductory tour. They need to do more homework and gather more information and will set up another meeting in October. Grant asked Sean probably one of the most pointed questions of the entire meeting which was, Well if there isn't any water to be had, are you still going to go ahead with your merger? And the answer from both Redwood and Flood Control was, No. Without the water, there is no merger. GM Koehler continued, The merger is contingent upon there being water available, because if there is no additional water, the existing customers of the FCD would be foolish to give away 2000 acre-feet when they are rapidly using up the 8000 acre-feet. So, Grant left with that. GM Koehler was able to mention to him that in addition to the 6000, there is this nagging interest in the 7500 acre-feet that is mentioned under D1610. It would be really nice if when D1610 comes up for review, that both FCD and RVCWD would be cheerleading from the sidelines rather than being involved in the discussions. That's pretty much how the visit ended. Unfortunately, yesterday GM Koehler received a message from Sean White, saying that Pam Jeane had called him and informed him that per the Sonoma County Water Agency Charter, they cannot sell a water right. Period. Ever.

Director Pool pointed out that 'the statement is true, as the Charter is currently written'. But it could be amended and revised, to the best of his knowledge. They would have to go to all their voters and there would be many political hurdles, but he thinks it could be done. But again, would they want to do it?

After further general discussion and providing candidates Ricetti and Spilman with an overview of the RVCWD efforts to secure water or water rights, including Place of Use and the 2800 acre-feet storage right, it was agreed that the RV ad hoc committee will be meeting soon with the FCD ad hoc committee. The Board further agreed that the District customers need to be kept informed of the status of these efforts.

13. REPORT OF ATTENDANCE AT AGENCIES MEETINGS NOT LISTED SEPARATELY HEREIN.

GM Koehler reported that the three (Millview, City of Ukiah and RVCWD) agencies collaborating in the required Watershed Sanitary Survey met today.

14. SONOMA COUNTY WATER AGENCY.

15. STATE WATER RESOURCES CONTROL BOARD.

16. STATUS REPORT ON PLACE OF USE ISSUES.

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

These 4 topics were combined and discussed earlier in the Meeting.

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

Director Pool reported he attended the recent FCD Planning Meeting. Sean White did a great job of running the meeting and things moved along nicely. There was nothing unexpected. Sean had encouraging words to say about moving ahead with the FCD/RV merger.

GM Koehler told the Directors that his vacation begins tomorrow and he will be back in time to attend the October Board Meeting.

BREAK: 8:47 p.m.

Members of the public left the Meeting during Break.

RECONVENE: 9:02 p.m.

Board Secretary left the building during Closed Session.

9:03 p.m. CLOSED SESSION:

19. PERSONNEL. PUBLIC EMPLOYEE PERFORMANCE EVALUATIONS. Government Code 54957.

9:35 p.m. OPEN SESSION.

Board Secretary returned to the Meeting.

President Butow reported that in Closed Session, the personnel ad hoc committee brought the Board of Directors the notice of Office Manager Linda Groth's proposal to close her tenure with the Water District at the end of this year. President Butow stated the Board of Directors accepts Mrs. Groth's proposal with great respect and deepest appreciation of her 33 years of service and dedication to the Redwood Valley County Water District.

The Meeting Ended at 9:50 P.M.

The next Regular Meeting is scheduled for 7:00 P.M. on Thursday, October 20, 2011 at the Water District Office, 2370 Webb Ranch Road, Redwood Valley, California.

APPROVED: _____ Board of Directors

DATE APPROVED: _____ October 20, 2011

SIGNED: _____ Linda Groth
Secretary, Board of Directors