

Approved B.O.D.  
11-20-14

Redwood Valley County Water District  
2370 Webb Ranch Road  
Redwood Valley, CA 95470  
(707) 485-0679

Board of Directors - Special Meeting  
Tuesday, October 7, 2014

Directors Present: Granville Pool, Pamela Ricetti, Ken Todd, Jeff Basili

Directors Absent: None

Staff Present: General Manager Bill Koehler

Others Present: No attending public

Call To Order: 6:00 P.M.

1. Roll Call

Granville Pool, President

Pam Ricetti, Director

Ken Todd, Director

Jeff Basili, Director

2. Acceptance of Agenda

**Motion: Accept the agenda**

Motion by Dir Ricetti, second by Dir Todd

In favor: Unanimous

3. Comment/Questions from the Public

None

4. Discussion and Possible Approval of Internet Posting of Board Packets

This is like what RRFC has done for a while and it seems to be a good thing. Dir Ricetti suggests putting up the minutes after they have been approved by the Board. Dir Pool agrees but says there really isn't much to change and putting them up as a draft is easy to do. Dir Basili asks if we have personnel who can do this and GM Koehler says we do and that it's not hard at all to do.

An audience member suggests posting the Agenda along with the minutes for clarity. Dir Pool says that the Agenda will be part of the whole Board Packet that is to be posted. Dir Basili asks if they need to go online to get their Board Packets [they're usually hand delivered] and GM Koehler says that it can be done, but if he waits for their comments, that's a serial meeting, so it's probably not the best way to do it.

## 5. Discussion and Possible Action of Proposed Agenda Items for Dissolution/Annexation Dual Boards Meeting

The idea here is for the Board to get an idea of what things need to be discussed before the next dual-board meeting so that meeting will be more productive and move things forward. GM Koehler brings up how at the last Board meeting, Dir Todd asked him to come up with possible topics. One that he forgot is how the new board would be formed. He said he left it off because if RVCWD dissolves, the Board will be dissolved as well; there's no discussion to be had, it's part of LAFCO rules. Dir Pool says that it has been discussed in the past to reach an agreement where one or more members of RRFC would step down to allow appointees from the current RVCWD Board. Dir Todd says that there should be people from Redwood Valley representing the rest of RV on the new Board. Sean White says that there are some elections coming up soon for the RRFC Board. Someone else in the audience asks who gets to vote. The protest vote is open to Redwood Valley residents only. For now, RV residents cannot vote on RRFC members, but that would change with the annexation.

Dir Pool asks if there are talking points the Board members would like to add. Dir Todd asks about RRFC policy on Ag water. By their rules, you put in for a set amount of water and you pay for that water whether or not you use the whole amount. A RRFC member in attendance says that things would remain largely the same for Redwood Valley. Some discussion ensues about storage and change in place-of-use. It comes down to the fact that Redwood Valley didn't participate in the Coyote Dam construction and therefore the State is unwilling to allow them to "store" their water in the dam past a certain date.

An audience member is looking for clarification: RRFC has 8,000 acre-feet behind the dam, and that amount has been used. Is this 2,800 af in addition to that amount? Your 2,800 af is not part of RRFC's 8,000 af. The year they used 8,000 af, it included Redwood Valley. That year was 2007 where RV bought extra water. He asks if there would be any guarantee that RV customers would have that water. The 2,800 af is the right of RVCWD....Dir Pool adds that since we have the storage issue, it comes out to only a few hundred acre-feet.

1. Dir Ricetti brings up the section on a firm right to water supply and asks if there is going to be an allocation to Redwood Valley or will it be like it is today. RRFC answers that it will be similar to the way things are now and like it is for Millview and other customers of RRFC where they contract a certain amount to each entity. GM Koehler brings up the issues we've been having with assumed vs reality with population. 800 of the 1,100 accounts have verified the occupants in their residences and it comes to about 5,200 people. While Redwood Valley has gone through 2,800 af a few times, it's usually around 2,200 af and between all the districts, they probably go through about 4,000 af (excluding Ukiah and Rogina Water).

2. Dir Ricetti says that even this will not lift the moratorium. There may be a way if smaller properties were re-zoned, but that is a very difficult process. The RRFC member brings up that it is rather ambitious to try to solve all of Redwood Valley's problems in one transaction. Ukiah is looking hard into recycled water for Ag use and other groups

are drilling wells. We need to keep looking long-term here. Dir Ricetti asks if this annexation had taken place, would Redwood Valley have had frost water if they needed it this year? RRFC answers that the whole issue with RVCWD not being served is an issue the ability to do it, not the amount physically available. There was a 25% reduction to all RRFC customers this year, but that wouldn't cut off all Ag water.

GM Koehler asks if the Board would like to reduce the paragraph-long talking points to something shorter. They agree. Point 1 will be "What will Redwood's water allocation be?" Point 2 will be left as "Moratorium". Point 3 will be "Assets/Liabilities".

3. We still need to hear back from the Bureau of Reclamations about the debt. People are working on setting up meetings, but aren't getting much dialogue back from the Bureau. Dir Ricetti asks if the cash from RVCWD customers is going to stay in this area and it is stated that the money will stay with the zone of use. Dir Pool asks about the other assets like our water right and property tax allocation. RRFC isn't sure how that will work out. Someone asks if the annexation takes place, how will the day-to-day operations of Redwood go, i.e. who does what? Dir Pool says that initially things would run pretty much the same except employees would answer to Sean who would answer to the RRFC Board. Basically, the staff would remain unchanged. And since GM Koehler is looking to retire soon, there's that to consider. Someone asks about who would make the decision to expand the well or other decisions with the well. Dir Pool says it will be made by whatever Board is in charge when that decision comes around. But either way, the zone of benefit [Redwood Valley] would be paying for it.

4. Water code section. Dir Pool asks if Redwood as a zone of benefit could still operate as a county water district even as part of RRFC. One option is to "sell" RVCWD to RRFC so they would "own" it and it would continue to be a county water district and operate under Section 30000. However, this section dictates how a board is elected and that could be a problem if it's running under RRFC. Trying to figure out which section to run under is problematic and has large implications.

5. Staffing/Personnel. The way things are now are the way things will stay in terms of staffing. Sean would be the new general manager and GM Koehler would change his title.

6. Contract Issues. Much of this has been covered earlier with how much Redwood Valley would get. If the zone of benefit signs a contract for 1500 af, they will have to pay for that amount no matter what. Then they would have to have individual contracts with each Ag user. Or they could pay into a fund pool which would pay for the amount as needed. If the price of water is set by the parent agency, the child agency could be stuck with paying for a bunch of unsold water. The idea of paying into a fund is to smooth over those low-usage years. It will work much the same for residential users where the manager will guess at how much water will be used in the year and pay for that amount.

Everybody who gets water from RRFC pays the same rate per acre-foot. What it costs the end customer depends on how much it costs to get that water to them. Post annexation, if there's a big part of the allocation that isn't needed (such as a light-frost year), it can be given up and passed along to another entity.

Dir Todd asks how they plan to deal with a customer who uses more than their allocation. The answer is that there isn't really any punitive measure, but that the person would have to either lie about it on an official form or come and pay for the extra. Allocated water can be used any way the customer wants it (say, if they have multiple meters) as long as the water stays under one contract. This is pretty much the way RVCWD works right now.

7. Plan for Services. It's pretty similar to #4 above. RRFC thinks that if we can all agree on the annexation, LAFCO will be fine with it. This will remain as a separate talking point.

8. Annexation. Discussion about the service areas of RVCWD that are outside the official place of use.

The next step is for RRFC to come up with a similar list and for both groups to schedule a meeting to discuss them.

**Motion to adjourn.**

Motion by Dir Ricetti, second by Dir Basili

In favor: unanimous

Meeting adjourned at 7:40 pm.

Minutes submitted by Jeanette Wise

Approved: Board of Directors  
Date Approved: \_\_\_\_\_  
Signed: \_\_\_\_\_