

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

Board of Directors - Regular Meeting Minutes
Thursday, August 20, 2015

Directors: Granville Pool, Pamela Ricetti, Ken Todd, Jeff Basili
Staff: General Manager Bill Koehler

Call To Order: 6:05 P.M.

1. Roll Call

Present:

Granville Pool, President

Pamela Ricetti, Director

Jeff Basili, Director

Ken Todd, Director

2. Hearing of Comments or Questions from the Attending Public for Items Not on the Agenda

GM Koehler says that he was down on Uva Place and all the lawns are brown except one. While he was there, a truck pulled up with a tote of water and a pump and used that to water the lawn. He said he thanked the owner for using other water to keep his lawn green instead of District water.

3. Consider Hearing of Urgent Items Received Since the Agenda Was Posted
None.

4. Acceptance of Agenda

Motion: Accept the agenda

Motion by Dir Ricetti, second by Dir Todd

In favor: Unanimous

5. Approval of Consent Calendar

Dir Ricetti asks about the check to Solomon Electric and asks where we are on that project. GM Koehler answers that we are essentially done with that project, but the scope of work has been expanded to include the automation of the east side intertie and that isn't done yet. I should be done next week.

Dir Todd asks why there are two different gas station bills and one is so much larger than the other. GM Koehler says the appearance of two bills is just when they come in. It changes. The bigger bill is for a gentleman who offered to blade some roads if we chipped in some diesel money.

Motion: Approve the July consent calendar

Motion by Dir Ricetti, second by Dir Basili

In favor: Unanimous

6. Approval of Minutes as Presented

Dir Pool points out a few minor typos.

Motion: Accept the May Regular Meeting minutes as corrected.

Motion by Dir Basili, second by Dir Todd

In favor: Unanimous

7. Directors and Staff Reports and Discussion of Non-Action Topics

Everything will be included in the Managers Report.

8. General Manager's Report and Action Items

a. Budget

GM Koehler says that we are pretty much holding our own in terms of the bank account. Including depreciation, though, things are slowly running into the hole. The penalty funds helped out a bit last year, and even without it this year, people are still being really good about saving water. The majority of the capital has been deleted and the fixed costs are the same. The chemical costs will be down because the plant isn't running. All in all, things are pretty stable.

Dir Todd asks if when the rains hit (and if as much as they say) if people will continue to use reduced amounts. GM Koehler says that is very likely and if so, we'll have to examine the rate structure again. GM Koehler says that there has been only about 20 well applications come across his desk this year (passed along from the County).

There is some discussion about how the snowpack on Snow Mountain will affect things. Basically, it will affect things, but not us as much as the snowpack in the Sierras will affect its constituents.

Dir Ricetti mentions that the Army Corps will just let the water out of the Lake anyway. GM Koehler says it will depend on the timing of the rain. If it rains as the storage level is rising, than we're good. But we thought they were going to do something about their storage curve last year and they didn't. So a lot of rain would be good for us, but it won't be good for the Coyote Valley reservation with their eroding cliff.

The big costs coming up are the School Way bridge work and the repairs to the big tank. That job is starting to wind down and it should be up and functional by the end of September.

Dir Ricetti asks if it starts raining will we stop using the intertie and go back to the Lake. GM Koehler says that topic is coming up.

Motion: Accept the Budget as presented.

Motion by Dir Todd, second by Dir Basili

In favor: Unanimous

b. Vacation

GM Koehler is going on vacation soon and will be gone for a while but will be back for the next meeting.

c. District Operations

We are still operating through the intertie. The last heat spell that was a little touchy, but we made it. Barring a month of heat, things are going just fine. GM Koehler is planning on running through the intertie even when the rain hits. There is some talk about how the intertie water tastes better, chiefly because of the lack of organic matter.

Dir Todd asks if having the plant off for so long will cause problems on start-up. GM Koehler says there will be a lead-in time, but it's not worrisome. The start-up water will just be circulated back through the reservoir and so no water will be wasted nor will it be transported to the customers.

Dir Ricetti asks if the tank will be filled once it's repaired. He talked to Tim Bradley about that and things will be coordinated with him. It could either be filled very slowly or we can turn on the treatment plant to fill it.

d. Ag Water

We ran out of Ag water in June and then got 400 acre-feet from the City of Ukiah and 200 from Millview. RRFCD made the determination that all 600 would be viewed as a firm contract where we pay for all 600 whether we use it or not. Right now we have used 200 of the 600 extra we got. Worst case right now is that we only use about 100 and have to eat the cost of the rest. For a while, it seemed like we needed to get every drop we could, but when word got out that Ag would not be cut off, usage appears to have decreased. Dir Ricetti brings up having domestic help with the cost since Ag is helping out with the intertie and monitoring well costs. But no matter what, costs will have to be counted only after the Ag usage time is over.

Motion: Approve the contract with Russian River Flood Control to purchase the 600 acre-feet of water at the contract rate

Motion by Dir Ricetti, second by Dir Basili

In favor: unanimous

Paul the lawyer has said that a surcharge is legal. It will go through the usual channel where the customers get to vote against it if they desire. But so far, GM Koehler has had a positive response to the idea of a surcharge. Dir Todd says there may be some extra post-harvest watering if the rains don't hit and the growers know that there is the extra water.

e. School Way Bridge

Our portion of the work is done. We're not sure how much it will cost, but there weren't any change orders. Wipf has said some things about potential reductions, too. The contract called for a lot of buried pipe to be removed but it was decided to leave it in place since it's outside the construction area. It could be about \$30,000 savings.

f. Tank Repair

Structural will be done on Saturday. They'll come back later to coat the inside and then it will be a few weeks before it can be filled.

g. Annexation with RRFC

At their last meeting, they voted to proceed to look into the debt and zone-of-benefit issue; as if there was still something out there to grab at. They are just ignoring the issue of getting a water supply permit. It's baffling. And the last MOA for a cost-share for this process has expired. Dir Howard of the RRFC board is completely opposed to the annexation at this point. If RRFC does come back and want some money under the old MOA, it will be decided then if the information they find out about RVCWD's debt is worth the anticipated \$2500. No one can remember right now how much money was agreed to and if it was concrete. GM Koehler will look through the old minutes to see if he can find it. Some more discussion ensues about what RRFC is after (not paying off RVCWD's debt) in the case of an annexation.

h. Operations Contract

Essentially what is being established is that they did an average of all the employees in certain categories (not including office staff) they came up with \$39 per hour for everything: retirement, insurance, management, etc... Once supervisors and vehicles are added in, it comes to \$48.15 per hour. It's estimated to need 2.5 full time equivalents necessary for Redwood at 2000 per person per year. This is pretty consistent to what our payroll is right now.

The number of hours is "costed" out for a year. That number split into 12 payments will be the monthly payment during this introductory period. Later it may move to a method that adjusts as work demands change. There is a buy-in with vehicles. Millview and Redwood will both be expected to come in with a new truck. It will be Dave Redding's job to keep track of who goes where and what equipment is being used there.

Paula is essentially retiring and Liz is already working part time. GM Koehler may be taking over as interim manager at Millview after this contract goes into effect. This part of GM Koehler taking over for Tim Bradley has been brought up in Millview board meetings and discussed about what his duties will be. All of this has been very open and Dir Pool says that the Millview board is on board with this. Tim will be retired in 90 days.

It's been pretty much agreed that they will need to hire another person but since we're entering the slow season, this will probably happen next spring.

i. Election

Marv Talso is the only hat in the ring. He feels that it's better for him not to be here, though he reads the minutes, agenda, and talks about items with GM Koehler. It is being understood that he will be sworn in at the November board meeting. Dir Pool thinks there is a problem with that schedule, so GM Koehler will check on it. There is also some questions about how the voting works. GM Koehler will find out the answers to those questions, too.

j. IWPC Dues

Motion: Pay the IWPC dues of \$2,000

Motion by Dir Ricetti, second by Dir Basili

In favor: unanimous

k. Sustainable Groundwater Management Act

They had a meeting and some of the stakeholders actually showed up. It also turns out there's a water system in the valley that he hadn't heard of: the Yokayo Water System that serves the Yokayo ranch. This whole deal won't have much of an impact on Redwood. However, it is vital to make sure our aquifer is not overdrafted. We are consuming groundwater even if we aren't pumping it. Thought the goal is to have our own wells and be pumping groundwater. Any indications of groundwater overdrafting need to be identified quickly and dealt with. Ag is very concerned with this because they don't get the same representation as domestic water users. This brings up a lot of other issues. In Sonoma County, a bunch of Ag users formed together a agency to get this representation which upset a lot of people who accused them of stealing the groundwater. Now it comes into question who can participate and who can't.

The Board now has a list of questions that need to be answered about this and given back to the County. Willow is on board with GM Koehler speaking for them and Millview hasn't decided yet. The big thing is trying to decide groundwater from surface water. There's a pretty strong indication that they'll be looking into some water rights with attention to this difference.

Carre Brown is currently working with this Groundwater Act and in many places this is considered a form of political suicide since groundwater regulations are so unpopular.

A brief break is called at 7:30pm.

9. Financial Report

Dir Pool requests that even though this is a new fiscal year, that the last fiscal report be included with the current one.

Motion: Approve the Financial Report

Motion by Dir Ricetti, second by Dir Basili

In favor: Unanimous

10. LAFCO

Nothing to report.

11. Mendocino County IW&PC

GM Koehler reports that the City of Ukiah is moving forward with their Purple Pipe Project (recycled water). Three more gauges are being installed in the upper Russian River basin. RRFC is seeing some movement in the place of use that they filed for - cleaning up the edges of their boundary. There is more and more legislation supporting reoperation of the dam. Nothing is happening soon, but the worst foot-draggers from the Corps are not involved anymore.

The IWPC can't spend matching money on a feasibility study until there are funds to match it with. Right now the Army Corps is really holding them to this while time is running out. They're also upset because the dam is on a fault, like most everything in California.

12. Mendocino County Russian River Flood Control

There was a special meeting last night. Right now they're hiring a consultant to develop an RFP to find someone to develop and RFP. It's odd. And they're looking into having a professional recruiter to find Sean White's replacement. Their two options for recruiters will each charge \$20,000 to \$25,000. They voted in favor of hiring one.

They then moved on to their strategic plan. A big part of that plan is the annexation of Redwood Valley. They are planning to unify the valley and previously they had decided to send a Board member to each of water districts as "ambassadors". The one for Redwood Valley has yet to show up in the last 8 months. Another part of this strategic plan is to try to find cooperative board members in the boards of all the other water districts.

There is some more talk about the possible candidates and what their ideas are.

13-18

Dir Pool attended a Farm Bureau event where three different groups promoting cannabis legalization attended. Questions were asked but most of them were not about water use. The one group that was for only medical is trying to keep all grows small. GM Koehler's concern is that if it does become legal and some vineyard decides to pull up its vines and put in plants, their water usage will go way up.

The concern for the Farm Bureau is if they want to try to control who can grow marijuana and how much, how will that work when they can't control how grape growers grow their grapes. You can't regulate one agriculture and not others in the same area (although they do that with tobacco). With a lot of marijuana cultivation, RRFC would sell all of its Ag water and since RVCWD can only buy surplus water, they'd be out of water. The Board doesn't see that happening because there's no market research to see if it could be profitable in the long run.

There's some more talk about how RRFC wants to control all the water usage in the whole valley and what a bad idea that is.

Motion to adjourn.

Motion by Dir Ricetti, second by Dir Basili

In favor: Unanimous

Meeting adjourned at 8:30 pm.

Minutes submitted by Jeanette Wise

Approved:

Board of Directors

Date Approved:

9/17/15

Signed:

Janet Ricetti

INTERIM SECRETARY

W.M.L. / W.M.L.

9/17/15