

Mendocino County

Russian River Flood Control & Water Conservation Improvement District

304 N. State Street, Ukiah, CA 95482 707.462.5278 Website: RRFC.net DistrictManager@rrfc.net

A G E N D A

Board of Trustees – Regular Meeting of Monday, Monday 1, 2023 at 5:30 pm

IN PERSON: 304 North State Street at District's new office

or

LIVE ON ZOOM: <https://us02web.zoom.us/j/81127489402>

Call in: (669) 900-9128

Meeting ID: 811 2748 9402

1. Call to Order and Roll Call
2. Approval of Agenda *Urgent items added may be discussed immediately. Time suggestions to the right of item title.*
3. Public Expression- See End of Agenda for Information on Public Expression

GUEST SPEAKERS

4. US Army Corp of Engineers Update (5:35 PM)
Chief of Operations & Readiness Division, Nick Malasavage and Lake Mendocino Supervisory Park Ranger, Poppy Lozoff will provide updates on Lake Mendocino County operations including fires, floods, and drought.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION:

5. Water Supply Conditions Update & District Response (5:55 PM)
Board will receive report and provide feedback and/or direction to General Manager.
6. Russian River Water Forum Update (6:05 PM)
Board will receive an update on the Forum development progress from GM Salomone, discuss objectives, and provide feedback and/or direction, including identification of a Leadership Council representative.
7. Strategic Planning – Security of Water Sources (6:15 PM)
Board will discuss the Bay Area Council Economic Institute's Economic Benefits of Removing Potter Valley Project Dams Report, published February 2023.

REGULAR BUSINESS, INFORMATION, AND REPORT ITEMS (6:45 PM)

8. Consent Calendar
 - a) Acceptance of the April 2023 Financial Report
 - b) Approval of March 6, 2023 Regular Board Meeting minutes
 - c) Approval of March 23, 2023 Special Board Meeting minutes
 - d) Approval of April 3, 2023 Regular Board Meeting minutes
 - e) Approval of Resolution #23-02 Nominating Elizabeth Salomone as Chair of the Association of California Water Agencies (ACWA) Region 1 Board

(continued...)

9. Trustee & Committee Reports (Budgeting for Strategic Plan Implementation & Ad Hoc: GM Evaluation Ad Hocs)
10. General Manager Report & Correspondence
11. Direction on Future Agenda Items

CLOSED SESSION

12. Public Employee Performance Evaluation

ADJOURNMENT

ACTION ITEMS – All agenda items are potential action items unless otherwise noted.

PUBLIC EXPRESSION – The Board welcomes public participation in its Board meetings. Comments shall include any item not on the agenda that is within the subject matter jurisdiction and authority of the District. No action may be taken on any item not appearing on the agenda; however, the Board may direct such items to be placed on the agenda of a future meeting or may request additional information on any such item. The Board may limit testimony to three (3) minutes per person and not more than ten (10) minutes for a particular subject. All items on the agenda are considered action items unless otherwise noted. All times and the order of business are approximate and subject to change.

President
Christopher Watt

Vice President
Alfred White

Treasurer
John Bailey

Trustee
Tyler Rodrigue

Trustee
John Reardan

**Mendocino County Russian River Flood Control
& Water Conservation Improvement District**

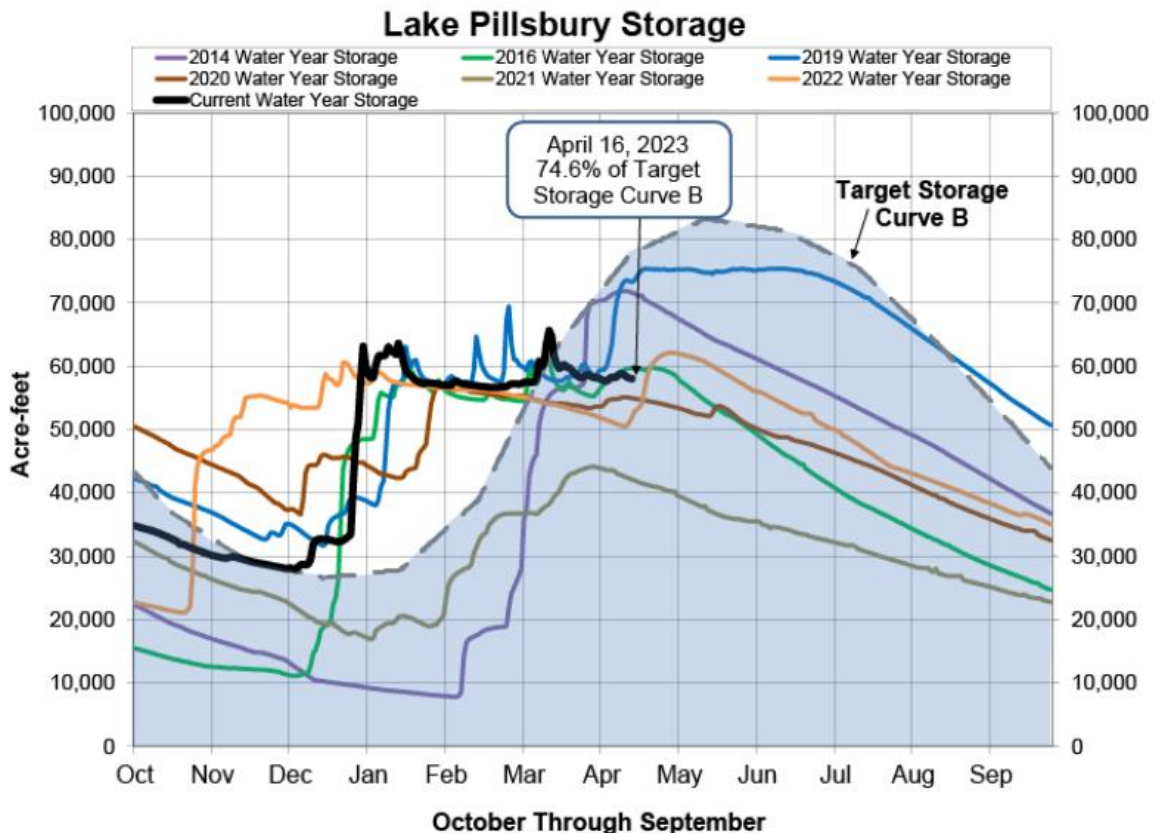
STAFF REPORT

To: Board of Trustees
 From: E. Salomone, General Manager
 Meeting: Monday, May 1, 2023
 RE: Agenda Item 5: Water Supply Conditions Update & District Response

The Strategic Plan relevant priorities are: **Security** through ensuring reliable, resilient, and available sources of water; **Advocacy** in support of equitable water resource stewardship; and **Use** of water in effective and beneficial ways as a public resource, all in alignment with the District’s Mission to steward water resources for the benefit of people and environment.

Inter-Basin Diversion of Water Through PG&E Owned “Potter Valley Project”

Despite the letter from PG&E to the Federal Energy Regulatory Commission (FERC) cautioning PG&E on its stated intention of keeping the Scott Dam gates open and reducing storage levels in Lake Pillsbury reservoir based on a recent seismic study, the graph below shows PG&E holding storage levels are at 74% of Target Storage Curve as it indicated. The gates are still open.



Potter Valley Powerhouse

E-16 Total diversion, cfs	90	
PVID maximum contract delivery, cfs	50	
PVID actual delivery, cfs	5.61	
Total East Branch Russian River release	84	
NMFS required minimum flow, cfs	35	total diversion minus PVID delivery

From PG&E’s Potter Valley project agency report, as of April 22, 2023

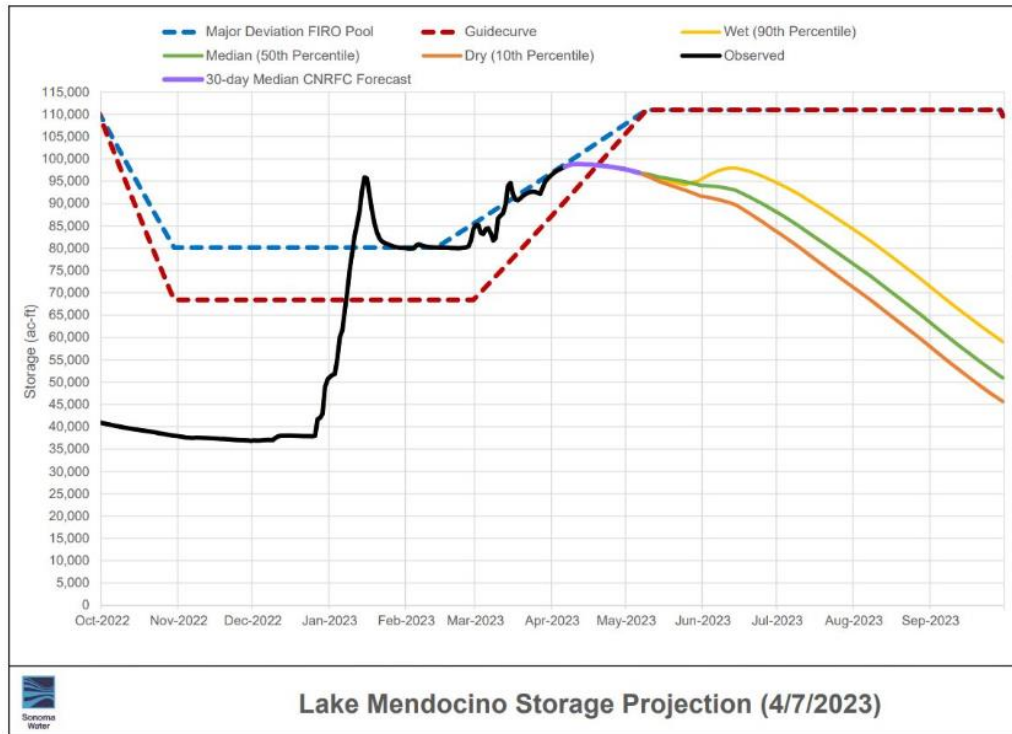
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Lake Mendocino and the Mainstem Upper Russian River

Lake Mendocino storage level was 100,039 acre feet (af) on April 24, 2023, up from 92,5154 af on March 26, 2023. Sonoma Water Agency is preparing to file a Temporary Urgency Change Petition for operational changes to mainstem Russian River stream flow requirements. It is believed the Upper Russian River minimum will be 125 cubic feet per second (cfs) and the Lower 70 cfs.

Water Supply Reservoir Projections

LAKE MENDOCINO



The Upper Russian River Voluntary Water Sharing Agreement Program

The Water Sharing Program Steering Committee has continued to meet regularly, working towards 2023 Program implementation if conditions deem it necessary. Due to Emergency Regulations being rescinded, the Program is working on an alternative process for implementation and a working group is gathering data and drafting an application and agreement.

District 2023 Water Supply & District Response:

The District does not currently have any active water shortage declarations in place. Customers were sent the **attached** 2023 Notice of Available Surplus & Request for Updated Projections. Redwood Valley County Water District was sent the **attached** notice of Availability of Surplus Water, which will be updated for the remaining 2023 calendar year as customer responses are received and analyzed. Meetings continue with Sonoma Water regarding the Technical Memo.

Attachments & Links:

- 2023 Notice of Available Surplus & Request for Updated Projections to District Customers
- Redwood Valley County Water District Availability of Surplus Water

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Prepared and submitted to the Board of Trustees by: *Elizabeth Salomone, General Manager*

Mendocino County

Russian River Flood Control & Water Conservation Improvement District

304 N. State Street #2, Ukiah, CA 95482 707.462.5278 www.RRFC.net DistrictManager@rrfc.net

April 5, 2023

Dear Valued Customer,

RE: 2023 Notice of Available Surplus & Request for Updated Projections

2. Surplus Supply Available for 2023

As per the Uniform Water Sale & Purchase Agreement (see excerpt below), the District is notifying customers of surplus water available to purchase. **The deadline to request surplus is Friday, April 21, 2023.**

2. 2023 Water Use Projections

Please submit your 2023 projections per month if you have not yet done so, or you have updates from your previously submitted projections.

If your total annual use projection less than your full contract amount, please submit any amount you are willing to make available as surplus to other customers and Redwood Valley County Water District. The transfer would not alter your Agreement or full contract quantity for subsequent years. Furthermore, your annual payment will be reduced by any amount recouped by the District from sale of your returned water.

Use these for your response email:

1. Amount of surplus requested (if any):
2. Amount of your unused contract quantity available to transfer (if any):
3. 2023 Monthly Projections:

January	
February	
March	
April	
May	
June	
July	
August	
September	
October	
November	
December	
Total:	

Continued...

From the Uniform Water Supply & Purchase Agreement:

3.2. Surplus Water. There may be temporarily available during any Year a quantity of Project Water in excess of the amounts necessary for the District to meet its obligations under this Agreement and to other Contractors. Each Year in which there is such surplus water available, the District may offer, at rates not to exceed those specified herein, all or a portion of such Project Water to Contractors, but not to exceed twenty percent (20%) of any Customer's Contract Quantity. The Contractors may purchase all or part of such surplus Project Water so offered; provided, that in the event the Customer does not indicate to the District, in writing, its desire to accept and pay for such surplus Project Water offered, within fifteen (15) days after receiving written notice from the District of its availability, Customer's right to purchase such water shall terminate for that year. If the Contractors express a desire to purchase more surplus Project Water than has been determined to be available, the District shall apportion the available surplus water among all Contractors in such manner as the District shall determine to be equitable. Notwithstanding the above, Customer may elect to receive surplus water pursuant to this Section no more than three (3) times during the Term (Original Term and any Extended Term) of this Agreement.

From the Uniform Water Supply & Purchase Agreement:

4.7. Schedule. Customer shall submit, in writing, to the District, prior to February 15 of each Year, a schedule, in a form satisfactory to the District, of water to be made available to the Customer during that Year.

Elizabeth Salomone, General Manager
**Mendocino County Russian River Flood Control
& Water Conservation Improvement District**
NEW ADDRESS: 304 N. State Street, #2, Ukiah, CA 95482
Cell: 707-462-5278 www.RRFC.net



Mendocino County

Russian River Flood Control & Water Conservation Improvement District

304 N. State Street, Ukiah, CA 95482 707.462.5278 Website: RRFC.net DistrictManager@rrfc.net

April 5, 2023

Redwood Valley County Water District
Att: Board of Directors & General Manager
151 Laws Avenue
Ukiah, CA 95482

Dear Directors and GM Walker,

RE: Availability of Surplus Water

This letter is to confirm availability of 60 acre feet of surplus water for April 2023 to Redwood Valley County Water District under the Mendocino County Russian River Flood Control & Water Conservation Improvement District's water right license 13898. This amount was determined from an email received from Jared Walker on behalf of RVCWD with 2023 surplus water request projections.

Feel free to reach out with any questions.

Yours Sincerely,



Elizabeth Salomone, General Manager
On behalf of the Board of Trustees

Enc:

- RVCWD Surplus Water 2023 Projections- requests dated February 2, 2023

Mendocino County

Russian River Flood Control & Water Conservation Improvement District

304 N. State Street #2, Ukiah, CA 95482 707.462.5278 www.RRFC.net DistrictManager@rrfc.net

February 1, 2023

Redwood Valley County Water District
Att: Jared Walker
151 Laws Avenue, Suite A
Ukiah, CA 95482

2023 Water Request Projections

Instructions: Please provide surplus water request projection in the table below.

	A	B
Month	Projected water use in acre feet	Projected AF Amount reporting as RRFC
January	0	0
February	40	40
March	60	60
April	60	60
May	60	60
June	60	60
July	150	150
August	150	150
September	150	150
October	100	100
November	40	40
December	0	0
Totals:	870	870

Signature Jared Walker

Date 2/2/2023

*Mendocino County Russian River Flood Control &
Water Conservation Improvement District*

STAFF REPORT

To: Board of Trustees
From: E. Salomone, General Manager
Meeting: Monday, May 1, 2023
RE: Agenda Item 6: Russian River Water Forum Update

The Strategic Plan relevant priority is (1) **Security** through fair and reliable inter-basin diversions from the Eel River by engaging with stakeholders and consultants in the formation of the Russian River Water Forum; and (2) **Collaboration** through building trusted relationships with community partners for regional water security to build the Russian River Water Forum. <https://russianriverwaterforum.org/>



Background

The Water Forum Planning Group is being convened to discuss and evaluate options for a local solution that responds to the planned decommissioning of the Potter Valley Project and can inform future negotiations with PG&E.

The Planning Group is currently scheduled to Wednesday, May 17, 2023 and will be comprised of approximately 30 members representing a cross-section of interests in Sonoma, Mendocino, Lake, and Humboldt Counties. Planning Group meetings will be open to the public and meeting materials will be archived on the website.

Goals for the Planning Group include:

- Bring together interested parties in the Russian River and Eel River basins in a collaborative, solutions-oriented process.
- Improve understanding of water reliability uncertainties in the Russian River and Eel River basins.
- Problem-solve around the future of the Potter Valley Project, water supply resilience, and fisheries in both river basins.
- Identify funding sources to support water supply resiliency solutions and environment benefits in response to the planned decommissioning of the Potter Valley Project.

Continued....

Discussion

The following are the [Two Basin Solution](#) objectives as discussion points in preparation for Forum Planning Group and potential caucusing meetings:

The [Partnership](#) seeks to explore terms for a new license that will materially benefit both basins by advancing the following shared objectives:

1. Minimize or avoid adverse impacts to water supply reliability, fisheries, water quality and recreation in the Russian River and Eel River basins;
2. Improve fish passage and habitat on the Eel River sufficient to support recovery of naturally reproducing, self-sustaining and harvestable native anadromous fish populations including migratory access upstream and downstream at current project dam locations;
3. Reliance on best available science and engineering analyses as the basis for evaluating options for restoration, water delivery, and hydroelectric generation pursuant to a new license;
4. Collaboration on funding;
5. Active participation of tribes and other stakeholders who are willing to support the other Shared Objectives;
6. Economic welfare of both basins;
7. Continued hydroelectric generation; and
8. Protecting tribal cultural, economic, and other interests in both the Eel and Russian River basins.

In 2018, Congressman Jared Huffman convened a diverse stakeholder group in a collaborative Ad Hoc process designed to develop recommendations to inform the FERC relicensing process for the Potter Valley Project. The Two-Basin Partnership is a direct outgrowth of that collaborative effort, which brought together diverse stakeholders to develop a compromise solution for the future of this aging hydroelectric project.

Attachments

- Russian River Water Forum 1 page overview



Russian River Water Forum



Photo credit: BOURNE Photography

The Russian River Water Forum is a collaborative effort initiated by Sonoma Water and a collection of regional partners with funding from the California Department of Water Resources.

The Water Forum will seek to identify water-supply resiliency solutions that respond to PG&E's planned decommissioning of the Potter Valley Project while protecting Tribal interests and supporting the stewardship of fisheries, water quality, and recreation in the Russian River and Eel River basins. More broadly, the Water Forum will support ongoing regional collaboration on water supply and watershed restoration issues in the Russian River and Eel River basins.

The Water Forum will be supported by a Planning Group representing a cross-section of interests in Sonoma, Mendocino, Lake, and Humboldt Counties.

The Water Forum will also serve as a venue for inclusive community engagement, outreach, and education on these topics. Visit <https://russianriverwaterforum.org/> for more information.



February 2023

The Economic Benefits of Removing the Potter Valley Project Dams

The Potter Valley Project is a hydroelectric facility constructed in the upper Eel River watershed 20 miles northeast of Ukiah in 1908. Its two aging dams are costly to operate and maintain, lack modern fish passage mechanisms, and are seismically unsound. This analysis examines the economic impacts of removal of the Scott Dam and Cape Horn Dam.

Scott Dam / Lake Pillsbury

Scott Dam, the upper dam, blocks 288 miles of potential spawning and rearing habitat for the Eel River's salmon and steelhead populations, both of which are listed as threatened under the Endangered Species Act. There are two alternatives for the removal of the Scott Dam:

Alternative 1 – Rapid Removal

Estimated Cost: \$106 million

Rapid removal involves drilling a tunnel through the base of the spillway and leaving a plug intact; lowering the dam and reservoir during the low flow season with controlled water releases; opening the tunnel plug and releasing sediments during a high flow season; and completing dam removal and channel rehabilitation during the following low flow season.

Alternative 2 – Phased Removal

Estimated Cost: \$118 million

Phased removal of Scott Dam would draw the reservoir down and flush sediment over four high flow seasons. This approach includes progressively notching the dam at lower points to evacuate sediment and drain the reservoir.

Cape Horn Dam / Van Arsdale Diversion

Cape Horn Dam, located 12 miles downstream from Scott Dam, has inadequate fish passage facilities and the power generation facility is currently inoperable due to an equipment failure. There are three alternatives for the removal of the Cape Horn Dam:

Alternative 1 – Control Section and Pump Station

Estimated Cost: \$28 million

This alternative entails partial dam removal to create a control section. The control section would ensure adequate flow depths, while a new intake pump station would convey water to the Van Arsdale Diversion facility.

Alternative 2 – Roughened Channel

Estimated Cost: \$49 million

This alternative includes lowering the entire concrete gravity portion of Cape Horn Dam. A new roughened channel would resemble a boulder cascade, which would provide channel stability to withstand extremely high flows and support fish passage.

Alternative 3 – Upstream Diversion

Estimated Cost: \$66 million

This alternative would include removing the entire concrete gravity portion of Cape Horn Dam down to bedrock. The existing fish hotel, exclusion barrier, and fish ladder would also be removed. Conveyance infrastructure would then connect to the existing Van Arsdale Diversion.

California Statewide Economic Impacts of Potter Valley Dam Removals

Project Component	Total Spending (millions in 2021 dollars)		Economic Output (millions)		Employment (Full-time equivalent job-years)	
	Low Bound	High Bound	Low Bound	High Bound	Low Bound	High Bound
Scott Dam	\$105.97	\$118.13	\$199.81	\$219.56	977	1,062
Cape Horn Dam	\$27.51	\$66.50	\$51.90	\$125.51	246	575
TOTAL IMPACT	\$133.48	\$184.63	\$251.71	\$345.07	1,223	1,637

Analysis: Bay Area Council Economic Institute using IMPLAN

Potter Valley Project



Economic Impacts

Total Estimated Spending for Removal of Scott Dam and Cape Horn Dam: \$133 to \$185 million



These investments will yield an economic multiplier of **1.88x** across California, and they will support a total of **9.0 jobs** for every million dollars spent.

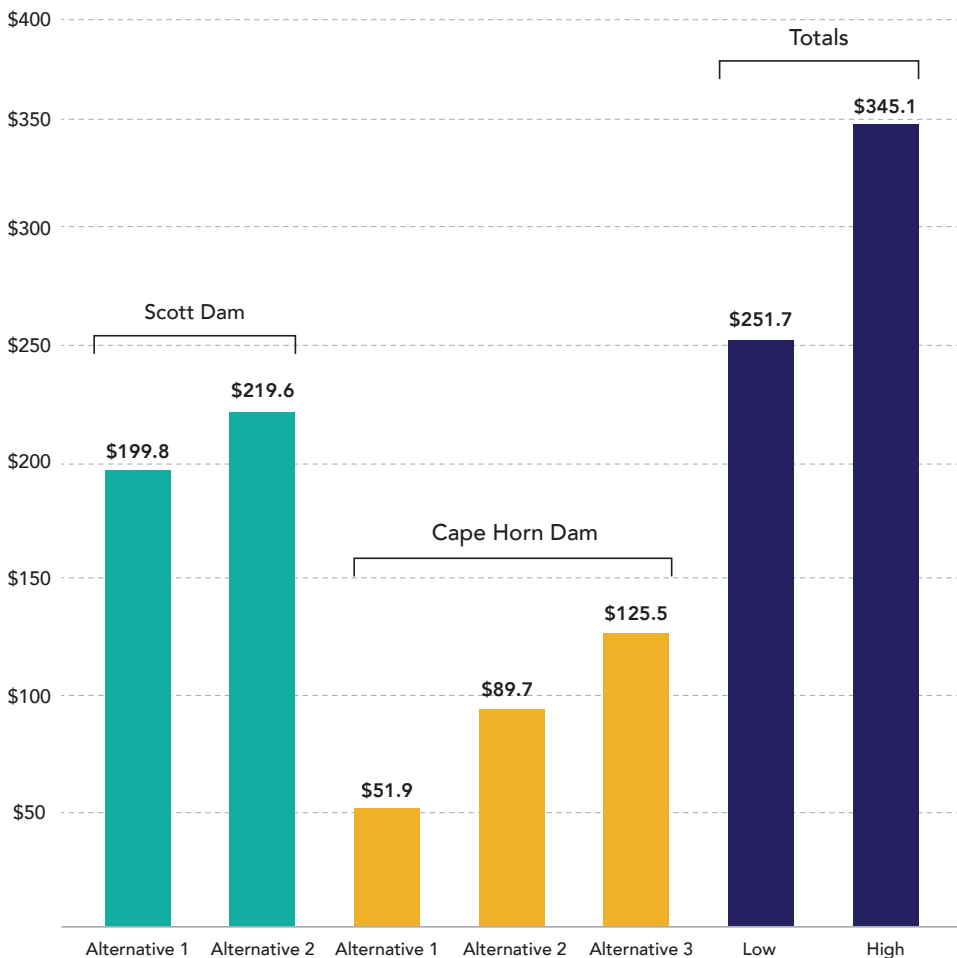


The dam removal projects would support **1,223 to 1,637 full-time equivalent job-years** in the State of California, **1,037 to 1,332** of which would be within the five-county Northern California area of study.



In addition to jobs, the dam removal and river restoration projects would provide an estimated **\$252 million to \$345 million** in total economic output for California, **\$203 million to \$278 million** of which would stay in the five-county region of study.

Total Economic Impacts in California (in Millions)



Fishery Impacts

Today, the Eel River sees less than 10,000 salmonids returning annually, meaning the river has experienced a 97% drop in population over the last century.

By reconnecting the headwater habitats to the lower river, fish populations are likely to increase and present new opportunities for commercial and recreational fishing in the region. A previous study estimated economic benefits of more than \$5 million annually to the region. Inflated to 2022 dollars, that figure would stand at over \$8 million annually today.

Other dam removal projects provide potential fishery benefit scenarios for the Eel River. The removal of two large dams on the Elwha River in Washington restored 75% of the previously inaccessible spawning habitat. From 2014 to 2017, the Coho salmon smolts increased their population from 9,000 to 17,000 following dam removal.



The Economic Benefits of Removing the Potter Valley Project Dams

February 2023

Introduction and Summary Findings

The Potter Valley Project is a hydroelectric facility constructed in the upper Eel River watershed approximately 20 miles northeast of Ukiah. The Project owner, Pacific Gas and Electric (PG&E), is currently working to surrender its federal license to operate the Project and decommission the facilities. PG&E has noted that the Project is uneconomic for their ratepayers as their reason for divesting from it. It is estimated that PG&E loses an average of \$5-10 million per year on Project operations. Prior to moving to surrender its license for the Project, PG&E attempted to auction the facilities, but was unable to find a suitable buyer. Additionally, the facilities lack modern fish passage mechanisms, generate very little electricity by modern standards and would likely be prohibitively expensive to retrofit.

PG&E is currently deciding how to decommission the Project. Two key elements that they must face are how to comply with state and federal environmental laws, and how to limit their liability for any long term or ongoing costs associated with the Project footprint.

The Potter Valley Project consists of two 100-year-old dams – Scott Dam and Cape Horn Dam, a diversion tunnel, penstocks and a powerhouse located in the East Branch of the Russian River. The Project functions as a trans-basin diversion, moving water from the Eel River into the East Branch of the Russian River.

Scott Dam, the upper dam, has no fish passage facility and blocks 288 miles of potential spawning and rearing habitat for the Eel River's salmon and steelhead populations, both of which are listed as threatened under the Endangered Species Act. Cape Horn Dam, located 12 miles downstream from Scott Dam, has inadequate fish passage facilities, which will likely require costly upgrades to meet environmental standards. The power generation facility is currently inoperable due to an equipment failure. The Project is also under scrutiny for diverting Eel River water, which represents an adjudicated water right for the Round Valley Indian Tribes.

In 2018, Congressman Jared Huffman convened a diverse set of stakeholders in a collaborative process that sought to explore terms for the future of the Potter Valley Project. This effort, dubbed the Two-Basin Solution, sought to reduce conflict between stakeholders and work toward a compromise solution that would benefit both the Russian River and the Eel River watersheds.

Five of the participants of the Congressman's stakeholder group – Round Valley Indian Tribes, Humboldt County, Mendocino County Inland Water and Power Commission, Sonoma County Water Agency, and California Trout – then commissioned several studies exploring various alternatives and their estimated costs. Information from the group's alternatives analysis narrowed their efforts to acquiring key components of the Potter Valley Project from PG&E and modifying them to function as a water diversion-only facility, including estimating the cost of modifications and operations and additional analysis on removing both Scott Dam and Cape Horn Dam.¹

While negotiations surrounding the fate of the Potter Valley Project continue, this report seeks to provide an understanding of the economic impacts associated with one likely result of the decommissioning process: that PG&E will remove both Scott and Cape Horn Dams. This outcome is likely due to the reasonable initial capital outlay and the minimal long-term operation and maintenance costs associated with dam removal relative to long-term operations and maintenance costs coupled with ongoing state and federal liabilities surrounding fish passage, environmental compliance, and dam safety without a continued revenue source.

Dam removal entails dismantling the dams either completely (in the case of Scott Dam) or through

modifications such as lowering (in the case of Cape Horn Dam). In both instances, fish passage would be dramatically improved compared to the status quo, significantly increasing the quantity and quality of fish habitat in the Eel River. Removal of both dams and the modernization of associated watershed infrastructure will also benefit residents, visitors, and Tribes who depend on the Eel River and Russian River for water supplies, flood protection, and recreation.

The chart below summarizes the potential economic impacts of the combined dam removal projects in the State of California, as analyzed within this report.

In total, feasibility studies show between \$133 million and \$185 million will need to be invested to remove Scott Dam and Cape Horn Dam. These investments will yield an economic multiplier of 1.88x across California, and they will support a total of 9.0 jobs for every million dollars spent. Key results of the analysis include the following:

- The dam removal projects would support 1,223 to 1,637 full-time equivalent job-years in the State of California, 1,037 to 1,332 of which would be within the five-county Northern California area of study.
- In addition to jobs, the dam removal and river restoration projects would provide an estimated \$252 million to \$345 million in total economic output for California, \$203 million to \$278 million of which would stay in the five-county region of study.

The economic output figure indicates the total value of transactions that are generated as a result of one dollar of initial expenditure. The multiplier effect grows as the geography studied gets larger—this pattern is typical as larger geographies have less spending leakage to other surrounding areas. As a state with a diverse set of industries and a large labor pool, the California model has very limited immediate leakage to other states. The model assumes that all of the project’s initial capital and labor inputs come from within California. The full methodology is explained in the following section.

California Statewide Economic Impacts of Potter Valley Dam Removals

Project Component	Total Spending (millions in 2021 dollars)		Economic Output (millions)		Employment (Full-time equivalent job-years)	
	Low Bound	High Bound	Low Bound	High Bound	Low Bound	High Bound
Scott Dam	\$105.97	\$118.13	\$199.81	\$219.56	977	1,062
Cape Horn Dam	\$27.51	\$66.50	\$51.90	\$125.51	246	575
TOTAL IMPACT	\$133.48	\$184.63	\$251.71	\$345.07	1,223	1,637

Analysis: Bay Area Council Economic Institute using IMPLAN

Methodology

This analysis quantifies the job creation and total economic output of the removal of both dams that make up the Potter Valley Project. The project in total is currently estimated to cost between \$133 million and \$185 million in 2021 dollars (detailed in Appendix A), based on current estimates from project consultants. All results are stated as 2021 present value equivalents.

Economic impact is commonly measured through an input-output model that relies on national data to quantify the relationship between industries, their suppliers, and their customers. This report uses the IMPLAN modeling system to estimate the economic impacts on a five-county Northern California region (see below for definition) and the State of California using 2019 industry, transaction, and wage data and cost estimates using 2021 dollars (more current transaction models are not used due to the unique effects of the COVID-19 pandemic). IMPLAN examines the effect of a change in wages or employment due to an activity, and then analyzes its cumulative impact as the initial spending flows through the economy.

For the purposes of this report, the key outputs of the IMPLAN model are:

Employment: This measure captures the number of full-time equivalent job-years produced. For example, two 40-hour-per-week jobs that each last for six months would result in one full-time equivalent job-year in the model. Similarly, two 40-hour-per-week jobs lasting two years each would result in four full-time equivalent job-years (or four full-year equivalent jobs). The following table summarizes the concept of a full-time equivalent job-year through several examples that all equal a total of four full-time equivalent job-years:

Project components with spending activities that typically employ lower-wage workers tend to have higher job creation multipliers, while industries with higher-wage workers have a lower employment impact per dollar spent. For example, a given amount of spending might support one full-time equivalent job-year for an engineering design consultant, while that same amount of spending is likely to support multiple

full-time equivalent job-years for an hourly worker employed as a revegetation field technician.

Full-time equivalent job-years	Jobs Calculation
4	One 40-hour-per-week full-time job each lasting four years
4	Two 40-hour-per-week full-time job each lasting two years
4	Four 40-hour-per-week full-time job each lasting one year
4	Eight 40-hour-per-week full-time job each lasting six months
4	Eight 20-hour-per-week full-time job each lasting one year

Economic Output: The measure of total economic activity related to the initial activity, reflecting the total spending by firms, organizations, and households that is made possible by the initial input. Economic output counts the total value of all transactions that can be traced back to the original expenditure until those dollars leave the geography, are saved by households, or become profit for businesses.

These two economic impacts are each broken down further as direct, indirect, or induced effects:

- The direct effects derive from the initial project-related investment. For example, the hiring of a construction contractor and the subsequent wages paid to an equipment operator are direct effects. Direct effects are generally equivalent to total project costs.
- The indirect effects are the transactions that flow from the areas of initial spending—for example, construction companies hired to remove a dam will need to purchase equipment or materials.

■ Lastly, the model generates induced impacts, which derive from spending created by the wages related to the initial activity. In this example, as construction workers spend their wages, they create impacts in restaurants, retail, the healthcare system, and in other sectors.

Regional and Statewide Impacts: Two geographies were defined to assess the impact on the regional and statewide economy. The statewide economy is defined as the 58 counties in the state. The regional economy refers to a five-county Northern California region, including Humboldt, Lake, Marin, Mendocino, and Sonoma counties. The Potter Valley Project infrastructure spans Lake and Mendocino counties, thus construction-related impacts are concentrated in these two counties. Given that the dams' removal will have ancillary water reliability, recreation, and fishery impacts in both the Eel River and Russian River basins, Humboldt, Sonoma, and Marin counties are also included in the economic model.

Higher indirect and induced impacts for the larger geographies reflect how initial spending in the local economy expands across the regional and statewide economy—creating both jobs and output

in local-serving industries such as food service, entertainment, retail, and healthcare. For example, if construction workers employed by one of the contractors live within the region and spend most of their wages in their home counties, this impact is captured in the regional model. Alternatively, the California model reflects those same impacts of earnings circulating in the economy on a statewide scale; therefore, the California model will produce larger figures for indirect and induced impact.

To build an IMPLAN model, numerous assumptions must be made as to how the expenditures are initially made. Most significantly, each analysis must assign investment values to industries.

For each project component, industries that reflect the activities were selected and spending allocations were assigned to each industry based on expenditure breakdowns from project feasibility studies. The mix of spending—including the wages and capital expenditures associated with each industry—determines each component's job production potential and economic output. Because no specific demolition and construction timelines are in place, this analysis uses cost estimates that were derived using 2021 dollars.



Van Arsdale Reservoir

Economic Impact Detail

The economic impact analysis leans heavily on the November 2021 Potter Valley Feasibility Study prepared by McMillen Jacobs Associates. All figures used to estimate the economic impacts of the full or partial removal of Scott Dam and Cape Horn Dam are taken from this document. The feasibility study details numerous options that would ensure upstream and downstream fish passage on the Eel River, while maintaining water reliability in the Russian River watershed. Importantly, it also provides cost estimates for the various alternatives analyzed. These cost estimates are used as the primary input for the economic impact modeling exercise. Some alternatives on Cape Horn Dam include ongoing operations and maintenance expenses. These costs are not included in the modeling, which aggregates only capital expenditures.

Models were run that capture the economic impacts of the projects at a regional scale and statewide scale. For the purposes of this modeling, the region is defined as Humboldt, Lake, Marin, Medocino, and Sonoma counties. The statewide model is inclusive of the five-county region, thus impacts will be larger across California.

The sections that follow provide economic impact modeling results for all full and partial dam removal alternatives of the Scott and Cape Horn dams. Of note, a less extensive alternative at the Cape Horn Dam/ Van Arsdale Reservoir—an updated fish ladder—is not analyzed here.

1. Scott Dam / Lake Pillsbury

Total Estimated Spending for Removal of Scott Dam: \$106 - \$118 million

Background: Located near the headwaters of the Eel River watershed, Scott Dam is a concrete gravity dam that impounds Lake Pillsbury and was originally constructed to provide water storage for the hydroelectric plant located in Potter Valley so that

better balancing of power production throughout the year could be achieved. Since that time, stored water has been used for additional beneficial uses, including municipal water supply to downstream users in the Russian River Basin and irrigation water supply for the Potter Valley Irrigation District. The dam does not include provisions for fish passage, and therefore represents a total fish passage barrier to the Eel River headwaters.

Alternative 1 – Rapid Removal

The rapid removal approach includes full decommissioning and removal of the Scott Dam with a rapid release of accumulated sediment from the reservoir during a single high flow season. The concept for the rapid removal approach involves four main steps:

1. Drill a tunnel through the base of the spillway, leaving a plug intact at the upstream terminus of the tunnel;
2. Lower the dam and reservoir during the low flow season with controlled water releases;
3. Open the tunnel plug and release impounded sediments during a single high flow season; and
4. Complete dam removal and channel rehabilitation during the following low flow season.

The rapid removal approach has an estimated median cost of \$106 million, which includes the price of construction, taxes, overhead, and contingency.

Alternative 2 – Phased Removal

Phased removal of Scott Dam would draw the reservoir down and flush sediment more gradually over a series of high flow seasons. The phased removal approach described in the feasibility study assumes four high-flow seasons as outlined below:

1. Remove the dam crest, lower the dam and reservoir during the low flow season using controlled releases, and construct a spillway notch to pass high flows;

2. Through three high-flow and low-flow seasons, successively lower and notch the dam to gradually evacuate sediment and drain the reservoir; and
3. Complete dam removal and channel rehabilitation during the final (fourth) low-flow season

The phased removal approach has an estimated median cost of \$118 million, which includes the price of construction, taxes, overhead, and contingency.

Regional Economic Impacts

To calculate a total economic impact, the costs for each alternative were allocated into various spending buckets based on the cost estimates provided in the feasibility study and expenditure totals from other dam removal studies.

The rapid removal approach is estimated to produce \$161 million in economic benefit over the duration of the removal project at the five-county regional level.

This level of spending will directly support 518 full-time equivalent job-years within the region and an additional 313 jobs through supply chain effects and the employee spending multipliers. In total, the rapid removal of Scott Dam is estimated to support 831 full-time equivalent job-years.

The phased removal approach is estimated to produce a larger \$179 million in economic benefit at the five-county level—a product of the higher spending level.

The phased removal approach will support a total of 907 full-time equivalent job-years as highlighted in the charts below.

Regional Economic Impact: Scott Dam Removal

Economic Output (Millions)				
	Direct Impact	Indirect Impact	Induced Impact	Total
Rapid Removal	\$105.97	\$26.04	\$29.44	\$161.46
Phased Removal	\$118.13	\$26.08	\$32.15	\$178.89

Analysis: Bay Area Council Economic Institute using IMPLAN

Notes: Region includes Humboldt, Lake, Marin, Mendocino, Humboldt, and Sonoma counties

Regional Employment Impact: Scott Dam Removal

Employment (Full-time equivalent job-years)				
	Direct Jobs	Indirect Jobs	Induced Jobs	Total
Rapid Removal	518	144	169	831
Phased Removal	563	160	184	907

Analysis: Bay Area Council Economic Institute using IMPLAN

Notes: Region includes Humboldt, Lake, Marin, Mendocino, Humboldt, and Sonoma counties

Statewide Impacts

The economic impacts of removing Scott Dam are greater across the State of California given that spending leakage outside the area of study is less likely. At the regional level, a construction worker may live outside of the region and spend their earnings outside the study area. This is less of a concern in the statewide model and the major reason why its multiplier effects are higher than in the regional model.

The rapid removal approach is estimated to produce a statewide economic impact of \$200 million over the course of the project. The level of economic

output will support nearly 1,000 full-time equivalent job-years across the state, including 518 job-years directly involved with removal of the dam.

The phased removal approach is estimated to produce a statewide economic impact of \$220 million. Nearly 500 full-time equivalent job-years will be supported outside of the direct removal of the dam—these impacts stem from investments made by companies within the dam removal supply chain and from employees spending their money in the statewide economy. In total, the phased removal approach is estimated to support 1,062 full-time equivalent job-years in California.

California Economic Impact: Scott Dam Removal

Economic Output (Millions)				
	Direct Impact	Indirect Impact	Induced Impact	Total
Rapid Removal	\$105.97	\$42.11	\$51.72	\$199.81
Phased Removal	\$118.13	\$45.24	\$56.18	\$219.56

Analysis: Bay Area Council Economic Institute using IMPLAN

California Employment Impact: Scott Dam Removal

Employment (Full-time equivalent job-years)				
	Direct Jobs	Indirect Jobs	Induced Jobs	Total
Rapid Removal	518	190	269	977
Phased Removal	563	207	292	1,062

Analysis: Bay Area Council Economic Institute using IMPLAN

2. Cape Horn Dam / Van Arsdale Diversion

Total Estimated Spending for Removal of Cape Horn Dam: \$28 - \$66 million

Background: Located approximately 12 miles downstream of Scott Dam, Cape Horn Dam is a concrete gravity and earthfill dam that operates as a run-of-river diversion, with inflow passing over the crest of the spillway-type dam crest with a very small amount of attenuation or storage. The dam includes a fish passage facility located on the left bank. The dam was designed to provide adequate submergence on the diversion tunnel, which extends from just upstream of Cape Horn Dam and through the basin divide, terminating at the powerhouse located at the north end of Potter Valley. The diversion consists of several lengths of tunnel with a combined tunnel length of over 1 mile. Water diverted from the Eel River basin to the Russian River basin flows through the Van Arsdale Diversion.

Alternative 1 – Control Section and Pump Station

This alternative entails partial dam removal by lowering a section of the concrete gravity portion of Cape Horn Dam to create a control section. The control section would help ensure adequate flow depths at low flow, while an upper portion would provide adequate flow area for high flows. In total, the control section would be approximately 100 feet long and would pass all Eel River flows, except for those diverted. The section of dam lowered in elevation would marry up with a new reinforced concrete pump station with a series of vertical cylindrical screens mounted to the outside face. The pump station would be between 90 and 100 feet long in the river flow direction and approximately 15 to 25 feet wide. The new intake pump station would convey pumped water to the existing Van Arsdale Diversion facility. The lowering of the dam and the development of a natural channel upstream also eliminates the need for a fish ladder.

This alternative has a total cost of \$28 million, as estimated in the project feasibility study.

Alternative 2 – Roughened Channel with Gravity Supply

This alternative would include lowering the entire concrete gravity portion of Cape Horn Dam. Roughly 100 feet downstream of the dam, the fish hotel and exclusion barrier would also be lowered. Between the downstream bedrock control and the fish hotel/exclusion barrier a roughened channel is proposed. The roughened channel would resemble a boulder cascade, with very large rock material providing channel stability sufficient to withstand extreme high flow events and to support fish passage. A similar roughened channel would extend upstream of the dam approximately 420 feet. The conveyance of water to Potter Valley would remain unchanged under this alternative.

This alternative has a total cost of \$49 million, as estimated in the project feasibility study.

Alternative 3 – Upstream Diversion with Gravity Supply

This alternative would include removing the entire concrete gravity portion of Cape Horn Dam down to bedrock and lowering or removing the earthen embankment portion of the dam. The existing fish hotel, exclusion barrier, and fish ladder would also be removed. An inflatable bladder weir would be installed across the Eel River approximately 2,000 feet upstream of the dam. The weir would connect on river left to an intake forebay, which would screen fish and debris. Conveyance infrastructure would then connect the forebay to the existing Van Arsdale Diversion.

This alternative has a total cost of \$66 million, as estimated in the project feasibility study.

Regional Economic Impacts

As detailed in the tables below, the three alternatives analyzed for the Cape Horn Dam yield a range of impact results. For the purposes of modelling, total spending estimates for each alternative were divided into specific actions (e.g., construction, environmental and technical work, and specialized design) based on research from similar previously-completed projects.

At the low end of the impact spectrum, the control

section and pump station alternative yields an economic output of just over \$40 million at the five-county regional level. Given its higher costs, the upstream diversion alternative produces nearly \$100 million of total economic impact at the regional level.

Cape Horn Dam removal would support between 128 and 292 direct full-time equivalent job-years within the five counties. Inclusive of these jobs and all multiplying effects of the spending, between 207 and 476 full-time equivalent job-years would be supported in the region.

Regional Economic Impact: Cape Horn Dam

Economic Output (Millions)				
	Direct Impact	Indirect Impact	Induced Impact	Total
Control & Pump	\$27.51	\$6.86	\$7.22	\$41.60
Roughened Channel	\$48.64	\$11.69	\$12.42	\$72.75
Upstream Diversion	\$66.24	\$16.83	\$16.41	\$99.48

Analysis: Bay Area Council Economic Institute using IMPLAN

Notes: Region includes Humboldt, Lake, Marin, Mendocino, and Sonoma counties

Regional Employment Impact: Cape Horn Dam

Employment (Full-time equivalent job-years)				
	Direct Jobs	Indirect Jobs	Induced Jobs	Total
Control & Pump	128	37	41	207
Roughened Channel	213	64	71	348
Upstream Diversion	292	90	94	476

Analysis: Bay Area Council Economic Institute using IMPLAN

Notes: Region includes Humboldt, Lake, Marin, Mendocino, and Sonoma counties

Statewide Economic Impacts

At the state level, the economic impacts of removing the Cape Horn Dam are slightly larger than those presented for the region. There are spillover effects from spending and contracting that will occur outside the regional area of study—those impacts are captured here in the California model.

Total economic output in California will move upward by between \$52 million and \$125 million depending on the chosen alternative for removing the Cape Horn Dam.

These results represent economic multiplier effects of between 1.84x and 1.89x the original expenditure levels.

The alternatives proposed at the Cape Horn Dam will yield 246 new full-time equivalent job-years in California if the control section and pump station alternative is pursued. A higher estimate of 575 new full-time equivalent job-years supported in California is possible under the upstream diversion with gravity supply alternative.

California Economic Impact: Cape Horn Dam

Economic Output (Millions)				
	Direct Impact	Indirect Impact	Induced Impact	Total
Control & Pump	\$27.51	\$11.49	\$12.90	\$51.90
Roughened Channel	\$48.64	\$19.18	\$21.90	\$89.71
Upstream Diversion	\$66.24	\$29.33	\$29.94	\$125.51

Analysis: Bay Area Council Economic Institute using IMPLAN

California Employment Impact: Cape Horn Dam

Employment (Full-time equivalent job-years)				
	Direct Jobs	Indirect Jobs	Induced Jobs	Total
Control & Pump	128	51	67	246
Roughened Channel	213	86	114	413
Upstream Diversion	292	127	156	575

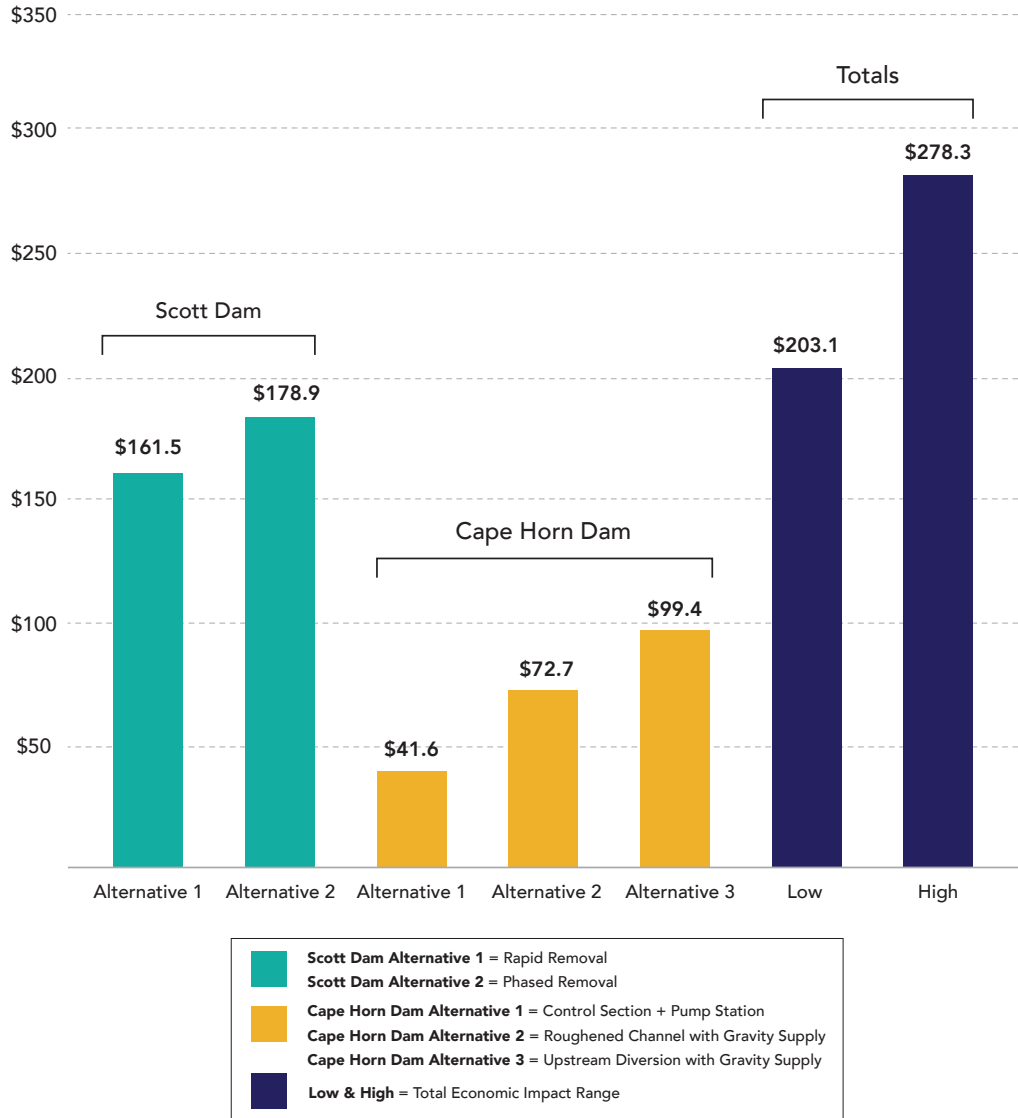
Analysis: Bay Area Council Economic Institute using IMPLAN

Total Economic Impacts

By combining the economic models for the removal of Scott Dam and Cape Horn Dam, a full picture of the impacts stemming from the restoration of the Eel River can be achieved. Below, the impacts are presented in charts that highlight employment and economic impacts

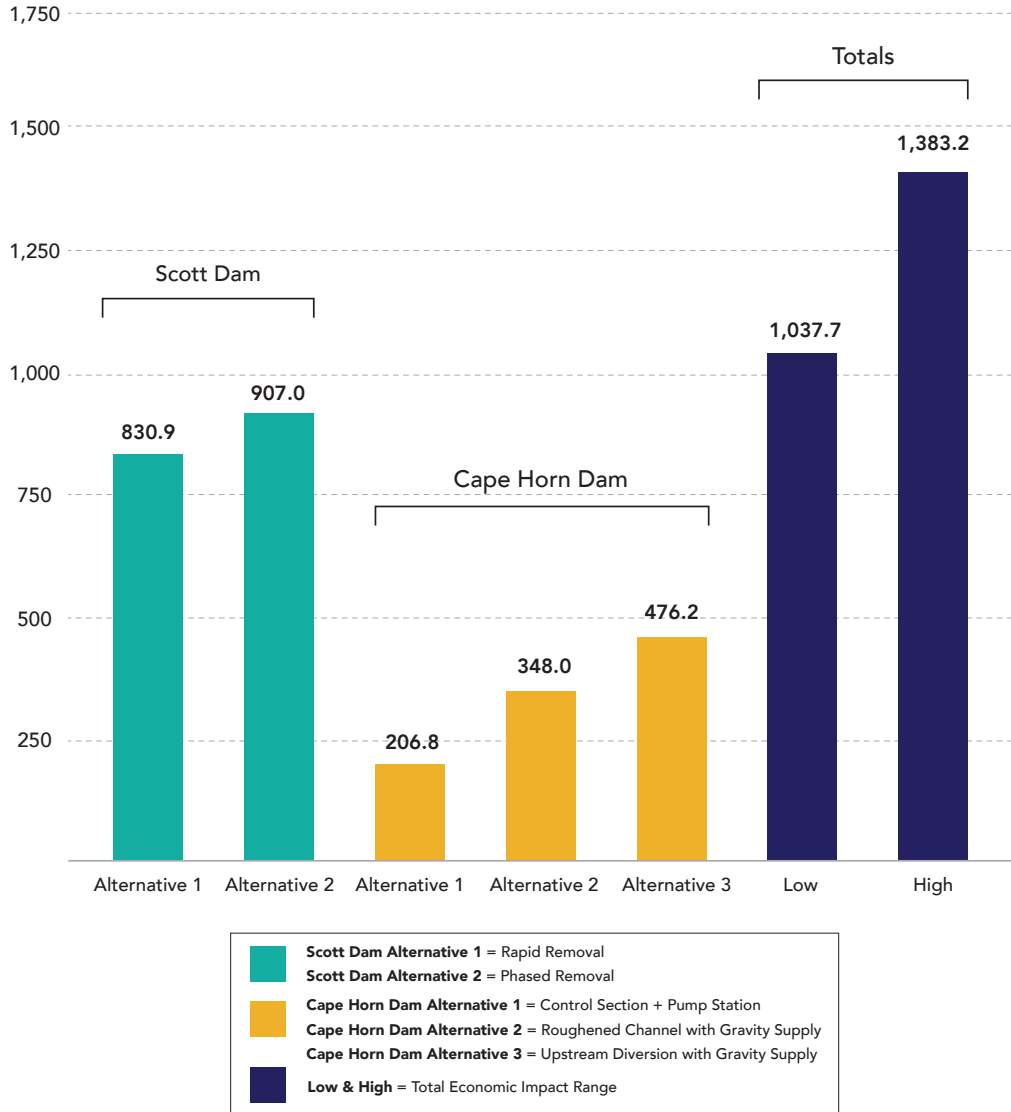
in both the five-county region area of study and the entire state. At the high end, approximately \$345 million in economic output and over 1,600 full-time equivalent job-years would be supported in California through removal of the two dams.

Total Economic Impacts at the Regional Level (in Millions)
 (Humbolt, Lake, Marin, Mendocino, and Sonoma Counties)

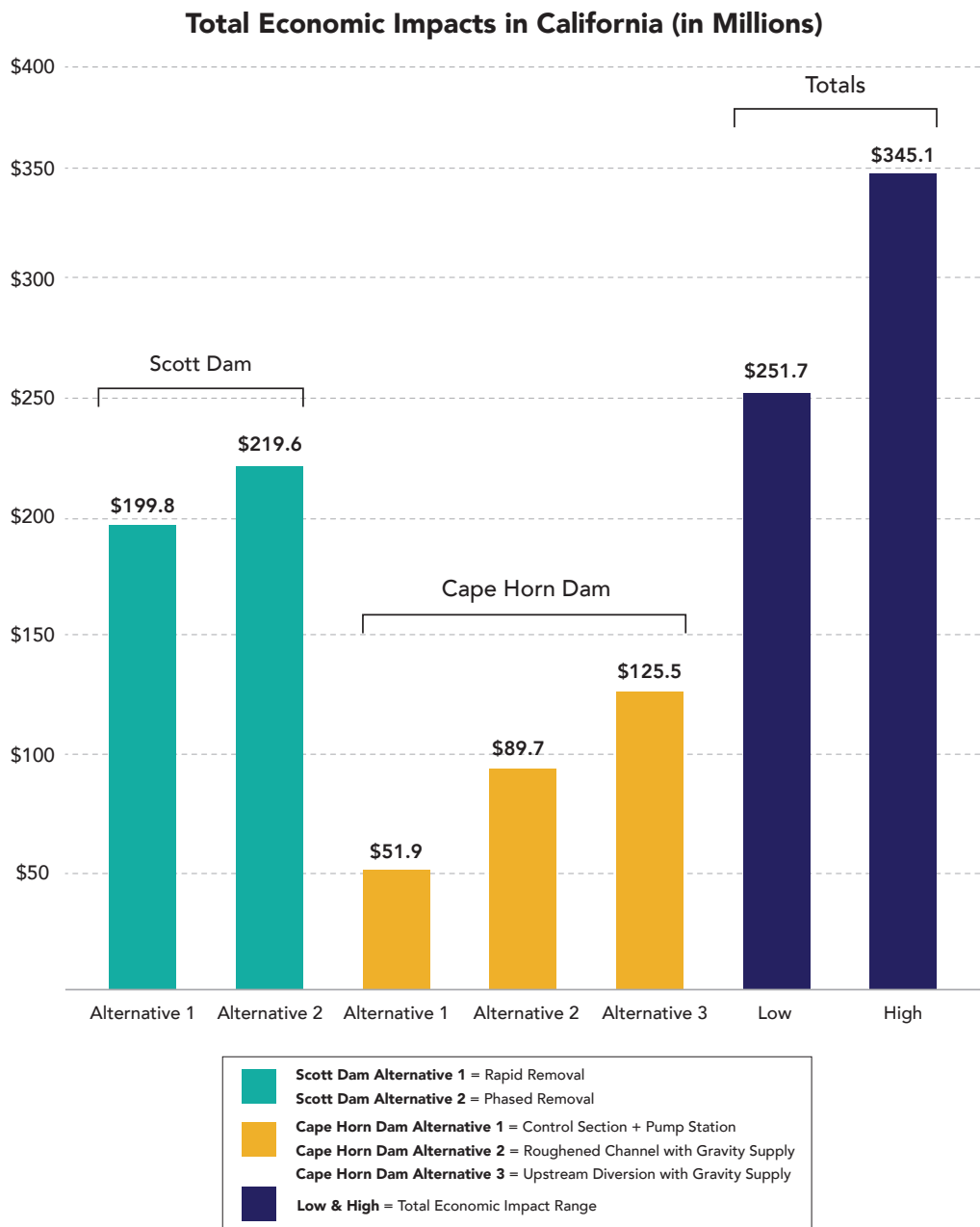


Analysis: Bay Area Council Economic Institute using IMPLAN

Total Employment Impacts at the Regional Level
 (Full-time Equivalent Job Years in Humboldt, Lake, Marin, Mendocino, and Sonoma Counties)

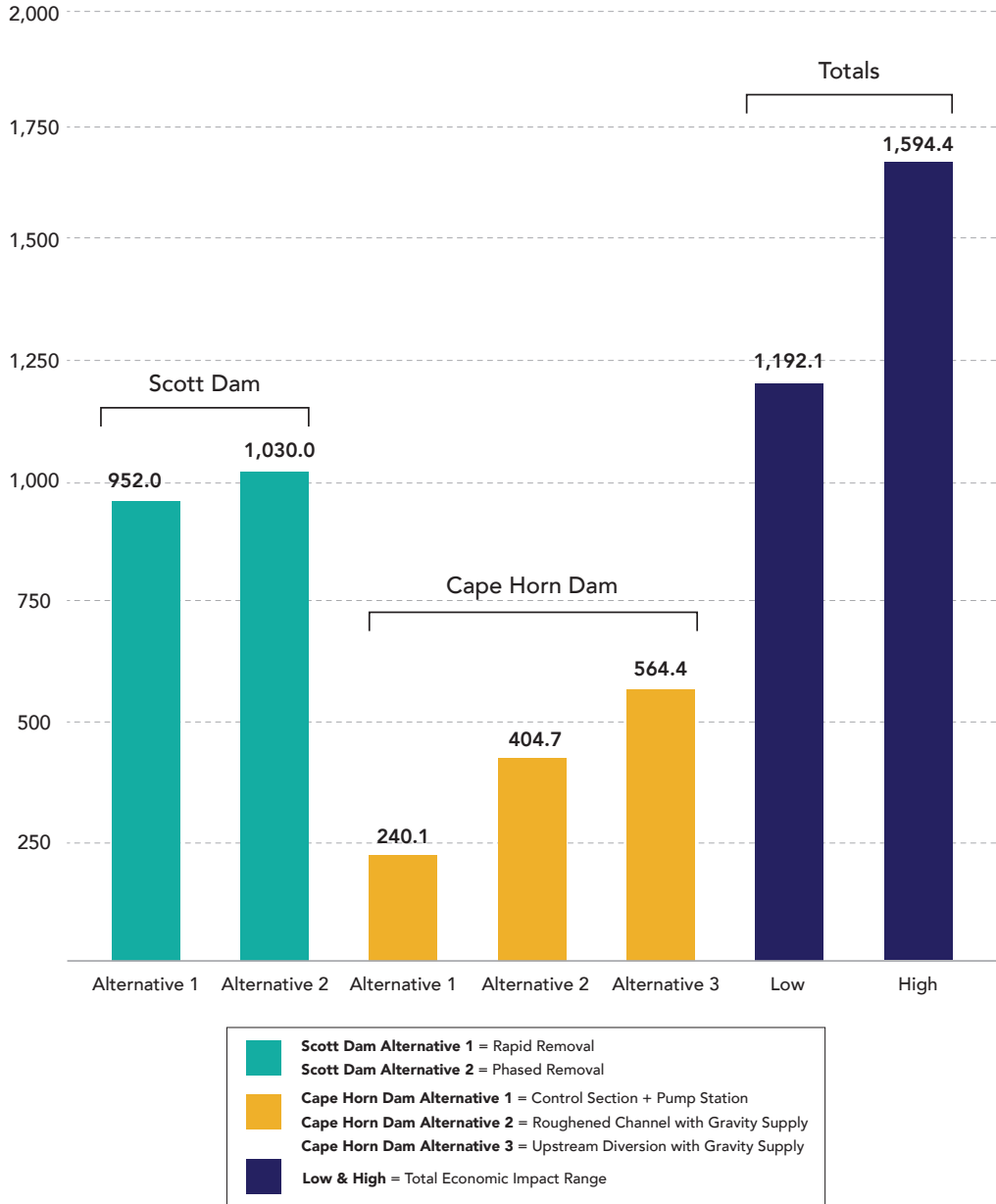


Analysis: Bay Area Council Economic Institute using IMPLAN



Analysis: Bay Area Council Economic Institute using IMPLAN

Total Employment Impacts in California (Full-time Equivalent Job Years)



Analysis: Bay Area Council Economic Institute using IMPLAN

Non-quantifiable Benefits

The Eel River once boasted some of the largest salmon runs in California with an estimated 500,000 salmonids returning annually prior to the 20th century.² Today, the Eel River sees less than 10,000 salmonids returning annually, meaning the river has experienced a 97% drop in population over the last century. Currently, Eel River salmon and steelhead populations are listed as threatened species. Not only are the Eel River's fish populations depressed, but the river's main stem and estuary are being negatively affected by habitat loss from agriculture, non-native fish introduction, and impaired water quality.³ By reconnecting the headwater habitats to the lower river, fish populations are likely to increase and present new opportunities for commercial and recreational fishing in the region.

While this study does not seek to quantify the economic benefits associated with an improved salmon fishery in the Eel River basin, a previous study from 20 years ago estimated economic benefits of more than \$5 million annually to the region.⁴ Inflated to 2022 dollars, that figure would stand at over \$8 million annually today. However, that level of economic impact relies on recovery of the salmon population and economic development strategies to further develop the fishing and tourism industries in the region—neither of which are modeled here.

Following dam removal there are quantifiable short- and long-term responses from the fish populations and river environment. Short-term responses are largely associated with the immediate impact of sediment release and uninterrupted migratory pathways. Long-term responses involve the river ecosystem finding new equilibriums following removal.⁵ The ecosystems that take shape following dam removal may not be like their pre-dam predecessors due to sediment and population changes. However, previous dam removals demonstrate promising results for the recovery of native fish populations and nearby economies.

The removal of two smaller dams and fish passage improvements on the Penobscot River in Maine restored 2,000 miles of habitat access for its native fish populations. This removal project resulted in a noticeable population spike of the river's salmon population. In 2014, there were only 248 salmon that returned to the river, as compared to 2022 during which 1,426 salmon returned. Similar responses have been recorded following other dam removal projects, like in Olympic National Park. The removal of two large dams on the Elwha River in Olympic National Park restored 75% of the previously inaccessible spawning habitat. From 2014 to 2017, the Coho salmon smolts increased their population from 9,000 to 17,000 following the dam removal. Additionally, from 2009 to 2011 the summer steelhead population surveys along the lower Elwha River never revealed more than one or two returning fish. In 2018, this population rose to at least 300 fish.⁶

In addition to the economic benefits detailed in this analysis and the potential fishery benefits described here, there are other cultural, community, and environmental benefits that will result from the project to restore the Eel River while protecting water flows to the Russian River basin. These include increased water supply reliability for local communities and new and improved recreation access throughout the watershed. While beyond the scope of this study, these benefits are critical to consider when evaluating the full economic and environmental impacts of the projects and may be an appropriate focus of future research to quantify the value of these effects.

Conclusion

The results presented in this report show that the initial investment in removing the two dams associated with the Potter Valley Project will stimulate the regional and statewide economy through both job creation and economic output. Key findings of this study include:

- The dam removal projects support 1,223 to 1,637 full-time equivalent job-years in the State of California, 1,037 to 1,332 of which are within the five-county area of study.

- In addition to jobs, the projects provide between \$252 million and \$345 million in total economic output for California, between \$203 million and \$278 million of which would stay in the five-county region of study.

These findings show that there is a substantial economic multiplier effect derived from dam removal and associated project components, nearly doubling the initial estimates of between \$133 million and \$185 million in project costs.



Scott Dam Spillway

Appendix A

Scott Dam Removal Costs - Rapid Removal

Project Component	Total Spending (millions)
GC's & Mobilization	\$15.94
Demolition	\$46.98
Metals	\$0.05
Earthwork	\$1.70
Exterior Improvements	\$1.50
Marine & Waterway	\$2.90
Overhead	\$4.14
Profit	\$8.29
Construction Bonds	\$2.20
Sales Tax	\$5.01
Contingency	\$17.27
TOTAL COST	\$105.97

Analysis: Bay Area Council Economic Institute using IMPLAN

Scott Dam Removal Costs - Phased Removal

Project Component	Total Spending (millions)
GC's & Mobilization	\$25.67
Demolition	\$47.23
Metals	\$0.05
Earthwork	\$0.35
Exterior Improvements	\$1.00
Marine & Waterway	\$2.70
Overhead	\$4.62
Profit	\$9.24
Construction Bonds	\$2.45
Sales Tax	\$5.58
Contingency	\$19.25
TOTAL COST	\$118.13

Analysis: Bay Area Council Economic Institute using IMPLAN

Appendix A Continued

Cape Horn Dam Removal Costs - Alternative 1

Project Component	Total Spending (millions)
GC's & Mobilization	\$3.31
Demolition	\$7.00
Concrete	\$3.05
Metals	\$0.18
Electrical	\$0.17
Instrumentation & Control	\$0.14
Earthwork	\$4.39
Exterior Improvements	\$0.01
Marine & Waterway	\$1.19
Pumps	\$0.43
Overhead	\$1.19
Profit	\$2.38
Construction Bonds	\$0.63
Sales Tax	\$1.44
Contingency	\$1.99
TOTAL COST	\$27.51

Analysis: Bay Area Council Economic Institute using IMPLAN

Cape Horn Dam Removal Costs - Alternative 2

Project Component	Total Spending (millions)
GC's & Mobilization	\$5.86
Demolition	\$6.50
Concrete	\$2.54
Metals	\$0.12
Electrical	\$0.05
Instrumentation & Control	\$0.14
Earthwork	\$4.39
Exterior Improvements	\$0.01
Utilities	\$0.05
Marine & Waterway	\$1.19
Overhead	\$2.11
Profit	\$4.22
Construction Bonds	\$1.12
Sales Tax	\$2.55
Contingency	\$3.51
TOTAL COST	\$48.64

Analysis: Bay Area Council Economic Institute using IMPLAN

Appendix A Continued

Cape Horn Dam Removal Costs - Alternative 3

Project Component	Total Spending (millions)
GC's & Mobilization	\$8.01
Demolition	\$7.83
Concrete	\$13.60
Metals	\$0.47
Special Construction	\$0.19
Electrical	\$0.21
Instrumentation & Control	\$0.14
Earthwork	\$14.80
Exterior Improvements	\$1.05
Utilities	\$0.08
Marine & Waterway	\$1.66
Overhead	\$2.88
Profit	\$5.76
Construction Bonds	\$1.53
Sales Tax	\$3.48
Contingency	\$4.80
TOTAL COST	\$66.50

Analysis: Bay Area Council Economic Institute using IMPLAN

Appendix B

Infrastructure Project / Study Area	Project Type	Economic Impact	Employment Impact
Klamath River, California	Dam Removal	2.35x multiplier: \$100 million in spending results in \$235 million statewide impact	21.5 jobs per \$1 million spent
Lower Snake River, nine counties in Washington & Idaho	Dam Removal	1.79x multiplier: \$789.4 million in spending results in \$1.4 billion in economic output in 9-county region	12.2 job per \$1 million spent
San Joaquin - Sacramento River watershed, California	Levee Improvements	2.13x multiplier: \$170 million spent results in \$362 million in economic output in California	11.2 jobs per \$1 million spent
Oregon Watershed Enhancement Board Grants, statewide	Watershed Improvements	1.90x - 2.40x multiplier: Calculated across multiple projects	16.3 jobs per \$1 million spent
San Joaquin River, eight counties in California	Watershed Improvements	Not calculated	14.1 jobs per \$1 million spent
California High-Speed Rail Initial 10 years, California	Transportation Infrastructure	1.64x multiplier: \$3.6 billion in spending results in \$5.9 billion statewide impact	9.2 jobs per \$1 million spent
Multiple U.S. Department of Interior Projects, nationwide	Ecosystem Restoration	2.20x multiplier: Calculated across multiple projects	12.9 jobs per \$1 million spent
Matilija Dam Ecosystem Restoration Project	Dam Removal	2.10x multiplier: Calculated across multiple projects	13.9 jobs per \$1 million spent
Potter Valley Project			
Five Counties in California	Dam Removal	1.51x multiplier	7.6 jobs per \$1 million spent
State of California		1.88x multiplier	8.8 jobs per \$1 million spent

Acknowledgements

This report was developed and written by Jeff Bellisario, Executive Director of the Bay Area Council Economic Institute, with support from Patrick Kallerman, Vice President of Research, and Estevan Lopez, Research Analyst.

About the Institute

Since 1990, the Bay Area Council Economic Institute has been a leading think tank focused on the economic and policy issues facing the San Francisco/Silicon Valley Bay Area, one of the most dynamic regions in the United States and the world's leading center for technology and innovation. A valued forum for stakeholder engagement and a respected source of information and fact-based analysis, the Institute is a trusted partner and adviser to both business leaders and government officials. Through its economic and policy research and its many partnerships, the Institute addresses major factors impacting the competitiveness, economic development, and quality of life of the region and the state, including infrastructure, globalization, science and technology, and health policy. It is guided by a Board of Trustees drawn from influential leaders in the corporate, academic, non-profit, and government sectors.

Endnotes

1. Scott Dam and Cape Horn Dam Removal Alternatives, McMillen Jacobs Associates, November 2021 <http://pottervalleyproject.org/wp-content/uploads/2021/12/Scott-Dam-and-Cape-Horn-Dam-Removal.pdf>
2. Historical Review of Eel River Anadromous Salmonids, with Emphasis on Chinook Salmon, Coho Salmon, and Steelhead." University of California, Davis, Center for Watershed Sciences, February 1, 2010.
3. Eel River Research Examines Dams' Effect on Salmon," <https://now.humboldt.edu/news/eel-river-research-examines-dams-effect-on-salmon>
4. The Center for Environmental Economic Development, "A River in the Balance: Benefits and Costs of Restoring Natural Water Flows to the Eel River." Summer 2022
5. J Ryan Bellmore et al., "Conceptualizing Ecological Responses to Dam Removal: If You Remove It, What's to Come?," *Bioscience* 69, no. 1 (January 1, 2019): 26–39
6. Alexander Matthews, "The Largest Dam-Removal in US History," <https://www.bbc.com/future/article/20201110-the-largest-dam-removal-project-in-american-history>

Image Credits

Cover: "Scott Dam OV1" by Sean Mickelroy on Unsplash

Page 4: Potter Valley Feasibility Study: Capital Improvements, April 2021

Page 16: Potter Valley Feasibility Study: Capital Improvements, April 2021

Back cover: "PVP-Newspost" by John Fercetti on Unsplash



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***Mendocino County Russian River Flood Control &
Water Conservation Improvement District***

STAFF REPORT

To: Board of Trustees
From: E. Salomone, General Manager
Meeting: Monday, May 1, 2023
RE: Agenda Item 8a: April 2023 Financial Reports Summary

Revenue

March 2023 Additional revenue not shown on previous report: None

April 2023: \$124,802.30

- \$123,194.05 in water sales
- \$1,376.27 in property taxes revenue

Ordinary Expenses

March 2023 Additional expenses not shown on previous report: None

May 2023: \$23,315.68 in expenses at time of writing this report, notably:

- \$918.75 in consultant funding research (will be reorganized in report at later date)
- \$3,556.84 in legal expenses
- \$8,526.25 in consultant human resources consulting (eval process & recruitment)

Other

- Financial reports subject to change after corrections and adjustments by Accountant and Auditor.
- Reconciliations for checking and savings are up to date as of the end of March 2023 – statements not available for April in time for reporting.
- Additional reports or information available upon request.

Recommendation:

Move to accept and file the financial reports for April 2023.

Attachments:

1. Income & Expense Report – April 2023 only
2. Income & Expense / Budget Vs Actual Report – Fiscal Year to date
3. Profit & Loss Previous Year Comparison Report
4. Balance Sheet Previous Year Comparison Report
5. Monthly Payment Detail Report – April 2023
6. Contracted Water Worksheet

Russian River Flood Control District
Income & Expense / Budget vs. Actual
April 2023

	Apr 23
Ordinary Income/Expense	
Income	
4001 · Contract Water Sales	123,194.05
4050 · Property Taxes	
4052 · Current Unsecur	1,376.27
4053 · HOPTR	207.73
4054 · Prior Unsecured	22.67
4057 · Hwy Property Rent	1.58
4050 · Property Taxes - Other	0.00
Total 4050 · Property Taxes	1,608.25
4080 · Interest-LAIF	0.00
4081 · Interest-SBMC	0.00
Total Income	124,802.30
Expense	
Payroll Expenses	7,609.35
Operating Expenses	
5020 · Water Rights	
5023 · Meter Maintenance	82.64
Total 5020 · Water Rights	82.64
5030 · Projects	
5031 · Grant Applications	918.75
5033 · Water Resiliency - Other	0.00
Total 5030 · Projects	918.75
5040 · USGS, streamflow gage	0.00
5060 · Rent, Utilities	1,125.00
Total Operating Expenses	2,126.39
General & Administrative Exp	
5100 · Consulting	
5105 · Legal	3,556.84
5106 · Metering	167.00
5100 · Consulting - Other	8,526.25
Total 5100 · Consulting	12,250.09
5120 · Vehicle	185.84
5130 · Insurance	446.66
5140 · LAFCO Apportionment Fee	0.00
5150 · Memberships	0.00
5160 · Office Operating Expenses	423.32
5170 · Training & Conferences	274.03
5180 · Stipends, Meetings	0.00
5200 · Election	0.00
Total General & Administrative Exp	13,579.94
Total Expense	23,315.68
Net Ordinary Income	101,486.62
Net Income	101,486.62

Russian River Flood Control District
Income & Expense / Budget vs. Actual
July 2022 through June 2023

Cash Basis

	Jul '22 - J...	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
4001 · Contract Water Sales	256,491.05	348,935.00	-92,443.95	73.5%
4010 · Water Application Fee	800.00			
4050 · Property Taxes	34,872.50	55,000.00	-20,127.50	63.4%
4080 · Interest-LAIF	3,333.66	2,500.00	833.66	133.3%
4081 · Interest-SBMC	37.56	500.00	-462.44	7.5%
4100 · Other Income	257.95			
Total Income	295,792.72	406,935.00	-111,142.28	72.7%
Expense				
Payroll Expenses	140,117.02	184,500.00	-44,382.98	75.9%
Operating Expenses				
5020 · Water Rights				
5021 · Annual Fees	16,886.72	17,000.00	-113.28	99.3%
5023 · Meter Maintenance	135.13			
Total 5020 · Water Rights	17,021.85	17,000.00	21.85	100.1%
5030 · Projects				
5031 · Grant Applications	918.75			
5032 · Outreach & Education	92.20			
5033 · Water Resiliency - Other	3,737.00	40,000.00	-36,263.00	9.3%
Total 5030 · Projects	4,747.95	40,000.00	-35,252.05	11.9%
5040 · USGS, streamflow gage	7,237.50	15,000.00	-7,762.50	48.3%
5050 · JPAs	68,750.00			
5060 · Rent, Utilities	4,500.00	5,000.00	-500.00	90.0%
Total Operating Expenses	102,257.30	77,000.00	25,257.30	132.8%
General & Administrative Exp				
5100 · Consulting				
5101 · Accounting	24,136.95			
5102 · Audit	19,000.00			
5104 · Grants & Funding	2,362.50			
5105 · Legal	20,755.57	20,000.00	755.57	103.8%
5106 · Metering	3,183.71			
5107 · Outreach	150.00			
5100 · Consulting - Other	13,346.25	20,000.00	-6,653.75	66.7%
Total 5100 · Consulting	82,934.98	40,000.00	42,934.98	207.3%
5120 · Vehicle	1,178.29	2,000.00	-821.71	58.9%
5130 · Insurance	10,551.47	14,000.00	-3,448.53	75.4%
5140 · LAFCO Apportionment Fee	1,268.73	2,500.00	-1,231.27	50.7%
5150 · Memberships	5,930.00	7,000.00	-1,070.00	84.7%
5160 · Office Operating Expenses	5,438.88	5,000.00	438.88	108.8%
5170 · Training & Conferences	3,515.98	4,000.00	-484.02	87.9%
5180 · Stipends, Meetings	4,650.00	6,000.00	-1,350.00	77.5%
5200 · Election	331.74	5,000.00	-4,668.26	6.6%
5299 · Miscellaneous Expense (Revenue)	-6.00			
Total General & Administrative Exp	115,794.07	85,500.00	30,294.07	135.4%
Payroll Taxes- old	0.00			
Total Expense	358,168.39	347,000.00	11,168.39	103.2%
Net Ordinary Income	-62,375.67	59,935.00	-122,310.67	-104.1%
Other Income/Expense				
Other Expense	0.00			
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	-62,375.67	59,935.00	-122,310.67	-104.1%

Russian River Flood Control District Profit & Loss Prev Year Comparison

July 2022 through April 2023

Cash Basis

	Jul '22 - Apr 23	Jul '21 - Apr 22	\$ Change	% Change
Ordinary Income/Expense				
Income				
4001 · Contract Water Sales	256,491.05	303,439.06	-46,948.01	-15.5%
4010 · Water Application Fee	800.00	0.00	800.00	100.0%
4050 · Property Taxes	34,872.50	54,834.97	-19,962.47	-36.4%
4080 · Interest-LAIF	3,333.66	967.46	2,366.20	244.6%
4081 · Interest-SBMC	37.56	88.86	-51.30	-57.7%
4100 · Other Income	257.95	0.00	257.95	100.0%
4110 · Reimbursed Expenses	0.00	37,601.48	-37,601.48	-100.0%
Total Income	295,792.72	396,931.83	-101,139.11	-25.5%
Expense				
Payroll Expenses	140,117.02	134,528.63	5,588.39	4.2%
Operating Expenses				
5020 · Water Rights				
5021 · Annual Fees	16,886.72	15,930.05	956.67	6.0%
5023 · Meter Maintenance	135.13	1,938.68	-1,803.55	-93.0%
Total 5020 · Water Rights	17,021.85	17,868.73	-846.88	-4.7%
5030 · Projects				
5031 · Grant Applications	918.75	0.00	918.75	100.0%
5032 · Outreach & Education	92.20	7,397.32	-7,305.12	-98.8%
5033 · Water Resiliency - Other	3,737.00	23,662.50	-19,925.50	-84.2%
Total 5030 · Projects	4,747.95	31,059.82	-26,311.87	-84.7%
5040 · USGS, streamflow gage	7,237.50	27,742.50	-20,505.00	-73.9%
5050 · JPAs				
5052 · GSA	68,750.00	10,513.64	58,236.36	553.9%
Total 5050 · JPAs	68,750.00	10,513.64	58,236.36	553.9%
5060 · Rent, Utilities	4,500.00	7,120.09	-2,620.09	-36.8%
Total Operating Expenses	102,257.30	94,304.78	7,952.52	8.4%
General & Administrative Exp				
5100 · Consulting				
5101 · Accounting	24,136.95	0.00	24,136.95	100.0%
5102 · Audit	19,000.00	2,400.00	16,600.00	691.7%
5104 · Grants & Funding	2,362.50	0.00	2,362.50	100.0%
5105 · Legal	20,755.57	26,638.53	-5,882.96	-22.1%
5106 · Metering	3,183.71	0.00	3,183.71	100.0%
5107 · Outreach	150.00	0.00	150.00	100.0%
5100 · Consulting - Other	13,346.25	417.75	12,928.50	3,094.8%
Total 5100 · Consulting	82,934.98	29,456.28	53,478.70	181.6%
5120 · Vehicle	1,178.29	332.32	845.97	254.6%
5130 · Insurance	10,551.47	7,487.61	3,063.86	40.9%
5140 · LAFCO Apportionment Fee	1,268.73	1,396.13	-127.40	-9.1%
5150 · Memberships	5,930.00	5,670.00	260.00	4.6%
5160 · Office Operating Expenses	5,438.88	3,649.04	1,789.84	49.1%
5170 · Training & Conferences	3,515.98	900.00	2,615.98	290.7%
5180 · Stipends, Meetings	4,650.00	2,925.00	1,725.00	59.0%
5200 · Election	331.74	0.00	331.74	100.0%
5299 · Miscellaneous Expense (Revenue)	-6.00	0.00	-6.00	-100.0%
Total General & Administrative Exp	115,794.07	51,816.38	63,977.69	123.5%
Payroll Taxes- old	0.00	0.00	0.00	0.0%
Total Expense	358,168.39	280,649.79	77,518.60	27.6%
Net Ordinary Income	-62,375.67	116,282.04	-178,657.71	-153.6%

	<u>Jul '22 - Apr 23</u>	<u>Jul '21 - Apr 22</u>	<u>\$ Change</u>	<u>% Change</u>
Other Income/Expense				
Other Expense				
5800 · Prior Year Expense	0.00	0.00	0.00	0.0%
5700 · Reserves	0.00	93,750.00	-93,750.00	-100.0%
Total Other Expense	<u>0.00</u>	<u>93,750.00</u>	<u>-93,750.00</u>	<u>-100.0%</u>
Net Other Income	<u>0.00</u>	<u>-93,750.00</u>	<u>93,750.00</u>	<u>100.0%</u>
Net Income	<u><u>-62,375.67</u></u>	<u><u>22,532.04</u></u>	<u><u>-84,907.71</u></u>	<u><u>-376.8%</u></u>

Russian River Flood Control District Balance Sheet Prev Year Comparison

As of March 31, 2023

Cash Basis

	Mar 31, 23	Mar 31, 22	\$ Change	% Change
ASSETS				
Current Assets				
Checking/Savings				
1000 · SBMC Checking	282,598.95	440,549.52	-157,950.57	-35.9%
1001 · SBMC Savings	100,126.05	100,088.49	37.56	0.0%
1010 · LAIF				
1011 · Capital Reserve	56,000.00	48,000.00	8,000.00	16.7%
1012 · Emergency Reserve	28,000.00	28,000.00	0.00	0.0%
1013 · Operating Reserve	210,000.00	153,000.00	57,000.00	37.3%
1014 · Water Reliability Reserve	198,004.78	259,411.40	-61,406.62	-23.7%
1010 · LAIF - Other	4,253.07	2,287.29	1,965.78	85.9%
Total 1010 · LAIF	496,257.85	490,698.69	5,559.16	1.1%
1019 · LAIF - Fair Market Value	-6,322.52	0.00	-6,322.52	-100.0%
Total Checking/Savings	872,660.33	1,031,336.70	-158,676.37	-15.4%
Total Current Assets	872,660.33	1,031,336.70	-158,676.37	-15.4%
Fixed Assets				
1401 · Meters & Vehicles	147,783.80	139,849.78	7,934.02	5.7%
1499 · Accumulated Depreciation	-79,418.55	-59,942.72	-19,475.83	-32.5%
Total Fixed Assets	68,365.25	79,907.06	-11,541.81	-14.4%
Other Assets				
1600 · Deferred Outflows	24,734.00	24,734.00	0.00	0.0%
Total Other Assets	24,734.00	24,734.00	0.00	0.0%
TOTAL ASSETS	965,759.58	1,135,977.76	-170,218.18	-15.0%
LIABILITIES & EQUITY				
Liabilities				
Current Liabilities				
Other Current Liabilities				
2010 · Accrued Expenses	-7,237.50	0.00	-7,237.50	-100.0%
2030 · Vacation Accrual	21,458.23	15,922.00	5,536.23	34.8%
2050 · Payroll Liabilities	5,869.58	1,879.09	3,990.49	212.4%
Total Other Current Liabilities	20,090.31	17,801.09	2,289.22	12.9%
Total Current Liabilities	20,090.31	17,801.09	2,289.22	12.9%
Long Term Liabilities				
2600 · Deferred Inflows	471.00	471.00	0.00	0.0%
2700 · Net Pension Liability	50,063.00	50,063.00	0.00	0.0%
Total Long Term Liabilities	50,534.00	50,534.00	0.00	0.0%
Total Liabilities	70,624.31	68,335.09	2,289.22	3.4%
Equity				
3000 · Opening Bal Equity	541,116.95	541,116.95	0.00	0.0%
3001 · Retained Earnings	517,880.61	555,061.31	-37,180.70	-6.7%
Net Income	-163,862.29	-28,535.59	-135,326.70	-474.2%
Total Equity	895,135.27	1,067,642.67	-172,507.40	-16.2%
TOTAL LIABILITIES & EQUITY	965,759.58	1,135,977.76	-170,218.18	-15.0%

Russian River Flood Control District
Monthly Payment Detail
As of April 30, 2023

Cash Basis

Type	Date	Name	Memo	Paid Amount
1000 · SBMC Checking				
Bill Pm...	04/01/2023	Christiansen Properties	Office rent for Apr, May, June 2023	-1,125.00
Bill Pm...	04/04/2023	State Compensation Insurance Fu...	2022-23 FY Policy charges 3/9 to 4/9/23	-446.74
Bill Pm...	04/07/2023	Chevalier Vineyard Management,...	Meter Reading/annual downloads April 2022	-167.00
Bill Pm...	04/07/2023	Herum/Crabtree/Suntag	Legal Counsel, March Service Dates	-3,556.84
Bill Pm...	04/08/2023	Intuit	Monthly Payroll Subscription	-5.00
Bill Pm...	04/09/2023	Cardmember Service	Credit card 2/13 to 3/10/23	-809.26
Bill Pm...	04/18/2023	LACO	Funding Analysis & Grant Writing	-918.75
Bill Pm...	04/18/2023	Leap Solutions Group, Inc	Invoice #5610 HR Consulting	-8,526.25
Check	04/18/2023	CASH	Petty Cash Set Up	-100.00
Bill Pm...	04/18/2023	US Cellular	Cell service 3/14 - 4/13/23 service dates	-51.57
Total 1000 · SBMC Checking				-15,706.41
TOTAL				-15,706.41

Project Water Worksheet as of May 1, 2023

**Note, clerical error corrected which changed Contract Total amount.*

		Current 2023 totals in Acre Feet
Project Water Licensed to MC RRFC & WCID:		7940
Contracted Non-Retail Suppliers:		4992
Contracted Retail Suppliers:		2505.15
	Calpella CWD	85
	Henry Station Mutual Water Co	8
	Hopland PUD	222
	Millview CWD - All Use	1171.15
	Rogina Water	400
	River Estates Mutual Water Company	26
	Willow CWD - All Use	593
	Contracted Municipals:	2505.15
Contracted Total:		7497.15
Current Uncontracted Water Supply for 2023:		442.85

Redwood Valley County Water District:

Month	Water Requested, in acre feet	Adjusted Request	Water diverted, in acre feet
Jan 2023	40	0	0
Feb 2023	40	0	0
Mar 2023	60	0	0
Apr 2023	60	60	<i>not yet reported</i>
May 2023	60	60	
June 2023	60	60	
July 2023	150	150	
Aug 2023	150	150	
Sept 2023	150	150	
Oct 2023	100	100	
Nov 2023	40	40	
Dec 2023	0	0	
Totals:	910	770	0

5 **DRAFT MINUTES**
6 **Regular Meeting of March 6, 2023**
7

8 IN COMPLIANCE WITH ASSEMBLY BILL 361, THIS MEETING WAS HELD VIA ZOOM.

9 **1. Roll Call**

10 President Watt called the meeting to order at 5:32 PM.

11 Trustees Present: Christopher Watt, President
12 Alfred White, Vice President
13 John Bailey, Treasurer
14 Tyler Rodrigue, Trustee (Arrived 5:36 PM)
15 John Reardan, Trustee
16

17 Staff: Elizabeth Salomone, General Manager
18 Jeanne Zolezzi, Legal Counsel
19

20 **2. Approval of Agenda**

21 Vice President White moved to approve the agenda. Trustee Reardan seconded the motion. The motion was
22 approved by the following vote:

23 Ayes: 4 (Reardan, Bailey, White, Watt)
24 Absent: 1 (Rodrigue)
25

26 **3. Public Expression**

27 No one indicated interest in speaking.

28 **CLOSED SESSION 5:34 PM – 6:10 PM**

29 **4. Conference with Legal Counsel – Anticipated Litigation**
30 Gov. Code § 54956.9(d) Significant exposure to litigation: (1 potential case)
31

32 The Board held a closed session to confer with and receive advice from its legal counsel regarding potential
33 litigation, and as authorized by Government Code 54956.9(d). GM Salomone reported out after that direction was
34 given to staff.

35 **ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

36 **5. Water Supply Conditions Update and District Response**

37 GM Salomone presented the item. The Board held a discussion. Public comment was offered by Sean White, City
38 of Ukiah Director of Water and Wastewater.
39

40 **6. Russian River Water Forum Update**

41 GM Salomone presented the item including a PowerPoint presentation. The Board held a discussion.
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(Continued...)

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7. District Personnel and Organization

GM Salomone presented the item.

Treasurer Bailey moved to approve the recommended action to issue a one-time vacation payout to GM Elizabeth Salomone of 156 hours. Trustee Reardan seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

REGULAR BUSINESS, INFORMATION, AND REPORT ITEMS

8. Consent Calendar

- a) Acceptance of the February 2023 Financial Report
- b) Approval of February 6, 2023 Regular Board Meeting Minutes

GM Salomone addressed several questions.

Vice President White moved to approve the Consent Calendar items a & b. Trustee Rodrigue seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

9. Trustee & Committee Reports

- a. Budgeting for Strategic Plan Implementation Ad Hoc: Did not meet since last meeting.
- b. GM Evaluation Ad Hoc: Did not meet since last meeting.

Trustee Reardan: Provided an update from the Redwood Valley County Water District Board meeting.

10. General Manager Report & Correspondence

GM presented the written report.

11. Direction on Future Agenda Items - None noted.

ADJOURNMENT

Trustee Reardan moved to adjourn the meeting at 7:19 PM. Vice President White seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

APPROVED by Board of Trustees on May 1, 2023

President of the Board of Trustees

Secretary of the Board of Trustees

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President
Christopher Watt

Vice President
Alfred White

Treasurer
John Bailey

Trustee
Tyler Rodrigue

Trustee
John Reardan

5 **DRAFT MINUTES**
6 **Special Meeting of March 6, 2023**
7

8 **Hybrid Meeting:**
9 **County Ag Building Meeting Room, 890 N. Bush Street, Ukiah and on Zoom platform**
10

11 This was a meeting held jointly with the
12 Mendocino County Inland Water & Power Commission Special Meeting
13

14 **1. Call to Order & Roll Call**

15 President Watt called the meeting to order at 5:02 PM.

16 Trustees Present: Christopher Watt, President
17 Alfred White, Vice President
18 Tyler Rodrigue, Trustee (Arrived 5:03 PM)
19 John Reardan, Trustee
20

21 Trustee Absent: John Bailey, Treasurer

22 Staff: Elizabeth Salomone, General Manager
23
24

25 **2. Public Expression**

26 Janet Pauli, Chair of Mendocino County Inland Water & Power Commission (MCIWPC), Frost Pauli, Chair of the
27 Mendocino County Farm Bureau Water Committee, and Guinness McFadden, Member of the Potter Valley
28 irrigation District Board all offered public comment regarding water supply conditions.

29 **ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

30 **3. Mendocino Russian River Water Forum Caucus: Special Joint Meeting of Water Suppliers and**
31 **Agricultural Interests**
32

- 33 a) Overview and update on the Water Forum
34 Janet Pauli (MCIWPC) provided a presentation.
35
- 36 b) Explanation of the process to nominate representatives for the Water Forum Planning Committee.
37 Janet Pauli (MCIWPC) provided report.
38
- 39 c) Discussion and possible nomination of representatives from Mendocino County to the Russian River
40 Water Forum Planning Committee. There are three categories of nominees for the following groups:
41 *Water Suppliers: 4 regular seats, 4 alternate seats*
42 *County: 1 regular seat, 1 alternate seat*
43 *Agriculture NGO/RCD: 2 regular seats, 2 alternate seats*
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45 Janet Pauli (MCIWPC) facilitated discussion.
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ADJOURNMENT

Vice President White moved to adjourn the meeting at 6:33 PM. Trustee Reardan seconded the motion. The motion was approved by the following vote:

- Ayes: 4 Reardan, Rodrigue, Watt, White)
- Absent: 1 (Bailey)

APPROVED by Board of Trustees on May 1, 2023

President of the Board of Trustees

Secretary of the Board of Trustees

President
Christopher Watt

Vice President
Alfred White

Treasurer
John Bailey

Trustee
Tyler Rodrigue

Trustee
John Reardan

5 **DRAFT MINUTES**
6 **Regular Meeting of April 3, 2023**
7

8 IN COMPLIANCE WITH ASSEMBLY BILL 361, THIS MEETING WAS HELD VIA ZOOM.

9 **1. Roll Call**

10 President Watt called the meeting to order at 5:32 PM.

- 11 Trustees Present: Christopher Watt, President
12 Alfred White, Vice President
13 John Bailey, Treasurer
14 Tyler Rodrigue, Trustee (Arrived 5:34 PM)
15 John Reardan, Trustee
16

17 Staff: Elizabeth Salomone, General Manager
18
19

20 **2. Approval of Agenda**

21 Vice President White moved to approve the agenda. Trustee Reardan seconded the motion. The motion was
22 approved by the following vote:

- 23 Ayes: 4 (Reardan, Bailey, White, Watt)
24 Absent: 1 (Rodrigue)
25

26 **3. Public Expression**

27 No one indicated interest in speaking.

28 **ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

29 **4. Water Supply Conditions Update and District Response**

30 GM Salomone presented the item. The Board held a discussion. No public comment was offered.
31

32 Trustee Reardan, as the representative to the Mendocino County Inland Water & Power Commission (IWPC)
33 JPA, will request an agenda item for the IWPC Board member to discuss submitting written comment to PG&E
34 and/or Federal Energy Regulatory Commission (FERC.)
35

36 **5. Russian River Water Forum Update**

37 GM Salomone presented the item including a PowerPoint presentation. The Board held a discussion.
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(Continued...)

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6. Personnel and Organization

GM Salomone responded to questions.

Vice President White moved to approve the recommended action approving Timeline Option 2 to schedule a one-time 18-month performance evaluation for the period January 1, 2022 – June 30, 2023 to be completed by August 31, 2023. Treasurer Bailey seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

REGULAR BUSINESS, INFORMATION, AND REPORT ITEMS

7. Consent Calendar

- a) Acceptance of the March 2023 Financial Report
- b) Approval of March 6, 2023 Regular Board Meeting Minutes
- c) Approval of March 23, 2023 Special Board Meeting Minutes

Items 7b and 7c were removed from the consent calendar and forwarded to the next regular meeting.

Treasurer Bailey moved to approve the Consent Calendar item 7a only. Trustee Rodrigue seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

8. Trustee & Committee Reports

- a. Budgeting for Strategic Plan Implementation Ad Hoc: Did not meet since last meeting. Treasurer Bailey was appointed to this Ad Hoc in place of Trustee Rodrigue. Since the Committee has not yet met there are no Brown Act compliance issues.
- b. GM Evaluation Ad Hoc: Did not meet since last meeting.

Treasurer Bailey: Provided a Treasurer update and shared that UC Davis Cooperative Extension is hiring 2 water professionals for the region.

9. General Manager Report & Correspondence

GM presented the written report. Board discussed various items.

10. Direction on Future Agenda Items - None noted.

ADJOURNMENT

Trustee Reardan moved to adjourn the meeting at 6:59 PM. Vice President White seconded the motion. The motion was approved by the following vote:

Ayes: 5 (Bailey, Reardan, Rodrigue, Watt, White)

APPROVED by Board of Trustees on May 1, 2023

President of the Board of Trustees

Secretary of the Board of Trustees

President
Christopher Watt

Vice President
Alfred White

Treasurer
John Bailey

Trustee
Tyler Rodrigue

Trustee
John Reardan

Resolution #23-02
**of the Mendocino County Russian River Flood Control &
Water Conservation Improvement District**
Nominating Elizabeth Salomone
as Chair of the Association of California Water Agencies
Region 1 Board

WHEREAS, The Board of Trustees does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA.)

WHEREAS, Elizabeth Salomone, General Manager, is currently serving as a Board Member and has indicated a desire to continue serving as the Chair of ACWA Region 1.

BE IT FURTHER RESOLVED that the Board of Trustees

- (1) Does place its full and unreserved support in the nomination of Elizabeth Salomone to the Board of ACWA Region 1.
- (2) Does hereby determine that the expenses attendant with the service of Elizabeth Salomone in ACWA Region 1 shall be borne by this District.

ADOPTED by the Board of Trustees of the Mendocino County Russian River Flood Control & Water Conservation Improvement District on 1st day of May 2023.

John Reardan	Yes / No / Abstain / Absent
Tyler Rodrigue	Yes / No / Abstain / Absent
John Bailey	Yes / No / Abstain / Absent
Alfred White	Yes / No / Abstain / Absent
Christopher Watt	Yes / No / Abstain / Absent

Signed: _____

Christopher Watt, President

Attest: _____

Elizabeth Salomone, General Manager

*Mendocino County Russian River Flood Control
& Water Conservation Improvement District*

General Manager's Report for April 2023

Presented at Regular Meeting of Monday, May 1, 2023

Priority 1: Security ~ Ensure reliable, resilient, and available sources of water.

(1: Improved river & reservoir operations. 2: Fair & reliable inter-basin. 3: Expanded water sources. 4: Increased storage capacity)

See also the Agenda Item on Water Supply Conditions

1-Water Sharing Program: The Steering Committee met to discuss Program adaptations with the issuance of The Governor's Executive Order N-5-23 terminates portions of prior drought orders including the ability of the State Water Resources Control Board to issue emergency regulations in the Russian River watershed, therefore the water sharing program will not be able to run as originally designed. The Steering Committee continues to work on alternatives for 2023 and beyond while awaiting more information on Potter Valley Project operations for 2023.

2-Russian River Water Forum: The Project Management Advisory Team continued to meet and steer the process for Leadership Council, working groups, and caucus formation. Mendocino County submitted all regular and alternate representatives for the Planning Group. The first Planning Group meeting is scheduled for Wednesday, May 17, 2023, in Ukiah and will also be broadcast on zoom. More information to come.

<https://russianriverwaterforum.org/>

4-Coyote Valley Dam Improvements: Congressman Huffman announced he had "the opportunity to once again select community projects for consideration by the House Appropriations Committee for possible funding. Despite limitations set by the new Majority setting a tight timeline, early deadlines, and severely limiting the number of eligible accounts for project consideration, my office still received over 55 competitive applications by communities and organizations across California's 2nd District, all worthy of funding and recognition." Huffman selected the IWPC application for Coyote Valley Dam General Investigation/ Feasibility study as one of 15 projects to advance to the House Appropriations Committee for consideration. Please note, this submission does not guarantee funding for the project. The timeline for consideration is uncertain and funding is not guaranteed.

Priority 2: Collaboration ~ Work with partners to achieve aligned goals for a common benefit.

(1: Trusted relationships with community partners for regional water security. 2: Improved diversity, equity, and inclusion in the stewardship of water resources. 3: Expanded relationships with non-traditional partners and stakeholders in pursuit of enhanced Environmental Stewardship.)

1-Groundwater Sustainability Agency (GSA): GM served on an ad hoc committee to prepare for the well permitting workshop #2 which was held Monday, April 17, 2023. Updates were provided by the County of Mendocino and the GSA with the public providing input and questions.

Priority 3: Advocacy ~ Influence outreach, education, funding, regulation, and legislation in support of equitable water resource stewardship.

(1: Improved public awareness and understanding of the importance of water issues. 2: State and Federal governmental policy and funding support for the region.)

1-Public Awareness of Water Issues: The Public Policy Institute (PPIC) is filming a documentary on the future of the Eel & Russian trans-basin diversion; Janet Pauli and GM Salomone were interviewed on location in Potter Valley. GM Salomone also provided quotes, interviews, and background to various media outlets.

(Continued...)

2-ACWA: The ACWA Region 1 Board met twice. ACWA held a Leadership to Leadership meeting with Region 1 ACWA members which was well attended by Mendocino County and Russian River Watershed representatives.

2-Government Funding: GM Salomone was invited to join a small statewide Water Telemetry Technical Group to assist the State Water Resources Control Board in better understanding the needs of water use data collection and reporting for several project that are underway. Several funded pilot projects are being discussed, including in the Russian River watershed. The first meeting was held in April.

Priority 4: Use ~ Ensure effective and beneficial use of water as a public resource.

(1: Maximum beneficial use of water under District water right license. 2: Strategic use of water by customers.)

1-Customer water use: As per the District contract, customers have been offered surplus water, asked for by-month projections/updates for 2023, and offered opportunity to identify contract quantities available to transfer to the District to sell as surplus.

Priority 5: Administration ~ Foster sustainable leadership and management of agency resources.

(1: Capable and high quality executive leadership. 2: Engaged, diverse, and knowledgeable Board leadership. 3: Effective systems and human resources to execute the strategic plan. 4: Sound and sustainable management of District finances.)

1-Executive Leadership: GM Salomone attended several workshops and webinars. presented to Leadership Mendocino, Mendocino County Resource Conservation District Board meeting, took several days off, attended several webinars.

2-Human Resources: A new Office Administrator was hired and started. GM Evaluation process update continues.

4-Finances: Met with Accountant several times to set up new employee payroll and address several other issues.

Community Meetings

Upper Russian River Water Agency (URRWA) (4/5/23): Staff reported on Willow's service contracts with the other water districts. GM Salomone gave a presentation on the Russian River Water Forum. The proposed consolidation of services between the City of Ukiah and Ukiah Valley Water Districts was discussed. Issues of governance still remain unresolved though it is proposed that the City would annex one district at a time given the complexity of the process. URRWA discussion was centered on resistance to proceeding without a clear understanding of cost changes that would occur.

Local Agency Formation Commission (LAFCo) (4/3/23): GM Salomone provided an update on GSA and the Commission held a budget workshop.

Willow County Water District (4/20/23): Closed session re consolidation ad hoc. Willow and Hopland Annual SWRCB inspection scheduled for April 17. New inspectors. Bella Visit subdivision (171 homes) goes before County BOS tomorrow. PGE announced PVP gates will remain open. Will reduce summer and fall releases to the Eel. Russian River water forum is new venue for working towards future water allocation. Water district services contracts - basic ongoing maintenance. SWRCB announced all RR water curtailments rescinded. URRWA consolidation ad hoc meeting monthly. Opening LAIF account - initiated by recent bank collapses. \$17M cap on federal insurance. Pays higher interest. Consensus.

(Continued...)

Mendocino County Inland Water & Power Commission (MCIWPC): Jacobs Engineering coming to PV April 25 for site visit. Special PVID meeting 9:30 am Apr 25 meeting to introduce Jacobs and their study plan. Larger public meeting in PV after results are developed.

RR Water Forum update- two Mendocino caucus meetings for representation on planning committee. List is finalized and sent to consultant. First planning meeting 10am on May 17th at Ukiah Valley Conference Center. Several presentations on objectives. Reference library on existing relevant info is being developed. PVP - updated NDA in place for IWPC/SCWA facilities assessment team. Simplistic seismic study shows increased risk of uncontrolled release from earthquake damage from 1-5000 yrs to 1-900 years. In response PGE states spillway gates will remain open to reduce risk. Letters from congressperson Thompson to FERC and FERC letter to PGE. PGE and FERC engineers are discussing. Current snow pack measurement is 217% of normal. Without variances flows to go from 45-90 and then to 125 cfs if no variance. If variance expected to have 2021 type flow thru project, i.e. 55-60 cfs in summer. This is significant impact on water rights in RR. Prospective DWR grant will require matching funds and SCWA putting in \$600K. SCWA asking IWPC to put in \$150k which is \$30k per member. Consideration of sending letter to FERC about Scott Dam gates. Currently no public comment period. Janet expects to have formal public comment period after PGE and FERC engineers conclude their discussions. Coyote Dam raise feasibility study - funding not in 2023 omnibus bill but IWPC submitted application through another source \$500k, likely no match required. One of 15 out of 50 applications which goes forward to appropriations committee.

Millview County Water District (4/28/23): Updates given on the PG&E operations of PVP, Water Forum development, general district operations, Well #6 progress moving very slowly. Legal Counsel Neary provided an update on the efforts of small water districts and City of Ukiah to consolidate resources/services. The latest plan is to develop another JPA (NOT URRWA) and eventually, the City of Ukiah would annex in each of the districts over time.

Redwood Valley CWD (4/20/23): Cancelled due to lack of quorum.

Hopland Public Utility District (4/13/23): No one from the District attended.

Calpella Water District (4/19/23): No one from the District attended.

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Prepared and submitted to the Board of Trustees by: *Elizabeth Salomone, General Manager*