

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

STAFF REPORT

To: Board of Trustees
From: E. Salomone, General Manager
Meeting: Monday, September 12, 2022
RE: Agenda Item 5: Water Supply Conditions Update & District Response

The Strategic Plan relevant priorities are: (a) **Secure** (b) **Use** (c) **Advocate** & (d) **Administer** water resources in alignment with the District's Mission Statement to proactively manage the water resources of the upper Russian River for the benefit of the people and environment of Mendocino County.

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

On July 27, 2022, the Federal Energy Regulatory Commission (FERC) issued a flow variance to PG&E reducing the required releases in the East Fork Russian River to 5 cubic feet per second (cfs) with a contingency that target release can be adjusted between 5 cfs and 25 cfs with consensus of the PG&E Drought Working Group (DWG.) RRFC is now an official member of the DWG after participating for two years.

The DWG meets every two weeks during the variance period and PG&E has provided the DWG with Lake Pillsbury storage forecasts under 5, 10, 15, 20, and 25 cfs East Fork Russian River releases with and without the possible 5,000 and 2,500 acre feet (af) fisheries related block releases in September and December. All scenarios exceed the target of 30,000 acre feet in Lake Pillsbury storage by September 15, 2022. However, National Marine Fishery Service, US Fish & Wildlife, CA Fish & Wildlife, and CalTrout have expressed concern over water temperature and do not support increasing the East Fork Russian River releases.

The Variance remains in effect until Lake Pillsbury storage exceeds 36,000 af after October 1, 2022. Projections show that Lake Pillsbury will drop approximately 2,000 af below 36,000 af by October 1st, therefore the variance will remain in effect until precipitation/runoff brings storage up to 36,000 af.

Lake Mendocino and the Mainstem Upper Russian River

Lake Mendocino storage level had an overall decrease 49,769 af on August 1, 2022 to 44,504 af on September 5, 2022. Minimum instream flows continue at 25 cubic feet per second (cfs) in the Upper Russian River under the State Water Resources Control Board (SWRCB) approved Temporary Urgency Change Petition filed by Sonoma Water. Water quality around Healdsburg, just north of the confluence of Dry Creek, is poor.

Curtailments in the Upper Russian River

The State Water Board curtailments remain in effect for water rights junior to January 1949. This year, water right holders are required to monitor a Curtailment Status List on the State Water Board's website and stop or reduce diversions when the list shows their water right is curtailed. In August, it was incorrectly reported that RRFC's water right license was curtailed. RRFC holds three water rights and the two junior rights were curtailed, but the license for 7,940 af is not.

(Continued....)

The Upper Russian River Voluntary Water Sharing Agreement Program

The Program was suspended as of Friday, August 19, 2022 due to the reduction in inter-basin diversions from the Eel River to the East Branch Russian River above Lake Mendocino. The Program is designed to be adaptive and if inter-basin transfers were increased the suspension could have been lifted. However, it is unlikely that significant changes will occur before demand drastically drops off for 2022 and the Steering Committee is considering an official ending of the Program soon.

District 2022 Water Supply

As a participant in the Upper Russian River Voluntary Water Sharing Agreement Program, the District was issued a direct diversion water supply allocation for July and August 2022 that covered some customer water use with the remainder from stored water supplies in Lake Mendocino.

The District's January 1949 Appropriative Water Right License is not curtailed of direct diversion use as was previously expected and reported. However, there is insufficient direct diversion to meet the full customer demand and stored water from Lake Mendocino is also being used. Customers have been asked to recognize the requests from Governor Newsom and the Mendocino County Board of Supervisors to reduce overall water use by at least 20% in recognition of a third consecutive year of drought conditions and reduced water supply.

District Response:

The District is currently under Declaration #21-03, Stage IV - Water Crisis, passed on May 17, 2021. An update to the Declaration would provide further clarity to customers, constituents, and the public. The **attached** excerpt from Ordinance #00-01 describes the Stages of Water Supply Conditions.

GM Salomone and Legal Counsel are recommending the **attached** DRAFT Declaration #22-01 Stage III: Water Warning. The Board is being asked to review and provide feedback. A Public Notice will be issued at least 7 days prior to the Board considering approval of the Declaration, which could be at the next Regular Board Meeting on October 3, 2022 based upon Board direction.

Significant changes include:

- Updates to reflect the current drought status and water supply conditions.
- Removal of reference to 2021 specific conditions such as the minimum storage target of Lake Mendocino reservoir and specific regulations needed under the higher level Stage including diversion scheduling.
- Inclusion of reference to the Upper Russian River Voluntary Water Sharing Program.
- Update of water supply availability to District contract customers from “insufficient storage” to “insufficient direct diversion and a reliability on stored water.”
- Removal of specific amount of stored water to reserve for use in 2021.
- Inclusion of a moratorium on water transfers other than for emergency water supply.

Recommended Action:

Move to approve Declaration #22-01 Stage III: Water Warning

Attachments:

- Ordinance #00-01 excerpt on Stages of Water Supply Conditions.
- DRAFT Declaration #22-01 Stage III: Water Warning

**Excerpt from Ordinance #00-01
describing the Stages of Water Supply Conditions**

- 9.15 **Determination and Declaration by General Manager of Water Supply Conditions.** During any period of threatened or actual water shortage, the District has the right to apportion its available water supply among consumers in a manner that appears most equitable with due regard to public health and safety.

The General Manager of the District with Board concurrence, based upon all available data, shall determine and declare whether the District's water supply and/or distribution is in one of the five following conditions, and post a notice at the District Administration Building.

- A. **Stage I - Normal Water Supply.** The District's supply or distribution system is able to meet all the water demands of its Customers in the immediate future.
- B. **Stage II - Water Alert.** There is a probability that the District's supply or distribution system will not be able to meet all of the water demands of its Customers.
- C. **Stage III - Water Warning.** The District's supply or distribution system is not able to meet all of the water demands of its Customers.
- D. **Stage IV - Water Crisis.** The District's supply or distribution system is not able to meet all the water demands of its Customers under Stage III - Water Warning requirements.
- E. **Stage V - Water Emergency.** The District is experiencing a major failure of a supply, storage, or distribution facility.

Declaration #22-01

of the

Mendocino County Russian River Flood Control & Water Conservation Improvement District

Declaring

Stage III: Water Warning

Pursuant to California Water Code Section 350

WHEREAS:

1. The Mendocino County Russian River Flood Control & Water Conservation Improvement District (District) holds the right to 7,940 acre-feet of Project Water stored in Lake Mendocino.
2. On April 21, 2021 the California Governor issued a proclamation that a state of emergency exists in Mendocino and Sonoma Counties due to severe drought conditions in the Russian River Watershed. Additional proclamations were issued on May 10, July 8, and October 19, 2021, expanding to statewide and directed state agencies to take immediate action to preserve critical water supplies and mitigate the effects of drought and ensure the protection of health, safety, and the environment.
3. On March 28, 2022 the California Governor issued [Executive Order No. 7-22](#), meant to provide guidance on emergency drought relief. The executive order (EO) states that the “21st century to date has been characterized by record warmth and predominantly dry conditions, and the 2021 meteorological summer in California and the rest of the western United States was the hottest on record” and “the ongoing drought will have significant, immediate impacts on communities with vulnerable water supplies, farms that rely on irrigation to grow food and fiber, and fish and wildlife that rely on stream flows and cool water.”
4. In July 2021, the California Governor called on Californians to voluntarily reduce their water use by 15%. At the end of March 2022 after the state failed to meet its 15% goal, the Governor issued an Executive Order calling on local water agencies to escalate their response to the ongoing drought.
5. The State Water Resources Control Board approved two [Water Conservation Emergency Regulations](#) effective January 18, 2022 and June 10, 2022 including a statewide ban on watering of non-functional turf in the commercial, industrial and institutional sectors as well as regulations requiring local agencies to implement water use restrictions amid the possibility that water supplies may be up to 20% lower due to extreme weather.
6. As of September 5, 2022 the water supply in Lake Mendocino is 44,504 acre-feet, which is 63% of the target water supply curve.
7. In accordance with provisions in the [Order](#) approving the 2022 Sonoma County Water Agency (Sonoma Water) Temporary Urgency Change Petition of June 2022, minimum flow requirements for the Upper Russian River are 25 cubic feet per second which is approximately 1,500 acre-feet per month.

8. Precipitation in the Upper Russian River has been below normal for three years and is currently 55% of average.
9. The Board of Trustees (Board) has found and determined that the ordinary demands and requirements of water consumers cannot be satisfied without depleting the water supply of the distributor to the extent that there may be insufficient water for human consumption, sanitation, and fire protection while meeting a reasonable carryover in the reservoir.
10. In accordance with Judgement No. 42059 issued by the Superior Court for the County of Mendocino, the District may notify Redwood Valley County Water District in writing of the unavailability of surplus water.
11. The Board has been working cooperatively with its customers, the State Water Resources Control Board (Water Board), Sonoma Water Agency, the Russian River Drought Response Group, and others.
12. Given the severity of the water shortage in the Russian River, it is essential that the priority of water rights in the Russian River watershed be enforced to protect and preserve the water supply available to the District and its customers.
13. The District is enrolled in the 2022 [Upper Russian River Water Sharing Program](#), a locally driven approach for addressing water shortages through demand management that provides an alternative to curtailment of water diversion and use. The Program is currently suspended due to insufficient water supply.
14. The Board held a public hearing on September 12, 2022 at which its customers had an opportunity to be heard and comment on the declaration and to present their respective needs.
15. Notice of the time and place of the hearing was published pursuant to Section 6061 of the Government Code at least seven days prior to the date of hearing in a newspaper printed, published, and circulated within the area in which the water supply is distributed.
16. The Board heard and fully considered all verbal and written public comment including the General Manager's report and recommendations at the Regular Board Meeting on September 12, 2022, as well as all testimony and comments submitted during the public hearing held at that Board Meeting.

NOW, THEREFORE, the District Board hereby declares as follows:

- Under current and forecasted conditions, the District's supply and/or distribution system will not be able to meet all water demands of its Customers through direct diversion due to reduced surface water availability in the Upper Russian River. Project Water previously stored in Lake Mendocino will be required to meet customer demand for 2022 water use.
- In an effort to extend current supplies of water and minimize the effects of the current and possible future water supply shortage, the Board is calling for:

1. Public agency and retail water supply customers to implement drought contingency and other measures as outlined in the California Governor's Executive Order No. 7-22 and the State Water Board's two Water Conservation Emergency Regulations and be prepared to prioritize diversions for public health and safety and fire suppression; and
 2. All District customers to take immediate action in complying with the California Governor's call for a voluntary 15% demand reduction, utilizing the resources available at www.SaveOurWater.com and www.SavingWaterPartnership.org.
- All water available to the District in 2022 under its water right has been, or will be, under contract to customers for beneficial use on lands situated within the District place of use and such amount will be insufficient to meet all requested District water demands; therefore, the Board declares no surplus water, defined by Judgement No. 42059 as that portion of the District's water right not put to beneficial use within lands situated in the District, is available for purchase by Redwood Valley County Water District.
 - The District will work with its customers and others in the watershed, including Redwood Valley County Water District, in an attempt to secure public health and safety supplies.
 - The District will work with the Water Board and others to ensure that water right priorities are respected in order to protect the surface water supply available to the customers of the District.
 - The Board hereby adopts a moratorium on applications for new water supply contracts, other than change of ownership, including increased contract quantities to existing Uniform Water Supply & Purchase Agreements, until the Board determines water supply conditions have improved sufficiently.
 - The Board hereby adopts a moratorium on water transfer amendments to Uniform Water Sale and Purchase Agreements other than those making water available for emergency water supply agreements.
 - A Russian River watershed-wide approach to the water supply shortage, drought condition response, and water system stewardship is needed through coordination with all water users in the Upper Russian River watershed.
 - The Board acknowledges that this Declaration and future regulations and restrictions on delivery and consumption of water may conflict with the provisions of its Uniform Water Sale & Purchase Agreement; however, pursuant to California law, this Declaration and any regulations and restrictions adopted pursuant to California law shall prevail over the provisions of the Uniform Water Supply Contract for the duration of the period of emergency.
 - The Board will continue to monitor and maximize water availability but recognizes that water supply conditions will continue to change and intends to be agile in its approach and response to changed conditions.
 - This Declaration supersedes all prior drought declarations by the Board.

District Staff is directed to:

- a. Communicate to all District customers the Board’s updated declaration, warning of water supply conditions and the need for increased conservation measures.
- b. Continue to work with customers, Sonoma Water, and the Water Board to determine and update water availability, accommodate changes in water availability, and communicate changes with District customers in a timely manner.
- c. Continue providing the Board and customers with updates on the drought conditions, reservoir storage levels, and any anticipated changes through a weekly Water Supply Conditions email and other outreach.
- d. Continue public outreach to emphasize the reduced surface water and storage supplies necessitating significant reduction in water consumption by utilizing local and social media, public comment and presentations at regional entity meetings, the District's website, correspondence, etc.
- e. Continue Russian River watershed-wide coordination to address the water supply shortage, drought condition responses, and water system stewardship through the development of the Russian River Water Users Forum.
- f. Closely monitor the water supply conditions to determine if further action is needed.

The Board thanks District customers and the public for their anticipated cooperation and fully understands that it will take all residents and water leaders in the Russian River watershed to successfully navigate this situation.

ADOPTED ___ of ___, 202_ by the Board of Trustees of the Mendocino County Russian River Flood Control & Water Conservation Improvement District, by the following vote:

Christopher Watt, President	Yes / No / Abstain / Absent
Alfred White, Vice President	Yes / No / Abstain / Absent
Matthew Froneberger, Treasurer	Yes / No / Abstain / Absent
Tyler Rodrigue, Trustee	Yes / No / Abstain / Absent
John Reardan, Trustee	Yes / No / Abstain / Absent

Signed: _____
Christopher Watt, Board of Trustees President Date

Attest: _____
Elizabeth Salomone, General Manager Date

A copy of this document and any attachments thereto shall be on file in the office of Mendocino County Russian River Flood Control & Water Conservation Improvement District, 304 N. State St. #2, Ukiah, CA 95482.