

*Mendocino County*

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

*PO Box 2104, Ukiah, CA 95482 707.462.5278 Website: [RRFC.net](http://RRFC.net) [DistrictManager@rrfc.net](mailto:DistrictManager@rrfc.net)*

**A G E N D A**

**Board of Trustees – Regular Meeting of Monday, June 2, 2025 at 5:00 pm**

**IN PERSON: 304 North State Street, Ukiah at District office**

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

**CLOSED SESSION (5:05 PM)**

4. Conference with Real Property Negotiators (Gov. Code § 54956.8)  
*Property: Potter Valley Project | Agency negotiator: General Manager, General Counsel, Board Members  
Negotiating parties: Agency, Inland Water & Power Agency, PG&E | Under negotiation: Purchasing Entity*
5. Conference with Legal Counsel – Anticipated Litigation  
*(Paragraph (2) of subdivision (d) of Gov. Code § 54956.9) Significant exposure to litigation: One Case*

**PUBLIC HEARINGS (6:00 PM)**

6. Proposed Final Fiscal Year 2025-2026 Budget and Rate Setting  
*Board will consider adoption of Resolution approving the Proposed Fiscal Year 2025-2026 Budget and a Resolution setting of the 2025 price per acre foot rate.*
7. Vacancies, Retention Efforts, and Any Necessary Actions As Mandated per Assembly Bill 2561  
*Board will hold a public hearing and consider approval of a declaration regarding vacancies.*

**ITEMS FOR DISCUSSION AND POSSIBLE ACTION (6:15 PM)**

8. 2025 Temporary Urgency Change Petition (TUCP)  
*Board will consider approval of the finalization and submission of a TUCP to the State Water Resources Control Board.*
9. Proposed Surplus Water Agreement  
*Board will consider approval of a new surplus water agreement.*
10. Proposal for General Manger Performance Evaluation Process & Strategic Planning  
*Board will consider approval of a proposal to continue working with CPS HR and expanding services.*

*(Continued...)*

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

11. Water Supply Conditions Update
12. Consent Calendar
  - a) Acceptance of the May 2025 Financial Reports
  - b) Approval of May 5, 2025 Regular Board Meeting minutes
  - c) Approval of USGS Joint Funding Agreement for 10/1/25 to 9/30/26
  - d) Approval of Nigro & Nigro Engagement Letter for Audit Services FY 24-25
  - e) Approval of Resolution #25-02 Approving a Revised Uniform Water Supply & Purchase Agreement and Amendment
13. Trustee & Committee Reports
  - o LAFCo MSR/SOI & Annexation Ad Hoc
  - o Change Petition Ad Hoc
14. General Manager Report & Correspondence
15. Direction on Future Agenda Items

**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**  
*Tyler Rodrigue*

**Treasurer**  
*John Bailey*

**Trustee**  
*John Reardan*

**Trustee**  
*Dave Koball*

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

**STAFF REPORT**

**Agenda Item 6: Proposed Final Fiscal Year 2025-2026 Budget and Rate Setting  
Monday, June 2, 2025**

**The Strategic Plan** relevant priority is **Administration** - ensuring sound and sustainable management of District finances.

**Significance**

An annual budget sharpens understanding and provides reflection on the progress of District goals as determined in the Strategic Plan. It encourages effective ways of measuring, reporting, and planning while facilitating discussion of financial strategies and health. The budget helps to avoid surprises and maintain fiscal control of the public resources managed by the District.

**Background**

The Board reviewed the proposed budget at both the April 7, 2025 and May 5, 2025 Board Meetings, providing feedback and direction to Staff.

In its proceedings, the Board considered expected operational expenses as well as the less predictable project expenses such as for the future of the Eel to Russian River Trans Basin Diversion and Coyote Valley Dam Modernization. Setting the annual rate of \$66 per acre foot with all 7,940 acre feet contractually allocated provides sufficient revenue to meet District obligations and prepare for financial resiliency and flexibility.

**Discussion**

The following table shows the Proposed Final Fiscal Year 2025-2026 Budget, beginning July 1, 2025.

The Board will hold a Public Hearing and invite comments and questions.

SUMMARY	FY 2024/25	FY 2024/25	Difference	Change	FY 2025/26	Amt Change	% Change
	APPROVED Budget	Actuals Projected to 6/30/25	of Actual from Budget	Budget to Actual in %	DRAFT Budget	from previous FY Budget	From previous FY Budget
TOTAL REVENUE	\$ 537,376	\$ 611,612	\$ 74,236	14%	\$ 616,040	\$ 78,664	15%
less TOTAL EXPENSE	\$ 491,300	\$ 499,100	\$ 7,800	2%	\$ 616,000	\$ 124,700	25%
equals	\$ 46,076	\$ 112,512			\$ 40		

**Recommended Action:**

1. Hold a Public Hearing on the Final Proposed Draft of the Fiscal Year 2025-2026 Budget and
2. Move to approve Resolution #25-01 Adopting the Final Budget for Fiscal Year 2025-2026.

**Attachments:**

- o Resolution #25-01 Adopting the Final Budget for Fiscal Year 2025-2026
- o Public Hearing Notice for Fiscal Year 2025-2026 Budget

\* \* \* \*

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

**Resolution #25-01**  
of the  
**Mendocino County Russian River Flood Control  
& Water Conservation Improvement District**

**Adopting the  
Final Budget for Fiscal Year 2025-2026**

**WHEREAS**, the Mendocino County Russian River Flood Control & Water Conservation Improvement District Board of Trustees, hereinafter referred to as the “Board of Trustees,” annually adopts a final budget; and

**WHEREAS**, the Board of Trustees heard and fully considered all oral and written public comment and General Manager’s report at a Regular Board Meeting on April 7, 2025 and May 5, 2025 and held a public hearing at a Regular Board Meeting on June 2, 2025;

**NOW, THEREFORE, BE IT RESOLVED** that the District Board of Trustees hereby approves the Final Budget for Fiscal Year 2025-2026 as set forth in Exhibit A, attached hereto with revenue in the amount of \$616,040 and expenses in the amount of \$616,000;

**BE IT FURTHER RESOLVED** that the District Board of Trustees hereby sets the water rate at \$66 per acre foot for the contract term of January 1, 2025 to September 30, 2025.

**ADOPTED** 2<sup>nd</sup> of June, 2025 by the Board of Trustees of the Mendocino County Russian River Flood Control & Water Conservation Improvement District, by the following vote:

Christopher Watt	Yes/ No / Abstain / Absent
Tyler Rodrigue	Yes/ No / Abstain / Absent
John Bailey	Yes/ No / Abstain / Absent
John Reardan	Yes/ No / Abstain / Absent
Dave Koball	Yes/ No / Abstain / Absent

Signed:

\_\_\_\_\_  
Christopher Watt, Board of Trustees President

\_\_\_\_\_  
Date

Attest:

\_\_\_\_\_  
Elizabeth Salomone, General Manager

\_\_\_\_\_  
Date

Exhibit A  
Mendocino County Russian River Flood Control  
Water Conservation Improvement District  
Fiscal Year 2025-2026 Proposed Budget  
for Board Consideration on June 6, 2025

<b>REVENUE</b>		
Water Sales, Contracted (7,940 af at \$66 per af)	\$	524,040
Property Taxes	\$	65,000
Interest, LAIF & Savings	\$	27,000
<b>TOTAL REVENUE</b>		<b>\$ 616,040</b>

<b>EXPENSES</b>		
<b>Payroll Expenses</b>		
Unfunded Pension Liability	\$	9,000
Other payroll expenses	\$	198,000
<b>Total Payroll Expenses</b>		<b>\$ 207,000</b>
<b>Water Supply Expenses</b>		
Water Rights Compliance	\$	28,000
Stream flow gage (USGS)	\$	15,000
Inland Water & Power Commission JPA (operations only)	\$	10,000
Channel Maintenance	\$	20,000
Water Supply Projects	\$	237,000
<b>Water Supply Expenses Total</b>		<b>\$ 310,000</b>
<b>General &amp; Administrative Expenses</b>		
Consulting (including general legal counsel)	\$	43,000
Vehicle	\$	2,000
Insurance	\$	14,000
Local Agency Formation Commission (LAFCo)	\$	1,500
Memberships	\$	7,000
Rent, Utilities, Office Operating	\$	12,000
Training, Conferences, Associated Costs	\$	5,000
Stipends, Meetings, Associated Costs	\$	13,000
Property Tax Administration Fees	\$	1,500
<b>General &amp; Administrative Expenses Total</b>		<b>\$ 99,000</b>
<b>TOTAL EXPENSES</b>		<b>\$ 616,000</b>

<b>SUMMARY</b>		
	<b>TOTAL REVENUE</b>	<b>\$ 616,040</b>
	<b>less TOTAL OPERATING EXPENSES</b>	<b>\$ 616,000</b>
	<b>EQUALS</b>	<b>\$ 40</b>
<b>RESERVES</b>		
Capital ( 15% of fixed assets + 10% operating expense budget)	\$	92,000
Emergency (Emergency: 25% of fixed assets)	\$	50,000
Operating(Operating: 50% of operating expense budget)	\$	308,000
Water Supply Reliability (Remainder)		

*Mendocino County*

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

*P.O. Box 2104 Ukiah, CA 95482 707.462.5278 Website: [RRFC.net](http://RRFC.net) [DistrictManager@rrfc.net](mailto:DistrictManager@rrfc.net)*

## NOTICE OF PUBLIC HEARING

at a  
**Regular Meeting on  
Monday, June 2, 2025 5:30 pm**

NOTICE IS HEREBY GIVEN that at the Monday, June 2, 2025 Regular Meeting, the Mendocino County Russian River Flood Control & Water Conservation Improvement District will hold a Public Hearing to consider adoption of Proposed 2025-2026 Fiscal Year Budget, Rate Setting, and Vacancy Update. The Resolution adopting the 2025-2026 budget will also set the applicable district water rate.

Related documents are available on the District website [www.rrfc.net](http://www.rrfc.net), at the District office in Ukiah by appointment, or emailed by request. All those interested are invited to attend, be heard, and participate in the hearing. Written comments can be submitted prior to the hearing to [DistrictManager@rrfc.net](mailto:DistrictManager@rrfc.net) or 707-462-5278.

By Order of  
Mendocino County Russian River Flood Control  
and Water Conservation Improvement District



Elizabeth Salomone, General Manager

Date Posted: May 6, 2025

**President**  
*Christopher Watt*

**Vice President**  
*Tyler Rodrigue*

**Treasurer**  
*John Bailey*

**Trustee**  
*John Reardan*

**Trustee**  
*Dave Koball*

**Ukiah Daily Journal**

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MENDO. CO. RUSSIAN RIVER FLOOD CONTROL  
PO BOX 2104  
UKIAH, CA 95482

**PROOF OF PUBLICATION  
(2015.5 C.C.P.)**

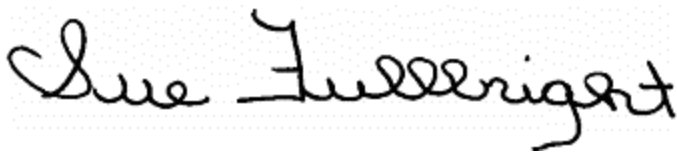
**STATE OF CALIFORNIA  
COUNTY OF MENDOCINO**

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer of the Ukiah Daily Journal, a newspaper of general circulation, printed and published daily in the City of Ukiah, County of Mendocino and which newspaper has been adjudged a newspaper of general circulation by the Superior Court of the County of Mendocino, State of California, under the date of September 22, 1952, Case Number 9267; that the notice, of which the annexed is a printed copy (set in type not smaller than non-pareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

**05/15/2025**

I certify (or declare) under the penalty of perjury that the foregoing is true and correct.

Dated at Ukiah, California,  
May 15th, 2025



Sue Fullbright, LEGAL CLERK

Legal No. **0006895871**

NOTICE IS HEREBY GIVEN that at the Monday, June 2, 2025 Regular Meeting, the Mendocino County Russian River Flood Control & Water Conservation Improvement District will hold a Public Hearing to consider adoption of Proposed 2025-2026 Fiscal Year Budget, Rate Setting, and Vacancy Update. The Resolution adopting the 2025-2026 budget will also set the applicable district water rate. Related documents are available on the District website [www.rrfc.net](http://www.rrfc.net), at the District office in Ukiah by appointment, or emailed by request. All those interested are invited to attend, be heard, and participate in the hearing. Written comments can be submitted prior to the hearing to **District Manager@rrfc.net** or 707-462-5278. By Order of Mendocino County Russian River Flood Control and Water Conservation Improvement District

Pub: 5/15/2025

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

**STAFF REPORT**

**Agenda Item 7: Public Hearing  
On Vacancies, Retention Efforts, and Any Necessary Actions  
As Mandated Per Assembly Bill 2561  
Monday, June 2, 2025**

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**The Strategic Plan** relevant priority is **Administration** through effective systems and improved transparency, accountability, and consistency across the District.

**Background**

In Assembly Bill 2561, the legislature found and declared as follows:

- (a) Job vacancies in local government are a widespread and significant problem for the public sector affecting occupations across wage levels and educational requirements.
- (b) High job vacancies impact public service delivery and the workers who are forced to handle heavier workloads, with understaffing leading to burnout and increased turnover that further exacerbate staffing challenges.
- (c) There is a statewide interest in ensuring that public agency operations are appropriately staffed and that high vacancy rates do not undermine public employee labor relations.

The enacted provisions of AB 2561, effective January 1, 2025, require special districts to take the following actions as summarized by the CA Special Districts Association:

First, special districts must present the status of vacancies and recruitment and retention efforts at a public hearing at least once per fiscal year. At the hearing, the district is required to identify changes to policies and recruitment efforts that create hiring obstacles. Moreover, if the special district adopts an annual budget during the fiscal year, the special district must present the status of vacancies before adopting the final budget.

Secondly, the bill allows recognized employee organizations for a bargaining unit to make a presentation at the public hearing at which the public agency presents the status of vacancies and recruitment and retention efforts for positions within that bargaining unit. This requirement appears to apply only to local agencies with recognized employee organizations.

This will be a new law with no current Attorney General opinions or case law guidance on implementation. Special districts may wish to seek advice from counsel as to whether a public hearing for AB 2561 compliance should be held separate from any regularly scheduled public hearing before budget adoption.

*(Continued...)*

## Discussion

The District's Legal Counsel advised no exception seems present in the bill or the code section for complying when there are no vacancies. Perhaps the legislature wants districts to provide such a report whether or not there are vacancies to describe things such as what recruitment and retention efforts would be if there was a vacancy. A short public hearing was recommended, stating there are no vacancies and summarizing how the District addresses vacancies, and whether there are any needed changes to policies, procedures, or recruitment activities to remove obstacles to the hiring process.

## Recommendation:

- Move to approve the following:

The Board of Trustees of the Mendocino County Russian River Flood Control & Water Conservation Improvement District does hereby declare:

- (a) There are no current vacancies and no vacancies within the last calendar year, therefore no recruitment efforts have been made; and
- (b) If a vacancy occurs, the District engages professional recruitment services to assess District needs, advertise, and provide the District with qualified candidates; and
- (c) Annual performance evaluations performed as per District policy contribute to employee retention efforts; and
- (d) No changes to policies, procedures, or recruitment activities are needed at this time to remove obstacles in the hiring process; and
- (e) The District is committed to ensuring that information concerning District employment is available to the public.

## Attachment:

- AB 2561 Legal Memo

## Link:

- Assembly Bill 2561 text:  
[https://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill\\_id=202320240AB2561&showamends=false](https://leginfo.legislature.ca.gov/faces/billCompareClient.xhtml?bill_id=202320240AB2561&showamends=false)
- CA Special District Association article:  
<https://www.csda.net/blogs/vanessa-gonzales/2024/10/29/2025-new-laws-series-part-2-assembly-bill-2561-mck>

\* \* \* \*

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

**Date:** April 24, 2025  
**To:** SPECIAL DISTRICTS  
**From:** Jeanne Zolezzi  
**Subject:** AB 2561 – Codified as Government Code 3502.3

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#### UPDATE REGARDING LEGISLATION IMPLEMENTED JANUARY 1, 2025

In 2024, the California State Legislature passed AB 2561: Local Public Employees: Vacant Positions. The goal of the legislation is to ensure that public agency operations are appropriately staffed and that high vacancy rates do not undermine public employee labor relations. AB 2561 enacted Government Code section 3502.3 which became effective January 1, 2025, a copy of which is included below.

In sum, Government Code 3502.3 requires all public agencies to take the following steps at least once per fiscal year prior to adoption of the agency's final budget:

1. Present the status of vacancies and recruitment and retention efforts during a public hearing and identify any necessary changes to policies, procedures, or recruitment activities that may be causing obstacles in the hiring process.
2. If the number of job vacancies within a single bargaining unit meets or exceeds 20% of the total number of authorized full-time positions, the public agency shall include all of the following information during the public hearing, upon request of the recognized employee organization<sup>1</sup>:
  - a. The total number of job vacancies within the bargaining unit.
  - b. The total number of applicants for vacant positions within the bargaining unit.
  - c. The average number of days to complete the hiring process from when a position is posted.
  - d. Opportunities to improve compensation and other working conditions.

If your district did not comply with this requirement for the current fiscal year, the legislation, nor the code section, provide any mechanism for enforcement or penalties for non-compliance.

Please reach out if there are any questions regarding implementation of this requirement.

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<sup>1</sup> "Employee Organization" means either (i) any organization that includes employees of a public agency and that has as one of its primary purposes representing those employees in their relations with that public agency, or, (ii) any organization that seeks to represent employees of a public agency in their relations with that public agency. (Gov. Code 3501(a)).

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

**STAFF REPORT**

**Agenda Item 8: 2025 Temporary Urgency Change Petition  
Monday, June 2, 2025**

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**The Strategic Plan** relevant priority is **Use** through ensuring effective and beneficial use of water as a public resource.

**Relevance**

The Temporary Urgency Change Petition will allow current and new customers, who are prevented from diverting stored water due to restrictions in the District's license, to access stored water for the 2025 irrigation season. This will put more of the District's water to beneficial use and meet needs of the District's constituency.

**Background**

The District is currently drafting, and will soon file, a permanent petition for change to its 1949 License 13898 to request the following changes:

- (1) Remove the acreage cap on the place of use within the District for irrigation purposes to authorize use anywhere within District's service area;
- (2) Remove the acreage cap on the place of use within the RVCWD for irrigation purposes to authorize use anywhere within the service area of RVCWD;
- (3) Expand the licensed place of use to make the boundaries of the District's place of use coterminous with the boundaries of water suppliers to which the District supplies water and to meet existing agricultural demands;
- (4) Remove the condition that only surplus water be supplied to RVCWD on satisfaction of the condition that RVCWD be annexed into the District; and
- (5) Add additional points of rediversion.

In February 2025, PG&E submitted a temporary license flow amendment (previously referred to as a temporary flow variance) to the Federal Energy Regulatory Commission (FERC) for the Potter Valley Project 2025 operations. (Link below for more information.) This will reduce the amount of water being diverted from the Eel River into the Russian River that is used by appropriative water right holders along the mainstem Russian River. Many water right holders will be unable to exercise these water rights in 2025 due to this reduction.

**Discussion**

The proposed Temporary Urgency Change Petition (TUCP) seeks to temporarily remove the cap on acreage available for irrigation with District water and to add points of rediversion. Those who wish to benefit from the TUCP have placed requests for points of rediversion, irrigated acres, and the amount of District water needed. Some are already Customers and may have water in their existing contracts to cover the additional acreage. All additional acreage and points of rediversion are within the District's current licensed place of use. It is proposed that the costs for developing the TUCP will be borne by those who directly benefit from it. More information on this will be provided at the July 7, 2025 Board Meeting.

*(Continued...)*

The TUCP is nearing completion with work being contributed from legal counsel, engineers, and District staff. Customers are providing information and confirmation of requests. The complete TUCP is expected to be ready for submission by June 13<sup>th</sup> or sooner. The Board is being asked to approve the TUCP for submission pending final review by Legal Counsel and the Board President.

Recommendation:

- Move to approve a Temporary Urgency Change Petition for the period of June 3, 2025 for 180 days be filed with the State Water Resources Control Board to temporarily remove the irrigable acreage cap and to add additional points of diversion pending Legal Counsel and Board President approval.

Attachments:

- Attachment to Temporary Urgency Change Permit – Mendocino County Russian River Flood Control and Water Conservation Improvement District (License 13898)

Links:

- More information on the PG&E Potter Valley Project 2025 Minimum Instream Temporary Flow Amendment Request: <https://rrfc.specialdistrict.org/pg-e-2025-potter-valley-project-operations>

\* \* \* \*

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

**Attachment to Temporary Urgency Change Permit – Mendocino County Russian River  
Flood Control and Water Conservation Improvement District (License 13898)**

**SECTION B.6 - TERMS AND CONDITIONS**

*Describe any proposed changes to existing water right terms and conditions.*

The District's License includes a term limiting the place of use for irrigation purposes to 4,096 acres net within a gross area of 16,505 acres. The District is currently drafting, and will soon file, a permanent petition for change to its License to abolish the irrigable acreage cap for those reasons more fully set forth below. By this Temporary Urgency Change Petition, the District seeks to temporarily remove the cap on the place of use for irrigation from its License for the term of the TUCP to allow water diverted under the License to be used on additional irrigable acreage within the licensed place of use in excess of the 4,096-acre cap while continuing to pursue the permanent petition for change.

*Justification for Removal of Irrigable Acreage Cap for Use Within District*

Petitioner's License severely limits the place of use for irrigation purposes despite capacity to serve significant additional acreage with the same amount of licensed water due to various factors, including:

- (i) a reduction in the water duty per acre based on improvements to application of irrigation water (e.g., flood irrigation and sprinklers have transitioned to drip irrigation and micro sprinklers),
- (ii) changes in crop types to those with much lower consumptive use (e.g., hops and fruit trees have transitioned to vineyards), and
- (iii) the fact that more often than not, water used under the District's License is used to supplement and augment District customers own individual water rights and does not serve as the sole water source for every irrigable acre within the District.

The District has not been able to determine any justification for imposition of an acreage limitation for irrigation purposes when the District's initial permit was issued, and there is no justification for the restriction now; the restriction prevents the District from using its water right to serve the population it was intended to serve despite available water under its License and landowner demand. Offering additional surface water supplies to landowners for irrigation anywhere within the District's service area will provide the flexibility needed to address dynamic changes in climate and water supply uniquely affecting this area (e.g., reduced supply for individual water rights caused by drought and operational changes by PG&E related to the Potter Valley Hydroelectric Project) and to comply with SGMA.

*Current Maximum Irrigable Acreage Served Under the District's License*

*[yet to be calculated]*

*Proposed Irrigable Acreage to Be Served Under the District's License*

*[yet to be calculated]*

## **SECTION C.1 – URGENT NEED**

*Explain the “Urgent Need” ([Water Code 1435\(c\)](#)) that is the basis of this temporary urgency change petition (attach additional information as necessary):*

Many landowners in the District hold their own individual rights to divert water from the East Fork of the Russian River. However, water available under these individual rights is subject to dynamic changes in climate and water supply uniquely affecting this area - e.g., reduced supply caused by drought and operational changes by PG&E related to releases under the Pottery Valley Hydroelectric Project.

Landowners within the District's licensed place of use have the option to augment and supplement their individual supplies by contracting with the District to divert water under the District's License to provide flexibility around the terms of their own water right, such as amount, timing, or flow. Landowners with existing points of rediversion and irrigable acreage not included in the District's original application/permit/License have an urgent need to access alternative and supplemental supplies of surface water due to unpredictable hydrologic and operational conditions in the watershed. The District has supplies available within its licensed amount for immediate diversion and application to beneficial use by these additional ‘missed’ landowners.

In February 2025, PG&E submitted a temporary license flow amendment (previously referred to as a temporary flow variance) to the Federal Energy Regulatory Commission (FERC) for the Potter Valley Project 2025 operations. This will reduce the amount of water being diverted from the Eel River into the Russian River that is used by appropriative water right holders along the mainstem Russian River. Many water right holders will be unable to exercise these water rights in 2025 due to this reduction.

Therefore, by this TUCP the District seeks to serve the urgent need of landowners receiving insufficient supplies under their individual rights by allowing them to divert water under the District's License to supplement their own supplies while the District's permanent petition for change moves forward.

## **SECTION C.2 – INJURY TO USERS**

*Describe how this temporary urgency change will be made without injury to any lawful user of water.*

The changes requested by the TUCP will not result in any increase in the total amount of water diverted under the District's License as the District is limited by its licensed amount, which was recently confirmed and established in 2017. The proposed additional points of rediversion will not increase the overall quantity of water diverted, used, or consumed under the License and removal of the place of use limitation for irrigation purposes will allow water under the License to be applied to additional acreage without any expansion of use. Rather, these changes are intended to provide operational flexibility to users.

### **SECTION C.3 – OTHER DIVERTERS**

*Is any person(s) taking water from the stream between the old point of diversion or rediversion and the proposed point? Yes, No, N/A?*

[Legal counsel proposes to put N/A for the following reason - There are numerous diverters of water from the Russian River in the area of the proposed additional points of rediversion. Most of those diversions are already customers of the District. Those that are not will not be injured by the requested changes, as without the changes no additional water would be released from the reservoir.]

### **SECTION C.4 – EFFECT ON FISH/WILDLIFE**

*Describe how this temporary urgency change may be made without unreasonable effect upon fish, wildlife, and other instream beneficial uses.*

The changes proposed by the TUCP involve no increase in the volume of water to be diverted beyond that authorized under the District's License that would interfere with the movement of any native resident or migratory fish or wildlife species. Instream flow in the Russian River is governed by the terms of Permits 12947A, 12949, 12950, AND 16596 held by Sonoma County Water Agency. As such, instream flow conditions will remain substantially unchanged. No change is expected to the amount of land irrigated (as the proposed additional points of rediversion serve existing irrigated land) or to the method of irrigation that would conflict with the provisions of any adopted Habitat Conservation Plan, Natural Community Conservation Planning, or other approved habitat conservation plan.

The proposed changes simply provide operational flexibility to divert water at alternate locations within the District's licensed place of use for use on existing irrigable acreage, without affecting total flow available to the river system and no change in land use affecting fish and wildlife or other instream beneficial uses.

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

**STAFF REPORT**

**Agenda Item 9: Proposed Surplus Water Agreement**

**Monday, June 2, 2025**

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**The Strategic Plan** relevant priority is **Use** through ensuring effective and beneficial use of water as a public resource and **Administration** through effective systems to execute the strategic Plan.

**Relevance**

A Surplus Water Service Agreement will enable the District to sell surplus water to new customers who are not currently able to obtain a Uniform Water Supply & Purchase Agreement therefore putting more of the District's water to beneficial use and meeting the needs of the District's constituency.

**Background**

The District is currently drafting and seeking Board approval in Agenda Item 8 for a Temporary Urgency Change Petition (TUCP) on the District's 1949 License 13898.

If the Board approves the TUCP, water users along the mainstem Russian River who do not currently hold a Uniform Water Supply & Purchase Agreement will be eligible to participate in the current or future TUCPs and requesting to purchase surplus water. However, the Uniform Water Supply & Purchase Agreement will not serve as the proper vehicle for these water users. Therefore, Legal Counsel has prepared an Agreement for Surplus Water Service.

**Discussion**

The Board is being asked to consider approval of the proposed Agreement for Surplus Water Service.

**Recommendation:**

- Move to approve the proposed Agreement for Surplus Water Service.

**Attachments:**

- Proposed Agreement for Surplus Water Service

\* \* \* \*

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

# MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL & WATER CONSERVATION IMPROVEMENT DISTRICT

## AGREEMENT FOR SURPLUS WATER SERVICE

This Agreement for Surplus Water Service (“**Agreement**”) is entered into by and between **\*\*NAME\*\*** (“**Surplus User**”) and MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL AND WATER CONSERVATION IMPROVEMENT DISTRICT (“**District**”) as of **\*\*INSERT DATE\*\***.

### ARTICLE 1 EXPLANATORY RECITALS

1.1 The District holds water rights to the Russian River in Mendocino County, California, and has established a process by which customers within the District’s authorized place of use under their water rights may purchase and consume a specific amount of water from the District under contract.

1.2 Presently, the District has contracted with customers within its authorized place of use for the full amount of water available under the District’s water rights, leaving no uncontracted water available.

1.3 Notwithstanding the fact that the District’s water has been fully contracted, there are circumstances under which there is Surplus Water available not being used by District Customers, and through this Agreement, the District desires to serve those landowners and public agencies with Surplus Water.

1.4 Surplus User wishes to contract with the District for a quantity of Surplus Water under the terms and conditions of this Agreement and applicable provisions of California law and has filed an application with District for that purpose.

1.5 Surplus User may also hold its own water rights under state law to water from the Russian River.

1.6 District and Surplus User intend by this Agreement to confirm the terms and conditions under which surplus water may be provided by the District to the Surplus User.

**NOW THEREFORE**, in consideration of the foregoing recitals of fact, the mutual covenants described herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

## ARTICLE 2 DEFINITIONS

When used herein, unless otherwise distinctly expressed or manifestly incompatible with the intent hereof, the term:

2.1 **"Act"** shall mean Chapter 54 of the Water Agency Acts, entitled the Mendocino County Water Agency Act, as may be amended from time to time.

2.2 **"Agreement"** shall mean this agreement between the Parties.

2.3 **"Approved Meter"** shall mean a manufactured instrument for accurately measuring and recording the flow of water in a pipeline that can meet the requirements of the District's Alternative Compliance Plan under the State Water Resources Control Board water measurement and reporting regulation and has been approved by the District General Manager.

2.4 **"CEQA"** shall mean the California Environmental Quality Act (Public Resources Code Sections 21000 et seq.).

2.5 **"Customers"** shall mean every customer who has signed a Uniform Water Supply and Purchase Agreement with the District for an annual allocation of District Water.

2.6 **"District"** shall mean the Mendocino County Russian River Flood Control and Water Conservation Improvement District, a public agency organized and operating pursuant to the Act, acting through its Board of Trustees, unless delegated to the General Manager.

2.7 **"District Enactments"** shall mean Ordinance No. 25-01, as revised or amended, and all supporting Resolutions.

2.8 **"District Place of Use"** shall mean the District's Place of Use as designated in its Water Rights.

2.9 **"District Water"** shall mean any and all water available to the District for distribution.

2.10 **"Effective Date"** shall mean the date of this Agreement specified above.

2.11 **"Ordinance"** shall mean Ordinance No. 25-01, the Mendocino County Russian River Flood Control and Water Conservation Improvement District Ordinance Establishing Rules & Regulations for Water Sales, as amended or revised in the future.

2.12 **"Party"** or **"Parties"** shall mean Surplus User and/or District.

2.13 **"Surplus User"** shall mean the signatory to this Agreement for Surplus Water Service.

2.14 **"Surplus Users"** shall mean every surplus user who has signed an Agreement for Surplus Water Service.

2.15 **"Surplus User's Place of Use"** shall mean Surplus User's authorized place of use, designated as Assessor Parcel Number(s) for non-public agency Surplus Users, and legal boundaries for public agency Surplus Users, as designated on the map attached as **EXHIBIT B** to this Agreement.

2.16 **"Surplus User Water"** shall mean any other rights (either Pre-1914, riparian, or appropriative) to water held by a Surplus User that are not subject to this Agreement, as set forth in **EXHIBIT C** to this Agreement, which may be revised from time to time to add newly acquired rights by written submission by Surplus User and acceptance by District.

2.17 **"Surplus Water"** shall mean District Water temporarily available during any Year in excess of the amounts necessary for the District to meet the demands of its Customers as determined by the District.

2.18 **"Water Rights"** shall collectively refer to District License Nos. 013898, 003870, and 004783 as issued by the California State Water Resources Control Board and any other water rights or water supply sources of the District.

2.19 **"Point of Delivery"** or **"Service Connection"** shall mean the location(s) where Surplus User diverts Surplus Water from the Russian River as identified in **EXHIBIT D** to this Agreement.

2.20 **"SWRCB"** shall mean the California State Water Resources Control Board.

2.21 **"Year"** shall mean standard water year from October 1 through September 30 of the following year.

In addition, terms used in this Agreement that are defined in the Ordinance shall have the meaning defined therein unless another inconsistent meaning is defined in this Agreement.

### **ARTICLE 3 SURPLUS WATER SUPPLY**

3.1 **Surplus Water.** Each Year when Surplus Water is available, as determined by the District, Surplus User may purchase all or part of such Surplus Water in accordance with the following procedures:

3.1.1 The District shall provide all Surplus Users a Notice of Surplus Availability;

3.1.2 Surplus User shall provide written notice to the District of its desire for a specific amount of such Surplus Water by email or mail. If Surplus Water is determined by the District to be available, District will confirm Surplus User's allotment of Surplus Water by providing the form attached here as **EXHIBIT E** which must be signed and returned to the District by Surplus User;

3.1.3 Surplus User acknowledges that District must provide Surplus Water first to its Customers. If Surplus Water remains uncommitted after Customer demands have been met, such Surplus Water shall be provided to Surplus User. If Surplus Users combined express a desire to purchase more Surplus Water than has been determined to be available, the District shall first apportion the available Surplus Water among all Surplus Users in such manner as the District shall determine to be equitable.

3.1.4 Surplus User's failure to pay, by the due date, the price per acre foot established by the District for Surplus Water shall constitute a Surplus User default under this Agreement.

#### **ARTICLE 4 SURPLUS WATER DELIVERY AND USE**

4.1 **Point of Delivery.** District shall make the Surplus Water available at the Point of Delivery. The Parties acknowledge that Surplus User will also divert Surplus User Water from the Point of Delivery in addition to Surplus Water. Surplus User shall take physical control of Surplus Water at the Point of Delivery. Consistent with Ordinance 25-01, Surplus User shall bear all expenses of such diversion, including the furnishing and maintenance of intake facilities. Surplus User shall at all times comply with the local, state and federal laws, rules and regulations, including, but not limited to the District Enactments, those of the U.S. Army Corp of Engineers, California Department of Fish and Game and any other public authority with jurisdiction over the installation and maintenance of such facilities.

4.2 **Change in Point of Delivery.** Surplus User shall not change the location of or substantially alter the Point of Delivery without obtaining District's prior written approval, which approval shall not be unreasonably withheld, and compliance with the law.

4.3 **Diversion Costs.** All permitting, construction, reconstruction, and maintenance costs for facilities necessary or used to divert Surplus Water from the Russian River shall be born solely by Surplus User. Surplus User is solely responsible for all costs associated with treatment, diversion headworks, pumping facilities, etc., to divert, convey, transport, treat, and deliver Surplus Water for its ultimate use by Surplus User.

4.4 **Place of Use.** Surplus Water made available to Surplus User shall not be used, sold, or disposed of by the Surplus User outside of the Surplus User's Place of Use.

4.5 **Resale of Surplus Water.** Surplus User shall not resell any portion of the Surplus Water made available under this Agreement without prior written authorization from the District. Notwithstanding the above or Section 4.60 of the Ordinance, if Surplus

User is a public agency, it shall have the right to resell and distribute water to customers within its boundary that is within the Surplus User's Place of Use.

4.6 **Responsibility for Handling Water and Indemnification.** Surplus User shall be responsible for the carriage, handling and control of Surplus Water made available hereunder after the water has passed the Point of Delivery. District shall not be responsible, beyond the Point of Delivery, for the control, carriage, handling, use, disposal, or distribution of Surplus Water, and Surplus User shall hold the District harmless on account of damage or claim of damage of any nature whatsoever for which there is legal responsibility, including property damage, personal injury, or death, arising out of or connected with the control, carriage, handling, use, disposal, or distribution of Surplus Water beyond the Point of Delivery.

4.7 **Interruption of Water Service.** The District does not guarantee continuous availability of Surplus Water on demand. From time to time, it may be necessary for the District to shut off the flow of water in its water system for various reasons, including, but not limited to, those set forth in the District Enactments. Except in emergencies, such stoppages will not be made without prior notice to Surplus User. The District shall not assume any responsibility or be held liable for loss or damage which may occur due to such interruption of water service.

4.8 **Limitations on Obligations of District.** District shall be under no obligation to provide water service, or to make Surplus Water available to Surplus User except during such time and to the extent and in the quality and manner that Surplus Water is available pursuant to the District's Water Rights and in the Russian River, and subject to the terms and conditions of this Agreement. District shall not be liable to the Surplus User in the event of delay, interruption, discontinuance, low water levels, or quality deterioration of the Surplus Water to be made available to Surplus User, except to the extent that such conditions result from the gross negligence or willful misconduct of the District.

4.9 **Availability and Reduction in Surplus Water.** The District makes no representation, guarantee or warranty to Surplus User regarding the availability of Surplus Water or the quantity, quality, or delivery times of said Surplus Water. Surplus Water delivered to Surplus User under this Agreement may be reduced by District at any time due to it becoming unavailable as determined by the District.

## **ARTICLE 5 METERS AND WATER USAGE REPORTS**

5.1. **Installation and Maintenance.** In accordance with Ordinance No. 25-01, as amended or revised in the future, and all supporting Resolutions and Policies, all Surplus Water made available pursuant to this Agreement shall be metered at each of Surplus User's Points of Delivery by an Approved Meter. All determinations relative to the measurement of Surplus Water shall be made by the District.

5.2. **District Meters.** Consistent with Ordinance 25-01, District may in its sole discretion, and at such time determined by District, place its own Approved Meter at a Point of Delivery, and Surplus User shall make space available for that purpose in

accordance with District's specifications. Once District has installed its own Approved Meter, District shall have the responsibility to maintain it in good repair and condition.

5.3. **Access.** Authorized agents of the District shall be allowed to enter Surplus User's property in order to install, repair, replace, evaluate, test, inspect, read, and/or monitor the operation of metering, pumping, and conveyance facilities installed by the Surplus User or by District at the Service Connection without advance notice, and Surplus User hereby grants District sufficient license and permission to facilitate such activity.

5.4. **Readings.** The District shall read each Approved Meter at Surplus User's Point of Delivery monthly, either directly or by remote telemetry, and provide Surplus User with an annual summary of total water diverted from each Approved Meter no later than November 30 of the following Year, reflecting the total amount of all water diverted by Surplus User from the Russian River, including Surplus User Water and Surplus Water.

5.5. **Reports.** Based upon the Approved Meter readings provided to Surplus User by District as set forth in this Article, Surplus User shall provide District with an annual written report of water usage, quantifying all water diverted and used by Surplus User from the Point of Delivery, and identifying such water as either Surplus Water or Surplus User Water, on a form provided by or approved by District. Such report shall include a declaration under penalty of perjury that the information provided therein is accurate to the best of the signer's knowledge and belief. In addition, Surplus User shall establish and maintain books and records sufficient to allow District to furnish information required to the SWRCB regarding Surplus User's water use. Surplus User shall also provide District with such other reports concerning Surplus User's use of Surplus Water and compliance with this Agreement as requested by District. Such reports shall be furnished to District annually by December 31.

## **ARTICLE 6 PAYMENT**

6.1. **Price.** Surplus User shall pay District for all Surplus Water made available to Surplus User each Year at the per acre foot rate determined annually by the District, subject to the Ordinance, in addition to other fees set forth in District Enactments.

6.2. **Obligation to Purchase.** Surplus User shall be obligated to pay for the Surplus Water requested and made available from the District, as confirmed by the Parties signatures on **Exhibit E**, regardless of the amount of Surplus Water actually diverted by Surplus User pursuant to this Agreement. Surplus User shall not be required to pay for any portion of the Surplus Water that is not available for diversion as determined by District in accordance with Article 11. At any time, Surplus User may refuse to accept Surplus Water pursuant to this Agreement, however, the Surplus User shall remain obligated to make payment required under this Agreement.

6.3. **Invoice and Payment.** On or about February 1 of each Year, District shall invoice Surplus User for amounts due hereunder for the previous Year. Surplus User shall pay each such invoice within twenty-five (25) days of issuance. Surplus User's obligation

to pay each such invoice shall be absolute and unconditional, and not subject to deduction, setoff, prior notice, demand, or inability of Landowner to use, store or resell Surplus Water, and shall be subject to collection and enforcement as set forth in the District Enactments.

6.4. **General Obligation of Customer.** The obligations of any public agency Surplus User under this Agreement will constitute a general obligation, and the Surplus User will use all of the powers and resources available to it under the law to collect the funds necessary for, and to pay, the obligation to the District under this Agreement. The Surplus User is obligated to pay District the payments becoming due under this Agreement notwithstanding any individual default by its water users or others in the payment to the Surplus User of assessments, taxes or other rates and charges levied.

## ARTICLE 7 TERM

7.1. **Term.** The term of this Agreement ("Original Term") shall be for one (1) year from and after the Effective Date. Upon expiration of the Original Term, this Agreement shall automatically renew for another one (1) year term ("Extended Term"). Each Extended Term shall automatically renew for another one (1) year Extended Term, unless either party provides notice to the other of its intent to terminate this Agreement as provided below.

7.2. **Notice of Voluntary Termination.** During any Extended Term, either Party may give the other Party written notice of its intent to terminate. Once such notice is given, there shall be no further extension of the term, and the Agreement shall terminate at the conclusion of the then-existing Extended Term.

7.3. **Termination for Regulatory Infeasibility.** District may terminate this Agreement upon sixty (60) days prior written notice upon the occurrence of any of the following conditions:

7.3.1. the SWRCB reduces, modifies or conditions the District's Water Rights on factors beyond the District's practical or economic ability to accommodate;

7.3.2. the transactions contemplated by this Agreement are enjoined or otherwise prohibited by a court of competent jurisdiction; or

7.3.3. the Parties mutually agree in writing that completion of the transactions contemplated by this Agreement is not feasible.

Upon such termination, this Agreement shall be null and void and each Party shall be responsible for its own expenditures and out-of-pocket costs incurred in connection with this Agreement subject to the provisions of Article 16 regarding indemnification. Nothing in this section shall be construed as an admission by either Party that this Agreement or any of its terms is subject to the approval of SWRCB or any other governmental entity.

**ARTICLE 8.**  
**ADDITIONAL COVENANTS AND PROVISIONS**

8.1. **Environmental Review.** The Parties acknowledge that District and any public agency Surplus User is/are responsible for compliance with the requirements of CEQA.

8.2. **Permits and Authorizations.** Surplus User shall support District in obtaining any permit, authorization, environmental approval or other governmental approval necessary for the effectiveness and continuing validity of this Agreement and to fully cooperate with and use its best reasonable efforts to assist District in implementing all of the terms of this Agreement and achieving its objectives.

8.3. **No Rights Conferred.** This Agreement shall have no effect on the District's rights to District Water, as the Parties do not intend to, and under this Agreement do not in any manner or way transfer, assign, encumber or grant to Surplus User any ownership interest or control over District Water, including Surplus Water. Nothing in this Agreement, nor the conduct of the Parties in their performance hereof, shall confer upon Surplus User any legal or equitable right or claim to District Water, including Surplus Water. The availability of Surplus Water pursuant to this Agreement shall not confer any appropriative, public trust or any other right to water of any nature on Surplus User or any other person or entity. Nothing in this Agreement shall act as a forfeiture, diminution or impairment of any rights or discretion that District may enjoy to the full use of the District Water, or from future sources, or shall in any way prejudice any of District's rights, title or interest thereto. The only rights granted to Surplus User for use of District Water are those expressly set forth in this Agreement, and such rights and use are subject to each and every provision hereof.

8.4. **Surplus User Water Rights.** Surplus User, by signing this Agreement, is not waiving, releasing, altering, or transferring any right to Surplus User Water or facilities of Surplus User, or right to use water, vested or otherwise, that Surplus User may have or acquire, or which may be granted to Surplus User by the SWRCB. Surplus User does acknowledge and agree that the District may seek to secure permits for, acquire, develop, construct, and operate additional water facilities and systems in the future that will benefit Surplus User and Surplus User's businesses and properties, or other District Surplus Users and Customers. This Agreement shall not diminish, impair, supersede or otherwise affect Surplus User Water, and Surplus User's signature on this Agreement does not constitute a waiver, release, alteration or transfer of any such rights, vested or otherwise, which Surplus User may have or acquire.

8.5. **Water Quality.** The District does not assume any responsibility and shall not be held liable with respect to the quality of Surplus Water made available pursuant to this Agreement, and the District makes no warranty or representations as to the quality or fitness for use of Surplus Water. Surplus User shall be responsible for all necessary measures at its own expense for the testing, treatment, and other steps required for Surplus User's intended uses of Surplus Water.

8.6. **Wheeling.** Notwithstanding any other provision in this Agreement, if Surplus Water cannot be received by Surplus User unless it is wheeled to the Surplus User's Place of Use by another public agency, District shall not provide water service to Surplus User without the prior written consent of the public agency responsible for the required wheeling.

**ARTICLE 9.  
REPRESENTATIONS AND WARRANTIES OF DISTRICT**

District makes the following representations and warranties to Surplus User as of the Effective Date:

9.1. District is an improvement district duly formed and organized, validly existing and in good standing under the laws of the State of California;

9.2. District has the right, power, and authority to enter into this Agreement and to perform its obligations herein, and the persons executing this Agreement on behalf of District have the right, power, and authority to do so;

9.3. This Agreement constitutes a legal, valid and binding obligation of District, enforceable against District in accordance with its terms; and

9.4. The execution, delivery and performance of this Agreement by District will not breach or constitute a default by District under or grounds for the acceleration of maturity of any agreement, indenture, undertaking or other instrument to which District is a party or by which District or any of its property may be bound or affected.

**ARTICLE 10.  
REPRESENTATIONS AND WARRANTIES OF SURPLUS USER**

Surplus User makes the following representations and warranties to District, as of the Effective Date:

10.1. Surplus User is either (a) a public water agency duly formed and organized, validly existing, and in good standing under the laws of the State of California, and is qualified to do and is doing business in the State of California; or (b) owns real property outside the District's Place of Use under the District's Water Rights;

10.2. Surplus User has received a copy of the District Enactments, which Surplus User agrees are valid, subsisting, and in full force and effect, and Surplus User further agrees to be bound by and comply with the terms and provisions of the District Enactments.

10.3. Surplus User has the right, power, and authority to enter into this Agreement and perform all of its obligations hereunder, and the persons executing this Agreement on behalf of Surplus User have the right, power, intent, and authority to do so;

10.4. This Agreement constitutes a legal, valid and binding obligation of Surplus User, enforceable against Surplus User in accordance with its terms; an

10.5. Surplus User agrees to use Surplus Water only pursuant to and in compliance with each and all of the requirements and provisions of the Water Rights, SWRCB Decision D-1030, District Enactments, and California law, including, but not limited to, the requirements of Article X Section 2 of the California Constitution that all water must be placed to reasonable and beneficial use.

10.6. If Surplus User is a public agency, it agrees to provide service to all customers within its boundaries who request a water allocation of Surplus Water.

#### **ARTICLE 11. CONSERVATION PLAN**

Surplus User shall comply with the water conservation program and enforcement plan established by the District set forth in Article 9 of Ordinance 25-01 (“Plan”). Surplus User’s failure to implement and enforce the Plan within Surplus User’s Place of use and as against any third party to whom Surplus User may sell, give, or allow to receive Surplus Water, shall constitute an event of default under this Agreement.

#### **ARTICLE 12. DEFAULT**

12.1. **Surplus User Default.** Each of the following shall constitute a default by Surplus User under this Agreement:

12.1.1. Surplus User’s failure to pay, by the due date, the price per acre foot for Surplus Water, or any other charge due and payable hereunder. Any such late payment shall bear interest at ten percent (10%) per annum from the due date until paid in full;

12.1.2. Surplus User’s failure to perform, comply with, or observe any term, covenant, obligation, undertaking or other obligation that it is to perform or observe under this Agreement, the District Enactments or applicable state or federal law concerning Surplus Water and the use or disposition thereof, and Surplus User fails to cure such failure within thirty-five (35) days after District's written notice of default; or

12.1.3. If any warranty, representation or other statement made by or on behalf of Surplus User and contained in this Agreement or any other document furnished by Surplus User in compliance with or in reference to this Agreement is on the date made, or later proves to be, false, misleading or untrue in any material respect.

12.2. **District Default.** Each of the following shall constitute a default by District under this Agreement:

12.2.1. If District fails to perform, comply with, or observe any term, covenant, obligation, undertaking or other obligation under this Agreement that it is to perform or observe, and District fails to cure such failure within thirty-five (35) days after Surplus User's written notice of default; or

12.2.2. If any warranty, representation or other statement made by or on behalf of District and contained in this Agreement or any other document furnished by District in compliance with or in reference to this Agreement is on the date made, or later proves to be, false, misleading or untrue in any material respect.

### **ARTICLE 13. REMEDIES**

13.1. **District's Remedies.** In the event of a default by Surplus User, District shall have the following rights and remedies, in addition to any rights and remedies now or hereafter provided by law or District Enactments:

13.1.1. District may terminate this Agreement, discontinue making Surplus Water available to Surplus User pursuant to the terms hereof and remove its Approved Meter at Surplus User's Point of Delivery;

13.1.2. District may suspend availability of Surplus Water to Surplus User's Point of Delivery until such time as Surplus User has cured its default or may impose conditions upon the availability of Surplus Water to Surplus User; or

13.1.3. District may, by mandamus or other action or proceeding or suit at law or in equity, enforce its rights against Surplus User, or by suit in equity enjoin any acts or things which are unlawful or violate the rights of District.

Prior to discontinuing water service under this Agreement, District must provide Surplus User thirty (30) day's advance written notice prior to the proposed discontinuance, specifying the grounds upon which the action is to be taken. Before discontinuance of the service, the Surplus User shall have the opportunity to discuss the reasons for the proposed discontinuance with the District's General Manager, or their designated agent, who shall be empowered to review all letters and statements, rectify any errors, and settle any controversies pertaining to the discontinuance of service. Surplus User shall be entitled to appeal any decision of the General Manager to the Board of Trustees.

13.2. **Specific Performance.** The Parties have invested significant time and resources in entering into this Agreement and will invest additional time and resources in the implementation hereof. It is not possible to determine the sum of money which would adequately compensate a Party for such efforts. For the above reasons, the Parties agree

that damages would not be an adequate remedy if a Party fails to carry out its obligations under this Agreement and that, in addition to any other right or remedy to which a Party may be entitled, at law or in equity, each Party shall be entitled to enforce any provision of this Agreement by a decree of specific performance and to temporary, preliminary and permanent injunctive relief to prevent a breach or threatened breach hereof, without posting any bond or other undertaking. Notwithstanding the foregoing, Surplus User shall have no right to seek specific performance to cause District to make Surplus Water available for Surplus User's use when District has determined that such Surplus Water is not available, or to compel District to exercise its discretion in any particular manner when a decision is reserved to District's judgment hereunder or by law.

13.3. **No Waiver.** A waiver of any default or breach of duty or contract by a Party shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract by the other Party. No delay or omission by a Party to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein.

13.4. **Remedies Cumulative.** No remedy herein conferred upon or reserved to a Party is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute, District Enactment or otherwise and may be exercised without regard to any other remedy conferred by any other law.

## **ARTICLE 14. INDEMNIFICATION**

14.1. **Surplus User Indemnity.** To the fullest extent permitted by applicable law, Surplus User shall defend, indemnify and hold harmless the District, its officers, directors, employees and agents, and each and every one of them, from and against any and all actions, liability, damages, claims, suits, proceedings, judgments, settlements, losses and expenses (including reasonable legal fees and expenses of attorneys chosen to represent District), including all expenses of every type and description to which it or they may be subjected or put to arising out of or related to the following:

14.1.1. any breach or alleged breach of any representation, warranty, covenant, provision, promise or agreement of Surplus User contained in this Agreement or in any document, instrument or agreement executed and delivered by Surplus User in connection herewith;

14.1.2. any loss, injury, adverse impact, or damage or alleged loss, injury, adverse impact or damage to any person, entity, party, or property arising out of or related in any way to this Agreement or to the Surplus Water made available by District to Surplus User pursuant to this Agreement after it is made available at Surplus User's Point of Delivery, and

14.1.3. District shall not be liable to Surplus User for any loss or damage to person or property caused by any Force Majeure Event, or any other causes, or any consequential damages or inconvenience which may arise from or relate to use of the Surplus Water.

This indemnification is effective and shall apply whether or not any such action is alleged to have been caused in part by District as a party indemnified hereunder. This indemnification shall not include any claim arising from the sole or active negligence or willful misconduct of District or any of its directors, officers, employees or agents.

14.2. **District Indemnity.** To the fullest extent permitted by applicable law, District shall defend, indemnify and hold harmless Surplus User, its officers, directors, employees and agents, and each and every one of them, from and against any and all actions, liability, damages, claims, suits, proceedings, judgments, settlements, losses and expenses (including reasonable legal fees and expenses of attorneys chosen to represent Surplus User), including expenses of every type and description to which it may be subjected or put to arising out of or related to: any breach or alleged breach of any representation, warranty, covenant, promise or agreement of District contained in this Agreement. This indemnification shall not include any claim arising from the sole or active negligence or willful misconduct of Surplus User or any of its directors, officers, employees or agents.

14.3. **Surplus User Covenant; Insurance.**

14.3.1. **Covenant.** Surplus User, on its own behalf and on behalf of its officers, directors, employees and agents, covenants and agrees that it shall not initiate or pursue, or assist or support any other person or entity in the initiation or pursuit of, an action or undertaking of any kind, whether judicial, administrative or otherwise, that seeks to or would limit, diminish, impair, interrupt, or prohibit, either temporarily or permanently, (a) District Water Rights or entitlements; (b) the District Enactments; or (c) the District's ability to perform its obligations under this Agreement or other instrument by which District provides or makes available water to Customers and Surplus Users.

14.3.2. **Insurance.** Surplus User shall procure and maintain at its own cost during the term hereof a policy of commercial general liability insurance issued by a company lawfully authorized to do business in California, with a Best Insurance Reports (or comparable) rating of "A-VII" or better, covering Surplus User for its activities hereunder in the amount of one million dollars (\$1,000,000). The insurance shall name as additional insured and provide waiver of subrogation to District and its directors, officers, elected officials, appointed officials, lenders, agents, attorneys and employees, as their interests may appear. Surplus User shall provide evidence of such insurance to District satisfactory to District's General Manager.

14.4. **Defense of Claims.** No right to indemnification under this Article shall be available unless the Party seeking indemnification (the "Indemnified Party") shall have given to the Party obligated to provide indemnification (the "Indemnitor") a written notice

(a "Claim Notice") describing in reasonable detail the facts giving rise to any claim for indemnification hereunder promptly after receipt of knowledge of the facts upon which such claim is based. A delay or failure to so notify the Indemnitor shall relieve the Indemnitor of its obligations hereunder only to the extent, if at all, that it is prejudiced by reason of such delay or failure. Upon receipt by the Indemnitor of a Claim Notice from an Indemnified Party with respect to a claim of a third party, such Indemnitor shall assume the defense thereof with counsel reasonably satisfactory to the Indemnified Party, and the Indemnified Party shall cooperate in the defense or prosecution thereof and shall furnish such records, information, and testimony and attend all such conferences, discovery proceedings, hearings, trials and appeals as may be reasonably requested by the Indemnitor in connection therewith. If the Indemnitor assumes such defense as provided above, then the Indemnitor shall have the right in its sole discretion, to settle any claim for which indemnification has been sought and is available hereunder, provided the Indemnified Party is fully released from all known and unknown claims of such third party and the Indemnified Party is not obligated to perform any actions or pay any money on account of such settlement. If the Indemnitor does not assume such defense as provided above, then: (a) the Indemnified Party shall have the right to employ its own counsel in any such case, and all of the fees and expenses of such counsel shall be the responsibility of Indemnitor, who shall promptly reimburse the Indemnified Party fully for such expenses; and (b) the Indemnified Party shall have the right, in its sole discretion, to settle any claim for which indemnification has been sought and is available hereunder, at the expense of Indemnitor, who hereby agrees to promptly reimburse the Indemnified Party all costs and expenses incurred by the Indemnified Party with respect to such settlement.

## **ARTICLE 15. GENERAL PROVISIONS**

15.1. **No Third Party Rights.** This Agreement is made solely for the benefit of the Parties and their respective permitted successors and assigns, if any. Except for such a permitted successor and assign, no other person or entity shall have or acquire any right by virtue of this Agreement.

15.2. **Assignment.** Neither Party may assign any of its rights or delegate any of its duties under this Agreement. Any assignment or delegation made in violation of this Agreement is void and of no force or effect. This Agreement is and will be binding upon and will inure to the benefit of the Parties and, upon dissolution, the legal successors and assigns of their assets and liabilities.

15.3. **Property Transfer.** In the event that Surplus User proposes to sell its real property to which Surplus Water is made available under this Agreement, Surplus User shall notify District in writing in advance of the close of escrow with sufficient time for District to consider the proposed transfer. If (a) District is timely notified of the proposed transfer; (b) Surplus User is not then in default under this Agreement at the time of such notification or at any time up until the close of escrow; and (c) the proposed new owner executes a new agreement with District in substantially the same form as this Agreement, on or before the close of escrow; then District shall approve the application of the proposed

new owner and execute the new agreement with such owner. Upon District's execution of the replacement agreement, this Agreement shall be terminated.

15.4. **Governing Law.** This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of California as well as the District Enactments.

15.5. **Amendment.** The terms of this Agreement may be modified only in writing by mutual agreement signed by both Surplus User and District. Any amendment made in violation of this section shall be null and void.

15.6. **Entire Agreement.** Except as otherwise provided herein, this Agreement supersedes any and all other agreements, including any prior water supply agreements previously in effect between the Parties prior to execution of this Agreement, either oral or in writing, between the Parties hereto with respect to the availability of Surplus Water to Surplus User by District and contains all the covenants and agreements between the Parties with respect thereto. Each Party acknowledges that no representation or promise has been made by the other Party which is not embodied herein, and that no other agreement or promise not contained in this Agreement shall be valid or binding. Each recital set forth at the beginning of this Agreement is true and correct and a binding portion hereof.

15.7. **Severability.** Should any provision in this Agreement is held by a court of competent jurisdiction or an arbitrator or arbitration panel to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way notwithstanding such invalidity, illegality or unenforceability.

15.8. **Time is of the Essence.** It is expressly hereby agreed that time is of the essence of each and every provision of this Agreement.

15.9. **Cooperation.** To the extent reasonably required, each Party shall, in good faith, assist the other in obtaining all such necessary approval and preparation of required environmental documents or reports to the SWRCB for Surplus Water as well as Surplus User Water. The Parties agree to cooperate and assist each other in good faith in meeting such requirements of regulatory agencies as may be applicable to the terms and conditions of the District's Water Rights, any requirements imposed upon Surplus User Water, and performance of any terms of this Agreement.

15.10. **Attorneys' Fees.** Should either Party to this Agreement reasonably retain counsel for the purpose of enforcing any provision of this Agreement, including the institution of any action or proceeding to enforce any provision of this Agreement, or to recover damages if otherwise available hereunder, or to obtain injunctive or other relief by reason of any alleged breach of any provision of this Agreement, or for a declaration based on a demonstrated necessity of such Party's rights or obligations under this Agreement, or for any other judicial or equitable remedy, then if the matter is resolved by judicial or quasi-judicial determination (including arbitration, if such arbitration is agreed to by the Parties), the prevailing Party shall be entitled, in addition to such other relief as may be granted, to be reimbursed by the losing Party for all attorneys' fees, expert fees and costs, and all

litigation or arbitration fees and costs reasonably incurred, including all attorneys' fees and costs for services rendered to the prevailing Party and all attorneys' fees and costs reasonably incurred in enforcing any judgment or order entered on appeal. The prevailing Party shall be determined by the court (or arbitrator, if arbitration is agreed to by the Parties) in the initial or any subsequent proceeding.

15.11. **Regulatory and Litigation Costs.** District will defend its own interest in any litigation or regulatory action challenging the validity of the District's Water Rights or use of District Water. The Parties shall each defend their own interest in litigation or regulatory action involving this Agreement, including environmental compliance and validity of the Agreement. Any attorney fees and costs awarded in CEQA litigation to a person or entity not a party to this Agreement shall be split equally between the Parties.

15.12. **Notices.** Any notice, approval, consent, waiver or other communication required or permitted to be given or to be served upon either Party in connection with this Agreement shall be in writing. Such notice shall be personally served, sent by facsimile, telegram, or cable, or sent prepaid by registered or certified mail with return receipt requested, or sent by reputable overnight delivery service, such as Federal Express, and shall be deemed given: (a) if personally served, when delivered to the Party to whom such notice is addressed; (b) if given by facsimile, telegram, or cable, when sent (with confirmation of receipt); (c) if given by prepaid or certified mail with return receipt requested, on the date of execution of the return receipt; or (d) if sent by reputable overnight delivery service, such as Federal Express, when received with confirmation of delivery. Such notices shall be addressed to the Party to whom such notice is to be given at the Party's address set forth below or as such Party shall otherwise direct in writing to the other Party delivered or sent in accordance with this section.

If to District:

Mendocino County Russian River Flood Control and  
Water Conservation Improvement District  
PO Box 2104  
Ukiah, California 95482  
Phone: (707) 462-5278  
Email: [DistrictManager@rrfc.net](mailto:DistrictManager@rrfc.net)

If to Surplus user:

**\*\*CUSTOMER NAME\*\***  
**\*\*ADDRESS \*\***  
**\*\*PHONE NUMBER \*\***  
**\*\*EMAIL ADDRESS\*\***

15.13. **Usage.** Unless the context clearly requires otherwise:

15.13.1. the plural and singular numbers shall each be deemed to include the other; the masculine, feminine and neuter genders shall each be deemed to include the others; "shall," "will" or "agrees" are mandatory, and "may" is permissive;

15.13.2. reference to any individual or entity includes its successors and assigns, but only if such successors and assigns are not prohibited by this Agreement;

15.13.3. reference to any agreement, document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof;

15.13.4. reference to any legal requirement, including a permit, governmental approval, regulation or statute, means such legal requirement as amended, modified, codified, replaced or reenacted, in whole or in part, and in effect from time to time, including rules and regulations promulgated thereunder, and reference to any section or other provision of any legal requirement means that provision of such legal requirement from time to time in effect and constituting the substantive amendment, modification, codification, replacement or reenactment of such section or other provision;

15.13.5. "hereunder," "hereof," "hereto," and words of similar import shall be deemed references to this Agreement as a whole and not to any particular Article, Section or other provision hereof;

15.13.6. "including" (and with correlative meaning "include") means including without limiting the generality of any description preceding such term;

15.13.7. "or" is used in the inclusive sense of "and/or"; and

15.13.8. references to documents, instruments or agreements shall be deemed to refer as well to all addenda, exhibits, schedules or amendments thereto.

15.14. **Headings.** Headings are provided for the convenience of the Parties and shall not be construed to explain or modify any part of this Agreement.

15.15. **Ambiguities.** Each Party and its counsel have participated fully in the review and any revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in interpreting this Agreement.

15.16. **Survival.** Whether or not it is specifically so provided herein, any term or provision of this Agreement, which by its nature and effect is required to be kept, observed, or performed after the termination, suspension, cancellation, rescission or expiration of this Agreement, shall survive such termination, suspension, cancellation, rescission or

expiration, and shall be and remain binding upon and for the benefit of the Parties until fully observed, kept or performed.

15.17. **Execution and Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the last date written below.

**MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL AND WATER CONSERVATION IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
President of the Board of Trustees \_\_\_\_\_ Date \_\_\_\_\_

ATTEST:  
\_\_\_\_\_  
Secretary of the Board of Trustees \_\_\_\_\_ Date \_\_\_\_\_

**SURPLUS USER**

By: \_\_\_\_\_  
\*\*SURPLUS USER NAME, COMPANY NAME\*\* \_\_\_\_\_ Date \_\_\_\_\_  
\*\*ADDRESS \*\*  
\*\*PHONE NUMBER \*\* \*\*EMAIL ADDRESS\*\*

# EXHIBIT A PURPOSE OF USE

Exhibit A to that Agreement for Out-of-District Surplus Water Service between  
MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL  
AND WATER CONSERVATION IMPROVEMENT DISTRICT (“District”) and  
**\*\*SURPLUS USER NAME\*\*** (“Surplus User”) dated **\*\*DATE\*\*** (“Agreement”).

By its signature below, Surplus User represents and warrants to District the following:

1. The purpose of use for the water shall be as follows (check all that apply):
  - Domestic, Municipal, and/or Industrial
  - Irrigation (includes frost protection, heat protection, heat suppression, etc.)

The use of District Water available to Surplus User under this Agreement shall be restricted exclusively to the uses specified above. Should Surplus User wish to change the purpose of use of District Water provided under this Agreement to any other use, Surplus User is required to apply to the District for approval and a revised Exhibit A.

2. Surplus User hereby represents and warrants to District that Surplus User’s use of District Water will at all times comply with all restrictions, laws, ordinances, rules, regulations, and orders affecting the use of District Water now in effect or which may hereafter come into effect during the term of this Agreement for the use specified above. Surplus User, at its expense, shall promptly and diligently procure, maintain, and comply with all permits, licenses, franchises, and other authorizations which are now or at any time hereafter may be required for the use of District Water contemplated hereby.
3. **As provided in the Agreement, the Agreement is not assignable to any other party or landowner.**

By: \_\_\_\_\_ Date \_\_\_\_\_  
**\*\*SURPLUS USER NAME\*\***  
**\*\*ADDRESS \*\***  
**\*\*PHONE NUMBER \*\* \*\*EMAIL ADDRESS\*\***

By: \_\_\_\_\_ Date \_\_\_\_\_  
Secretary of the Board of Trustees of the

**MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL  
AND WATER CONSERVATION IMPROVEMENT DISTRICT**







**EXHIBIT E**  
**ANNUAL SURPLUS WATER AMOUNT**

Exhibit E to that Agreement for Out-of-District Surplus Water Service between  
MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL  
AND WATER CONSERVATION IMPROVEMENT DISTRICT (“**District**”) and  
**\*\*SURPLUS USER NAME\*\*** (“**Surplus User**”) dated **\*\*DATE\*\*** (“**Agreement**”).

The maximum quantity of District Water to be made available to Surplus User pursuant to the Agreement in water year **\*\*INSERT WATER YEAR\*\***, defined as “**Surplus Quantity**”, shall be **\*\*XX\*\*** acre feet.

By: \_\_\_\_\_ Date \_\_\_\_\_  
**\*\*SURPLUS USER NAME\*\***  
**\*\*ADDRESS \*\***  
**\*\*PHONE NUMBER \*\* \*\*EMAIL ADDRESS\*\***

By: \_\_\_\_\_ Date \_\_\_\_\_  
Secretary of the Board of Trustees of the

**MENDOCINO COUNTY RUSSIAN RIVER FLOOD CONTROL  
AND WATER CONSERVATION IMPROVEMENT DISTRICT**

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

**STAFF REPORT**

**Agenda Item 10: Proposal for  
General Manager Performance Evaluation Process & Strategic Planning  
Monday, June 2, 2025**

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**The Strategic Plan** relevant priority is **Administration** through effective systems and improved transparency, accountability, and consistency across the District.

**Background**

The District has maintained a formal Strategic Plan since approximately 2016, undergoing several updates as needed. The current Plan is for 2023-2025.

During discussions regarding the annual General Manager evaluation process, it has been suggested to better link the evaluation process with the Strategic Plan.

In 2025, the GM evaluation was supported by CPS HR Consulting. CPS HR has provided a proposal for continued GM evaluation services, including an upgrade of the process to link with the Strategic Plan, and expanding their services to support the 2026 Strategic Plan Update.

**Discussion**

CPS HR has provided a detailed proposal for services, breaking down costs per task. While the total not to exceed is \$23,950, this covers the period of June 2025- June 2027 on an as-needed basis. The Board can provide feedback to the GM directly or through an Ad Hoc Committee on the priority of the proposed tasks, timing, etc. if it wishes.

The Board is being asked to:

- 1) Provide feedback on the Strategic Plan Update for 2026 onward and the annual development of an Action Plan to link with the GM Evaluation; and
- 2) Consider approval of the CPS HR proposal, directing GM to engage services; and
- 3) Consider whether the Board would prefer to provide direct feedback or appoint an Ad Hoc Committee.

**Recommendation:**

- Move to approve the CPS HR Proposal for General Manager Performance Evaluation Process & Strategic Planning.

**Attachments:**

- CPS HR Proposal for General Manager Performance Evaluation Process & Strategic Planning.

\* \* \* \*

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

*Proposal to the Russian River Flood Control & Water Conservation Improvement District  
General Manager Performance Evaluation Process & Strategic Planning*

May 20, 2025

Elizabeth Salomone, General Manager  
Mendocino County Russian River Flood Control  
& Water Conservation Improvement District  
PO Box 2104, Ukiah, CA 95482

**Submitted to: [districtmanager@rrfc.net](mailto:districtmanager@rrfc.net)**

Dear Beth,

CPS HR Consulting (CPS HR) is pleased to submit a proposal in response to the Russian River Flood Control (RRFC) request for additional assistance with the RRFC's General Manager performance evaluation process and strategic planning (updates and action planning).

**Proposed Cost and Schedule**

CPS HR proposes a time and material engagement for June 2025-June 2027, for a total not-to-exceed **\$23,950 including travel, expenses and all optional services**. CPS HR only bills for services expended up to the total budget amount. The estimated hours listed below may be adjusted between project team members and phases if they do not exceed the total budget.

In the event the District no longer needs Consulting Services, there is no obligation to expend the NTE amount set forth in the Agreement.

The following table contains the proposed tasks, timeline and costs. The methods, approach, timelines, as well as the proposed fees have been prepared as accurately as possible to accomplish project objectives.

Consultant	Hourly Rate
<b>Sara Randazzo</b> , Project Manager, Organizational Strategy Unit Manager	\$190/hr.
<b>Kammy Haynes</b> , Project Consultant	\$150/hr.

Task/Deliverable	Timeline	Estimated Consultant Hours	Extended Cost
<b>TASK 1: General Manager Performance Evaluation</b>			
<b>Phase One – Creation &amp; Implementation (2025-2026)</b>			
Redesign GM Evaluation Process (Simplify and Align with Strategic Goals)	June 2025	8	\$1200

*Proposal to the Russian River Flood Control & Water Conservation Improvement District  
General Manager Performance Evaluation Process & Strategic Planning*

<b>Task/Deliverable</b>	<b>Timeline</b>	<b>Estimated Consultant Hours</b>	<b>Extended Cost</b>
Present New Process to Board and GM for feedback and make any revisions	July 2025	3	\$450
Collect & Review GM Self-Evaluation	December 2025	2	\$300
Conduct Compensation Study/Review & Make Recommendations	December 2025/ January 2026	5	\$750
Facilitate GM Evaluation Session with the Board Members (Collect detailed performance feedback and development opportunities)	January 2026	2	\$300
Prepare & Present Summary Evaluation to the Board and GM (Facilitate conversation, discuss performance goals, and identify next steps)	February 2026	5	\$750
Assist with Goal Setting/Action Planning aligned with strategic goals and priorities including objective measures and scorecard tracking/reporting mechanism	February – March 2026	3	\$450
<b>Subtotal – Task 1, Phase One</b>		<b>28</b>	<b>\$4,200</b>
<b>Phase Two – Ongoing Maintenance (Annual Estimate)</b>			
Validate the need for any changes to the evaluation criteria/ Make revisions	November	3	\$450
Collect & Review GM Self-Evaluation	December	2	\$300
Facilitate the GM Evaluation Session with the Board	January	3	\$450
Conduct Compensation Study/Review & Make Recommendations	January	5	\$750
Prepare and Present Summary /Facilitate Meeting with Board and GM, Discuss New Goals, and Identify Next Steps	February	3	\$450
Update Goals, Action Planning, and Scorecard	February/March	2	\$300
<b>Annual Subtotal – Task 1, Phase Two</b>		<b>18</b>	<b>\$2,700</b>
<b>TASK 2: Strategic Plan Update &amp; Action Planning</b>			
<b>Phase One – Implementation (2025-2026)</b>			
Review existing Strategic Plan and related project plans to map out alignment	Week 1	2	\$380
<b>OPTIONAL</b> Stakeholder and Board Member Interviews (up to 10)	Weeks 2-4	12	\$2,280

*Proposal to the Russian River Flood Control & Water Conservation Improvement District  
General Manager Performance Evaluation Process & Strategic Planning*

Task/Deliverable	Timeline	Estimated Consultant Hours	Extended Cost
<b>OPTIONAL</b> Prepare Intel Packet	Weeks 5	15	\$2,850
Update Strategic Plan and Establish Measurable Goals (and Milestones) <ul style="list-style-type: none"> <li>Facilitate Two Discussion with the Board and GM to identify goals and priorities*</li> <li>Prepare Draft Strategic Plan</li> <li>Review Draft with GM &amp; Board/Make revisions</li> <li>Finalize Strategic Plan</li> </ul>	Week 6-8	20	\$3,800
Create Action Plan & Progress Scorecard	Weeks 9-10	Included in GM Evaluation Process	0
<b>Subtotal – Task 2, Phase One</b>		<b>49</b>	<b>\$9,310</b>
<b>Phase Two – Maintenance (Annual Estimate)</b>			
Review progress on project plans and new goals/objectives/initiatives	December	2	\$380
Facilitate annual discussion to update Strategic Plan and Goals (Identify priorities, prepare/review/revise draft)	January/February	6	\$1,140
<b>Annual Subtotal – Task 2, Phase Two</b>		<b>8</b>	<b>\$1,520</b>
<p>*CPS HR recommends two, in-person, full-day sessions 2-4 weeks apart to allow time away from the plan. Upon project kickoff, we will work with the GM and Board to determine the best schedule and duration for the strategic planning sessions.</p>			
<b>TOTAL SERVICES JUNE 2025-2027</b>			<b>COST NOT-TO-EXCEED</b>
GM Evaluation Process Development and Implementation 2025-2026			\$4,200
Update Strategic Plan and Goal Setting/Action Planning 2025-2026 (Including Optional Services)			\$9,310
			<b>\$13,510</b>
<b>Ongoing Maintenance for Two Years</b>			
GM Evaluation			\$5,400
Strategic Plan Updates & Goal/Action Planning			\$3,040

*Proposal to the Russian River Flood Control & Water Conservation Improvement District  
General Manager Performance Evaluation Process & Strategic Planning*

Task/Deliverable	Timeline	Estimated Consultant Hours	Extended Cost
			\$8,440
Travel and Expenses for Contract Term			\$2,000
From June 2025 – June 2027			\$23,950

Should you have any additional questions, please contact **Sara Randazzo** at **(916) 471-3131** or via email at **[srandazzo@cpsr.us](mailto:srandazzo@cpsr.us)**.

Sincerely,



Melissa Asher, Director of Client Services

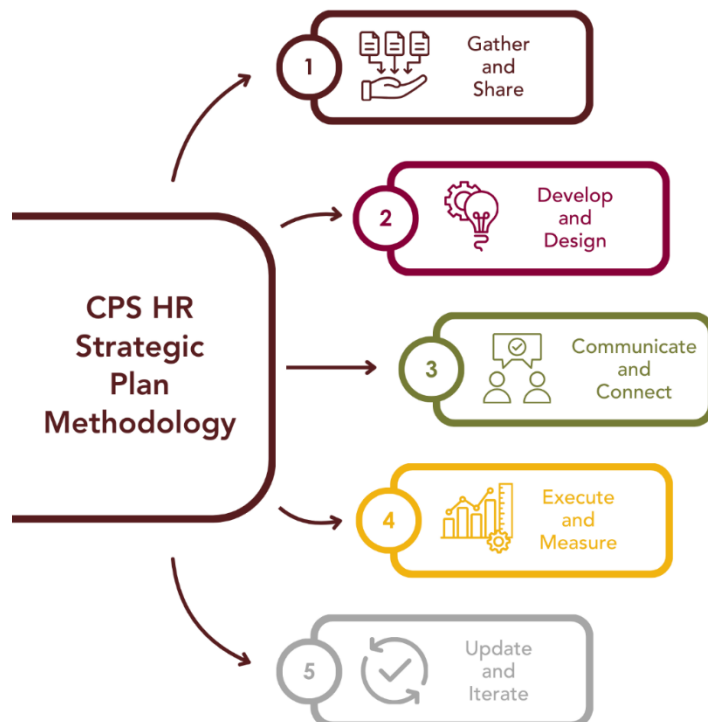
## The CPS HR Strategic Planning Model

At CPS HR, we understand that an effective strategic plan needs to connect and coordinate the efforts of all those who will contribute to its success. Based on a strong and growing body of research, our philosophy is to **Do Less, Better**. Because growth and change inherently create complexity, simplicity in your strategic plan is required.

Your strategic plan is your road map. It unites your team as your organization evolves and overcomes obstacles, making it easier to stay focused on doing the essential operational work that is most important to your success.

A well-designed strategic plan brings clarity to the complexity of your organization, while it:

- Defines your purpose through mission (why), vision (where), brand promise or value proposition (what), and core values (who).
- Plans around the organization's core focus and competitive advantages.
- Plans for key organizational improvements, changes, and innovations.
- Prioritizes the critical work and resource management of the organization.
- Identifies short-and long-term goals with specific, measurable outcomes (how).
- Communicates and connects the strategy to the staff; tells the story.



Based on this understanding, we designed a modular approach that effectively gathers input, guides you through an engaging planning experience, supported by clear and measurable implementation tools, and allows for flexibility, **because every organization has unique needs**.

The CPS HR strategic planning model results in a **simplified plan that balances proven processes and tools, organizational capacity, and measured implementation**.

Our firsthand understanding of the challenges and opportunities inherent in the public sector allows us to provide a uniquely valuable level of guidance throughout the entire project life cycle.

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

**STAFF REPORT**

**Agenda Item 11: Water Supply Conditions**

**Monday, June 2, 2025**

**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 the environment.

**Operations of the Trans-Basin Diversion Through PG&E Owned “Potter Valley Project”**

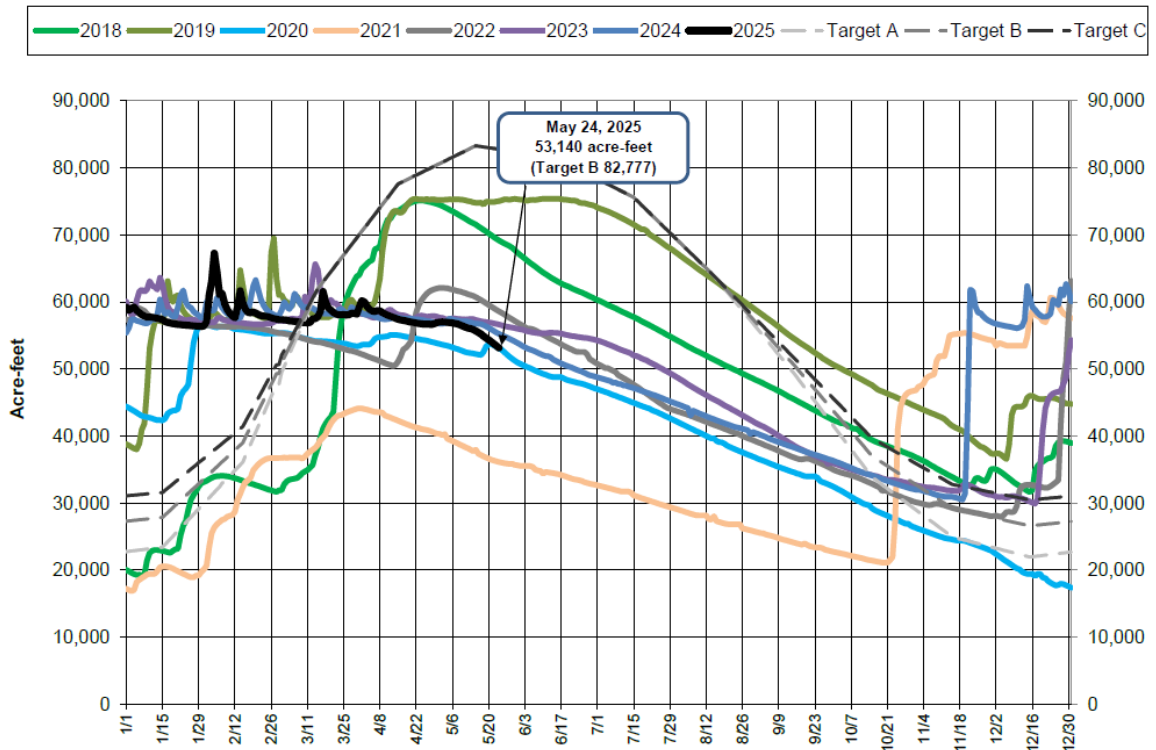
There are currently no Federal Energy Resources Commission (FERC) approved flow variances in place, though one has been filed and FERC received numerous comments, motions to intervene, and protests. See <https://rrfc.specialdistrict.org/pg-e-2025-potter-valley-project-operations> for more information. Minimum instream flow in the East Branch Russian River is 35 cfs.

**Lake Pillsbury**

**5/24**

<b>Current Storage (acre-feet)</b>	53,140
<b>Target Storage Curve (acre-feet)</b>	82,777
<b>7-day change (acre-feet)</b>	-2,057

**Lake Pillsbury Storage and Target Storage Scenarios**



*(Continued...)*

**Lake Mendocino and the Mainstem Upper Russian River**

Storage level was 101,075 acre feet (af) as of, May 26, 2025, down from 102,436, af as of April 28, 2025.

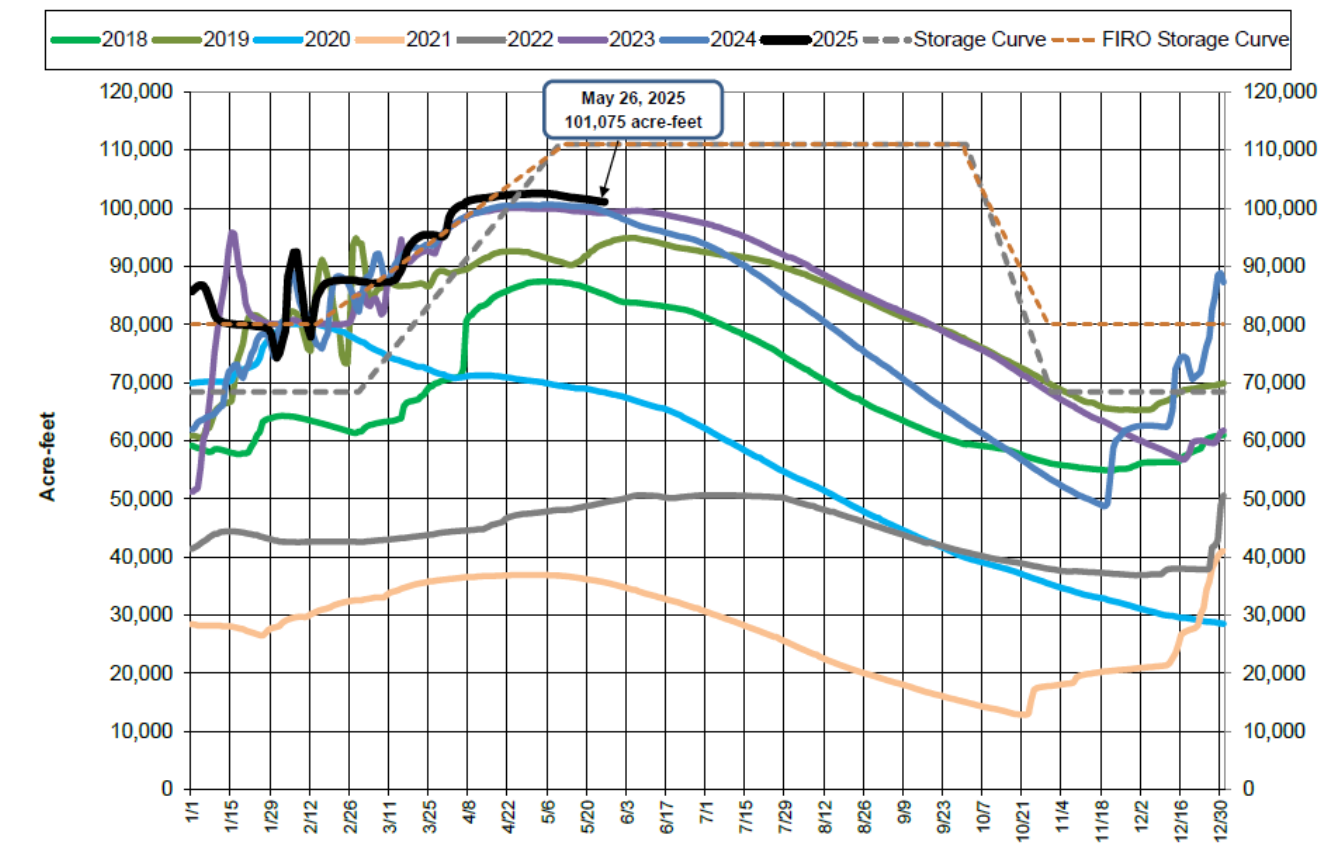
**Lake Mendocino**

**5/26**

Current Storage (acre-feet)	101,075
FIRO Storage Curve (acre-feet)	111,000
% of FIRO Storage Curve	91.06%
7-day change (acre-feet)	-483

Sonoma Water Agency’s Temporary Urgency Change Petition (TUCP) that was approved on October 31, 2024 expired on April 30, 2025. Sonoma Water submitted a new TUCP on April 10<sup>th</sup> to the State Water Resources Control Board (SWRCB) who opened a 30 day comment period on April 21, 2025. The District submitted a support letter. Approval of the TUCP is anticipated for approximately June 1, 2025 implementation. (For more information see <https://www.rffc.net/updates-on-russian-river-and-lake-mendocino> or Sonoma Water’s TUCP webpage: [www.sonomawater.org/tucp](http://www.sonomawater.org/tucp).)

**Lake Mendocino Storage**



\* \* \* \*

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

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

**STAFF REPORT**

**Agenda Item 11a: May 2025 Financial Report**

**June 2, 2025**

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Revenue

April 2025: Additional revenue not shown on previous report: \$6,526.55 (water sales & interest)

May 2025: \$26,533 notably:

- \$488 in contract water sales
- \$26,045 in property tax revenue

Expenses

April 2025: Additional expenses not shown on previous report: none

May 2025: \$109,502 ordinary expenses, notably:

- \$3,513 for IWPC administration
- \$4,642 for Change Petition
- \$58,000 for IWPC – Trans Basin Diversion
- \$22,560 for IWPC – Coyote Valley Modernization

Other

- Financial reports subject to change after corrections and adjustments by Accountant and Auditor.
- Reconciliations are up to date as of the end of April 2025.
- Additional reports or information available upon request.

Recommendation:

- Move to accept and file the financial reports for May 2025.

Attachments:

1. Income & Expense Report – May 2025 only
2. Income & Expense / Budget Vs Actual Report – Fiscal Year to date
3. Profit & Loss Previous Year Comparison Report– Fiscal Year to date
4. Balance Sheet Previous Year Comparison Report– Fiscal Year to date
5. Monthly Payment Detail Report– May 2025
6. Contracted Water Worksheet as of June 1, 2025

\* \* \* \*

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

## Income &amp; Expense / Budget vs. Actual

May 2025

	<u>May 25</u>
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
4001 · Contract Water Sales	488.00
4050 · Property Taxes	26,044.89
<b>Total Income</b>	<b><u>26,532.89</u></b>
<b>Expense</b>	
Payroll Expenses	15,662.80
Water Supply Expenses	
5031 · JPAs	
5031.01 · IWPC	3,513.00
Total 5031 · JPAs	<u>3,513.00</u>
5050 · Projects	
5056 · License Change Petition	
5056.01 · Chg Pet- Legal Counsel	1,582.02
5056.02 · Chg Pet - Engineering	3,060.00
Total 5056 · License Change Petition	<u>4,642.02</u>
5057 · LAFCo Applications	1,601.40
5059 · Trans Basin Diversion	
5059.01 · TB Div - Legal Counsel	270.00
5059.03 · TB Div- IWPC	57,929.00
Total 5059 · Trans Basin Diversion	<u>58,199.00</u>
5060 · Coyote Valley Dam Modernization	
5060.01 · COY via IWPC	22,558.00
5060.02 · COY Modernization-legal	270.00
Total 5060 · Coyote Valley Dam Modernization	<u>22,828.00</u>
Total 5050 · Projects	<u>87,270.42</u>
Total Water Supply Expenses	90,783.42
General & Administrative Exp	
5100 · Consulting	
5105 · Legal-General	1,123.86
Total 5100 · Consulting	<u>1,123.86</u>
5120 · Vehicle	27.30
5130 · Insurance	1,871.23
5160 · Office Operating Expenses	33.43
Total General & Administrative Exp	<u>3,055.82</u>
<b>Total Expense</b>	<b><u>109,502.04</u></b>

Mendocino County Russian River Flood Control District  
Income & Expense / Budget vs. Actual

Cash Basis

July 2024 through June 2025

	<u>Jul '24 - Jun ...</u>	<u>Budget</u>
Ordinary Income/Expense		
Income		
4001 · Contract Water Sales	417,847.62	457,326.00
4002 · Surplus Water Sales	67,130.94	
4050 · Property Taxes	66,553.84	65,000.00
4080 · Interest-LAIF	18,309.10	15,000.00
4081 · Interest-SBMC	35.11	50.00
4082 · Interest-CA CLASS	6,086.68	
4100 · Other Income	121.00	
Total Income	576,084.29	537,376.00
Expense		
Payroll Expenses	173,369.93	199,400.00
Water Supply Expenses		
5020 · Water Rights		
5020.01 · Annual Fees	16,732.45	16,000.00
5020.02 · Legal Counsel	842.76	1,500.00
5020.03 · WR Engineering	0.00	2,000.00
5020.04 · Meter Maintenance	511.43	2,000.00
5020.05 · Meter & Data Mgmt Program	1,940.51	10,000.00
Total 5020 · Water Rights	20,027.15	31,500.00
5030 · USGS, streamflow gage		
5030.00 · USGS Gage reimbursement	-16,750.00	
5030 · USGS, streamflow gage - Other	22,147.50	15,000.00
Total 5030 · USGS, streamflow gage	5,397.50	15,000.00
5031 · JPAs		
5031.01 · IWPC	3,513.00	3,000.00
Total 5031 · JPAs	3,513.00	3,000.00
5040 · Channel Maintenance		
5040.01 · Channel Maint.-Legal	5,709.96	0.00
Total 5040 · Channel Maintenance	5,709.96	0.00
5050 · Projects		
5051 · Grants/Funding Analysis-general	0.00	5,000.00
5056 · License Change Petition		

Mendocino County Russian River Flood Control District  
Income & Expense / Budget vs. Actual

Cash Basis

July 2024 through June 2025

	Jul '24 - Jun ...	Budget
5056.01 · Chg Pet- Legal Counsel	17,276.76	
5056.02 · Chg Pet - Engineering	13,276.25	
5056 · License Change Petition - Other	0.00	40,000.00
<b>Total 5056 · License Change Petition</b>	<b>30,553.01</b>	<b>40,000.00</b>
5057 · LAFCo Applications		
5057.00 · RVCWD reimbursement	-6,040.50	
5057.01 · LAFCo Apps - Legal Counsel	8,445.60	
5057.02 · LAFCo Apps - Engineering	831.25	
5057.03 · LAFCo Apps - Consultant	10,067.50	
5057 · LAFCo Applications - Other	1,601.40	15,000.00
<b>Total 5057 · LAFCo Applications</b>	<b>14,905.25</b>	<b>15,000.00</b>
5058 · Demand Mgmt Pilot	0.00	2,000.00
5059 · Trans Basin Diversion		
5059.01 · TB Div - Legal Counsel	12,364.83	
5059.03 · TB Div- IWPC	57,929.00	
5059 · Trans Basin Diversion - Other	0.00	100,000.00
<b>Total 5059 · Trans Basin Diversion</b>	<b>70,293.83</b>	<b>100,000.00</b>
5060 · Coyote Valley Dam Modernization		
5060.01 · COY via IWPC	22,558.00	
5060.02 · COY Modernization-legal	1,793.88	
<b>Total 5060 · Coyote Valley Dam Moderniza...</b>	<b>24,351.88</b>	<b>0.00</b>
<b>Total 5050 · Projects</b>	<b>140,103.97</b>	<b>162,000.00</b>
<b>Total Water Supply Expenses</b>	<b>174,751.58</b>	<b>211,500.00</b>
General & Administrative Exp		
5100 · Consulting		
5101 · Accounting	14,382.06	8,000.00
5102 · Audit	9,500.00	9,000.00
5104 · Administrative Support	2,884.70	5,000.00
5105 · Legal-General	7,158.21	10,000.00
5109 · Human Resources	1,762.50	2,000.00
5110 · Strategic Planning	0.00	2,000.00
<b>Total 5100 · Consulting</b>	<b>35,687.47</b>	<b>36,000.00</b>
5120 · Vehicle	1,154.24	2,000.00

## Mendocino County Russian River Flood Control District

## Income &amp; Expense / Budget vs. Actual

Cash Basis

July 2024 through June 2025

	<u>Jul '24 - Jun ...</u>	<u>Budget</u>
5130 · Insurance		
5131 · Insurance, Liability	9,511.42	
5132 · Insurance, Workers Comp	2,037.99	0.00
5130 · Insurance - Other	0.00	7,000.00
	<u>11,549.41</u>	<u>7,000.00</u>
Total 5130 · Insurance	11,549.41	7,000.00
5140 · LAFCO Apportionment Fee	1,160.41	1,100.00
5150 · Memberships	6,485.00	6,000.00
5160 · Office Operating Expenses	5,163.24	3,000.00
5161 · Rent, Utilities	4,500.00	5,000.00
5170 · Training & Conferences	491.46	6,000.00
5180 · Stipends, Meetings	3,900.00	13,000.00
5190 · Property Tax Admin Fees	1,010.51	1,000.00
5200 · Election	323.26	300.00
	<u>71,425.00</u>	<u>80,400.00</u>
Total General & Administrative Exp	71,425.00	80,400.00
4000 · Reconciliation Discrepancies	69.00	
	<u>69.00</u>	
Total Expense	<u>419,615.51</u>	<u>491,300.00</u>
Net Ordinary Income	156,468.78	46,076.00
Other Income/Expense		
Other Expense		
5710 · Use of Capital Reserves	7,703.27	
	<u>7,703.27</u>	
Total Other Expense	7,703.27	
	<u>7,703.27</u>	
Net Other Income	-7,703.27	0.00
	<u>-7,703.27</u>	<u>0.00</u>
Net Income	<u>148,765.51</u>	<u>46,076.00</u>

Mendocino County Russian River Flood Control District  
Profit & Loss Prev Year Comparison

Cash Basis

July 2024 through June 2025

	Jul '24 - Jun 25	Jul '23 - Jun 24	\$ Change	% Change
Ordinary Income/Expense				
Income				
4001 · Contract Water Sales	417,847.62	540,241.26	-122,393.64	-22.7%
4002 · Surplus Water Sales	67,130.94	39,278.38	27,852.56	70.9%
4010 · Water Application Fee	0.00	800.00	-800.00	-100.0%
4050 · Property Taxes	66,553.84	69,706.11	-3,152.27	-4.5%
4080 · Interest-LAIF	18,309.10	20,979.74	-2,670.64	-12.7%
4081 · Interest-SBMC	35.11	111.29	-76.18	-68.5%
4082 · Interest-CA CLASS	6,086.68	0.00	6,086.68	100.0%
4100 · Other Income	121.00	-1,232.00	1,353.00	109.8%
4130 · Unrealized Gain(Loss) Invstment	0.00	5,669.02	-5,669.02	-100.0%
<b>Total Income</b>	<b>576,084.29</b>	<b>675,553.80</b>	<b>-99,469.51</b>	<b>-14.7%</b>
Expense				
Payroll Expenses				
5001 · Gross Wages	125,073.00	139,954.14	-14,881.14	-10.6%
5002 · CalPERS Employer Expense	9,843.28	11,295.93	-1,452.65	-12.9%
5003 · CalPERS Employer 457 Expense	4,804.44	2,955.80	1,848.64	62.5%
5004 · Health Insurance	14,974.02	15,092.09	-118.07	-0.8%
5005 · Medicare	2,030.68	2,212.82	-182.14	-8.2%
5006 · FICA	8,682.91	9,287.11	-604.20	-6.5%
5007 · CalPERS 1959 Survivor Billing	89.60	60.00	29.60	49.3%
5008 · CALPERS GASB-68 Fees	0.00	700.00	-700.00	-100.0%
5009 · Unfunded Pension Liability	7,872.00	5,506.00	2,366.00	43.0%
<b>Total Payroll Expenses</b>	<b>173,369.93</b>	<b>187,063.89</b>	<b>-13,693.96</b>	<b>-7.3%</b>
Water Supply Expenses				
5020 · Water Rights				
5020.01 · Annual Fees	16,732.45	15,144.89	1,587.56	10.5%
5020.02 · Legal Counsel	842.76	2,199.38	-1,356.62	-61.7%
5020.03 · WR Engineering	0.00	2,266.25	-2,266.25	-100.0%
5020.04 · Meter Maintenance	511.43	0.00	511.43	100.0%
5020.05 · Meter & Data Mgmt Program	1,940.51	13,171.60	-11,231.09	-85.3%
<b>Total 5020 · Water Rights</b>	<b>20,027.15</b>	<b>32,782.12</b>	<b>-12,754.97</b>	<b>-38.9%</b>
5030 · USGS, streamflow gage				
5030.00 · USGS Gage reimbursement	-16,750.00	0.00	-16,750.00	-100.0%
5030 · USGS, streamflow gage - Other	22,147.50	5,912.50	16,235.00	274.6%
<b>Total 5030 · USGS, streamflow gage</b>	<b>5,397.50</b>	<b>5,912.50</b>	<b>-515.00</b>	<b>-8.7%</b>
5031 · JPAs				
5031.01 · IWPC	3,513.00	6,300.00	-2,787.00	-44.2%
5031.02 · GSA	0.00	68,750.00	-68,750.00	-100.0%
<b>Total 5031 · JPAs</b>	<b>3,513.00</b>	<b>75,050.00</b>	<b>-71,537.00</b>	<b>-95.3%</b>
5040 · Channel Maintenance				
5040.01 · Channel Maint.-Legal	5,709.96	0.00	5,709.96	100.0%
<b>Total 5040 · Channel Maintenance</b>	<b>5,709.96</b>	<b>0.00</b>	<b>5,709.96</b>	<b>100.0%</b>
5050 · Projects				

	Jul '24 - Jun 25	Jul '23 - Jun 24	\$ Change	% Change
5051 · Grants/Funding Analysis-general	0.00	6,525.00	-6,525.00	-100.0%
5054 · Addtl Water Rights	0.00	57.50	-57.50	-100.0%
5055 · RR Water Forum	0.00	2,070.08	-2,070.08	-100.0%
5056 · License Change Petition				
5056.01 · Chg Pet- Legal Counsel	17,276.76	5,970.00	11,306.76	189.4%
5056.02 · Chg Pet - Engineering	13,276.25	4,680.25	8,596.00	183.7%
5056.03 · Chg Pet - Mapping	0.00	262.50	-262.50	-100.0%
Total 5056 · License Change Petition	30,553.01	10,912.75	19,640.26	180.0%
5057 · LAFCo Applications				
5057.00 · RVCWD reimbursement	-6,040.50	0.00	-6,040.50	-100.0%
5057.01 · LAFCo Apps - Legal Counsel	8,445.60	252.45	8,193.15	3,245.5%
5057.02 · LAFCo Apps - Engineering	831.25	0.00	831.25	100.0%
5057.03 · LAFCo Apps - Consultant	10,067.50	0.00	10,067.50	100.0%
5057 · LAFCo Applications - Other	1,601.40	0.00	1,601.40	100.0%
Total 5057 · LAFCo Applications	14,905.25	252.45	14,652.80	5,804.2%
5058 · Demand Mgmt Pilot	0.00	18,275.00	-18,275.00	-100.0%
5059 · Trans Basin Diversion				
5059.01 · TB Div - Legal Counsel	12,364.83	22,994.92	-10,630.09	-46.2%
5059.02 · TB Div- Engineering	0.00	15,257.50	-15,257.50	-100.0%
5059.03 · TB Div- IWPC	57,929.00	50,000.00	7,929.00	15.9%
Total 5059 · Trans Basin Diversion	70,293.83	88,252.42	-17,958.59	-20.4%
5060 · Coyote Valley Dam Modernization				
5060.01 · COY via IWPC	22,558.00	7,000.00	15,558.00	222.3%
5060.02 · COY Modernization-legal	1,793.88	0.00	1,793.88	100.0%
Total 5060 · Coyote Valley Dam Modernization	24,351.88	7,000.00	17,351.88	247.9%
Total 5050 · Projects	140,103.97	133,345.20	6,758.77	5.1%
Total Water Supply Expenses	174,751.58	247,089.82	-72,338.24	-29.3%
General & Administrative Exp				
5100 · Consulting				
5101 · Accounting	14,382.06	6,834.26	7,547.80	110.4%
5102 · Audit	9,500.00	6,500.00	3,000.00	46.2%
5103 · Engineering- General	0.00	17,833.00	-17,833.00	-100.0%
5104 · Administrative Support	2,884.70	0.00	2,884.70	100.0%
5105 · Legal-General	7,158.21	7,163.64	-5.43	-0.1%
5109 · Human Resources	1,762.50	2,794.35	-1,031.85	-36.9%
Total 5100 · Consulting	35,687.47	41,125.25	-5,437.78	-13.2%
5120 · Vehicle	1,154.24	3,763.50	-2,609.26	-69.3%
5130 · Insurance				
5131 · Insurance, Liability	9,511.42	6,451.54	3,059.88	47.4%
5132 · Insurance, Workers Comp	2,037.99	0.00	2,037.99	100.0%
Total 5130 · Insurance	11,549.41	6,451.54	5,097.87	79.0%

	Jul '24 - Jun 25	Jul '23 - Jun 24	\$ Change	% Change
5140 · LAFCO Apportionment Fee	1,160.41	1,100.37	60.04	5.5%
5150 · Memberships	6,485.00	6,019.00	466.00	7.7%
5160 · Office Operating Expenses	5,163.24	7,096.81	-1,933.57	-27.3%
5161 · Rent, Utilities	4,500.00	4,500.00	0.00	0.0%
5170 · Training & Conferences	491.46	5,421.07	-4,929.61	-90.9%
5180 · Stipends, Meetings	3,900.00	5,465.25	-1,565.25	-28.6%
5190 · Property Tax Admin Fees	1,010.51	0.00	1,010.51	100.0%
5200 · Election	323.26	0.00	323.26	100.0%
5299 · Miscellaneous Expense (Revenue)	0.00	-328.30	328.30	100.0%
Total General & Administrative Exp	71,425.00	80,614.49	-9,189.49	-11.4%
4000 · Reconciliation Discrepancies	69.00	0.00	69.00	100.0%
Total Expense	419,615.51	514,768.20	-95,152.69	-18.5%
Net Ordinary Income	156,468.78	160,785.60	-4,316.82	-2.7%
Other Income/Expense				
Other Expense				
5700 · Use of Wtr Reliability Reserve				
5700.1 · IWPC Contributions	0.00	46,700.00	-46,700.00	-100.0%
5700.2 · UVB GSA Contributions	0.00	30,000.00	-30,000.00	-100.0%
Total 5700 · Use of Wtr Reliability Reserve	0.00	76,700.00	-76,700.00	-100.0%
5710 · Use of Capital Reserves	7,703.27	7,424.41	278.86	3.8%
5900 · Depreciation Expense	0.00	28,429.44	-28,429.44	-100.0%
Total Other Expense	7,703.27	112,553.85	-104,850.58	-93.2%
Net Other Income	-7,703.27	-112,553.85	104,850.58	93.2%
Net Income	148,765.51	48,231.75	100,533.76	208.4%

Mendocino County Russian River Flood Control District  
Balance Sheet Prev Year Comparison

Cash Basis

As of June 30, 2025

	<u>Jun 30, 25</u>	<u>Jun 30, 24</u>	<u>\$ Change</u>	<u>% Change</u>
<b>ASSETS</b>				
Current Assets				
Checking/Savings				
1020 · CA CLASS				
1024 · Water Reliability Res...	255,257.78	0.00	255,257.78	100.0%
1020 · CA CLASS - Other	250,828.90	0.00	250,828.90	100.0%
Total 1020 · CA CLASS	506,086.68	0.00	506,086.68	100.0%
1000 · SBMC Checking	219,492.24	323,108.31	-103,616.07	-32.1%
1001 · SBMC Savings	0.00	250,221.78	-250,221.78	-100.0%
1010 · LAIF				
1011 · Capital Reserve	70,000.00	73,670.00	-3,670.00	-5.0%
1012 · Emergency Reserve	37,000.00	37,500.00	-500.00	-1.3%
1013 · Operating Reserve	250,000.00	255,850.00	-5,850.00	-2.3%
1014 · Water Reliability Res...	161,652.92	151,632.92	10,020.00	6.6%
1010 · LAIF - Other	24,161.05	0.00	24,161.05	100.0%
Total 1010 · LAIF	542,813.97	518,652.92	24,161.05	4.7%
1019 · LAIF - Fair Market Value	-1,910.70	-1,910.70	0.00	0.0%
Total Checking/Savings	1266482.19	1090072.31	176,409.88	16.2%
Accounts Receivable	0.00	-5.00	5.00	100.0%
Other Current Assets	0.00	14,979.75	-14,979.75	-100.0%
Total Current Assets	1266482.19	1105047.06	161,435.13	14.6%
Fixed Assets				
1401 · Meters & Vehicles	126,795.66	144,324.90	-17,529.24	-12.2%
1499 · Accumulated Depreciation	-118,369.47	-118,369.47	0.00	0.0%
Total Fixed Assets	8,426.19	25,955.43	-17,529.24	-67.5%
Other Assets				
1600 · Deferred Outflows	46,819.00	46,819.00	0.00	0.0%
Total Other Assets	46,819.00	46,819.00	0.00	0.0%
<b>TOTAL ASSETS</b>	<u><u>1321727.38</u></u>	<u><u>1177821.49</u></u>	<u><u>143,905.89</u></u>	<u><u>12.2%</u></u>
<b>LIABILITIES &amp; EQUITY</b>				

Mendocino County Russian River Flood Control District  
Balance Sheet Prev Year Comparison

Cash Basis

As of June 30, 2025

	<u>Jun 30, 25</u>	<u>Jun 30, 24</u>	<u>\$ Change</u>	<u>% Change</u>
Liabilities				
Current Liabilities				
Other Current Liabilities				
2010 · Accrued Expenses	0.00	827.87	-827.87	-100.0%
2030 · Vacation/Sick Accrual	31,108.41	31,108.41	0.00	0.0%
2050 · Payroll Liabilities	0.00	4,031.75	-4,031.75	-100.0%
Total Other Current Liabilities	<u>31,108.41</u>	<u>35,968.03</u>	<u>-4,859.62</u>	<u>-13.5%</u>
Total Current Liabilities	31,108.41	35,968.03	-4,859.62	-13.5%
Long Term Liabilities				
2600 · Deferred Inflows	2,265.00	2,265.00	0.00	0.0%
2700 · Net Pension Liability	59,381.00	59,381.00	0.00	0.0%
Total Long Term Liabilities	<u>61,646.00</u>	<u>61,646.00</u>	<u>0.00</u>	<u>0.0%</u>
Total Liabilities	92,754.41	97,614.03	-4,859.62	-5.0%
Equity				
3000 · Opening Bal Equity	541,116.95	541,116.95	0.00	0.0%
3001 · Retained Earnings	539,090.51	490,858.76	48,231.75	9.8%
Net Income	148,765.51	48,231.75	100,533.76	208.4%
Total Equity	<u>1228972.97</u>	<u>1080207.46</u>	<u>148,765.51</u>	<u>13.8%</u>
TOTAL LIABILITIES & EQUITY	<u><u>1321727.38</u></u>	<u><u>1177821.49</u></u>	<u><u>143,905.89</u></u>	<u><u>12.2%</u></u>

Mendocino County Russian River Flood Control District  
**Monthly Payment Detail**

Cash Basis

As of May 31, 2025

Date	Name	Memo	Paid Amo...
1000 · SBMC Checking			
05/09/2025	Cardmember Service	Credit card 3/13-4/10/25	-53.73
05/09/2025	Herum/Crabtree/Suntag	Legal Counsel	-4,847.28
05/08/2025	Intuit	Monthly payroll subscription	-7.00
05/09/2025	MC Inland Water & Power Co...	Adminstrative, legal, & consultant costs contribut...	-84,000.00
05/05/2025	State Compensation Insurance...	New Charges - Policy Term 2025 (04/09/2025-04/...	-1,018.86
05/02/2025	State Compensation Insurance...	Workers Comp	-852.37
05/12/2025	Wagner & Bonsignore CCE	Civil Engineers April 2025 Service Dates	-3,060.00
Total 1000 · SBMC Checking			<u>-93,839.24</u>
TOTAL			<u><u>-93,839.24</u></u>

## Project Water Worksheet as of June 1, 2025

*Note: all water now contracted*

Current 2025 totals  
in Acre Feet

Project Water Licensed to MC RRFC & WCID:	7940
2025 Contracted Non-Retail Suppliers:	4972
2025 Contracted Retail Suppliers:	2634

Calpella CWD	85
Henry Station Mutual Water Co	8
Hopland PUD	222
Millview CWD - All Use	1171.15
Rogina Water	200
Redwood Valley CWD	328.85
River Estates Mutual Water Company	26
Willow CWD - All Use	593
<b>Contracted Retail Suppliers Total:</b>	<b>2634</b>

2026 Contract Changes (effective 1-1-2026):	334
<b>Contracted Total:</b>	<b>7940</b>

Current Uncontracted Water Supply in 2025 available as surplus: 0

### Redwood Valley County Water District 2025 Surplus Use Totals:

Month	2024 Water diverted, in acre feet	2025 Water diverted, in acre feet
January	13.89	13.39
February	0.00	14.86
March	14.46	14.69
April	59.75	6.98
May	46.47	
June	116.91	
July	265.15	
August	179.06	
September	117.76	
October	82.13	
November	0.00	
December	0.00	
<b>Totals:</b>	<b>895.58</b>	<b>49.92</b>

Surplus water <b>OFFERED FOR TRANSFER</b> from customers in 2025:	406.00
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Note: additional available surplus water can be made available.

5 **DRAFT MINUTES**  
6 **Regular Meeting of May 5, 2025**  
7 **At District Office: 304 N. State Street, Ukiah, CA 95482**

8 **1. Roll Call**

9 President Watt called the meeting to order at 5:30 PM.

10  
11 Trustees Present: Christopher Watt, President  
12 Tyler Rodrigue, Vice President  
13 John Bailey, Treasurer  
14 John Reardan, Trustee  
15 Dave Koball, Trustee  
16

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

20 **2. Approval of Agenda**

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

23 Ayes: 5 (Koball, Bailey, Reardan, Rodrigue, and Watt)  
24

25 **3. Public Expression: None.**  
26  
27

28 **CLOSED SESSION**

29 **4. Conference with Real Property Negotiators (Gov. Code § 54956.8)**

30 *Property:* Potter Valley Project | *Agency negotiator:* General Manager, General Counsel, Board Members  
31 *Negotiating parties:* Agency, Inland Water & Power Agency, PG&E | *Under negotiation:* Purchasing Entity  
32

33 The Board entered closed session with legal counsel at 5:31 PM. The Board returned to open public session  
34 at 6:04 PM. President Watt stated no reportable action was taken.  
35  
36

37 **ITEMS FOR DISCUSSION AND POSSIBLE ACTION**

38 **5. WAIVE READING, AND CONSIDER FOR ADOPTION Ordinance No. 25-01 An Ordinance**  
39 **Establishing Regulations and Rules for Water Sales by the Mendocino County Russian River Flood**  
40 **Control & Water Conservation Improvement District in Title Only**  
41

42 GM Salomone presented the item.  
43

44 President Watt opened the Public Hearing at 6:05 PM. No comments were submitted or offered. President Watt  
45 closed the Public Hearing at 6:07 PM  
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Treasurer Bailey moved to adopt Ordinance No. 25-01 “Establishing Regulations and Rules for Water Sales” by the Mendocino County Russian River Flood Control & Water Conservation Improvement District in its entirety and to direct General Manager to publish the Ordinance 25-01 summary, complete with the votes cast, within 15 days after adoption of the ordinance, post a copy of the full text of the ordinance and the votes cast on the District website, and make available a copy of the full text of the ordinance to the public upon request. Trustee Reardan seconded the motion. The motion was approved by the following roll call vote:

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

60 **6. Revised Uniform Water Supply & Purchase Agreement and Amendment**

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62 GM Salomone presented the item and received comments and questions.

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64 Trustee Reardan moved to approve the proposed Amendment to the Uniform Water Sale & Purchase Agreement, the proposed updated Uniform Water Sale & Purchase Agreement, and to direct staff to update all Uniform Water Sale & Purchase Agreements with Customers. Treasurer Bailey seconded the motion. The motion was approved by the following vote:

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68 Ayes: 5 (Koball, Bailey, Reardan, Rodrigue, Watt)

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70 **7. Workshop Draft of Fiscal Year 2025-2026 Budget**

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72 Treasurer Bailey summarized that rates are being raised from \$61.00 per acre foot to \$66.00 per acre foot and the District will have a balanced budget of revenue and expenses. In past years, the Board raised rates more significantly to cover budget deficits including specification of the project costs and a plan to use some reserves if needed. This year, there is no identified portion of the rate increase for projects but instead, project costs are built into the budget. The Board continues its effort to buffer large rate increases with the use of reserves, if needed. There is uncertainty in future costs with the trans basin diversion from the Eel River to the Russian River and the Army Corp of Engineers feasibility study on Coyote Valley Dam modernizations, both through the Mendocino County Inland Water & Power Commission joint powers agency.

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82 President Watt noted that income from surplus water sales is not budgeted and therefore actual revenues have been higher than projected revenues in many years. However, this year all available water is contracted so the projected revenue is higher. He also noted that project expenses in the past several years did not require significant depletion of reserves and reserves have in fact grown. It was noted that the District can set rates annually because water is sold under contract, unlike retailers.

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88 Trustee Koball asked for talking points on the rate increase. GM Salomone noted the budget worksheet and monthly financial reports break out the ongoing costs and the overall budget for each project. Trustee Koball asked for one or two lines of explanation in future staff reports on all topics to assist Trustees in communicating with the public.

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93 **8. Redwood Valley County Water District Application for Uniform Water Supply & Purchase Agreement**

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96 GM Salomone presented the staff report noting there is an overlap area between the Redwood Valley County Water District (RVCWD) and RRFC. Legal Counsel confirmed RVCWD is eligible for a Uniform Water Supply & Purchase Agreement (“Agreement”) to serve this overlap area. While RVCWD has asked for 400 acre feet, only 328.85 acre feet are currently available for contract. There are no District policies that inhibit issuing the Agreement, nor are there any restrictions on the District’s water rights or Local Agency Formation Commission (LAFCo) restrictions.

(Continued...)

Trustees noted that the District has not put its full annual water right allocation of 7,040 acre feet to use in recent history. Annual reporting indicates closer to half of the amount is put to use. If the Board approves the Agreement for the remaining uncontracted supply, there will be no additional water available for customers to increase their contract quantities however, no reason to hold some water back as uncontracted was identified. President Watt reiterated that the District does not put its full water right allocation to use and hasn't for a decade. Illustrated by the inability to put the contracted water to use is that there is contracted water in excess to that which customers are using, even in drought years. This makes less water available to those who might need it causing an imbalance. The Board will need to explore this over time. He noted that RVCWD seems to be asking for more water in the Agreement than will be put to use in the area served and acknowledged that there is a pending annexation of the remainder of RVCWD which would put the water to use. He cautioned the practice of allocating water in Agreements that will likely not be used. Treasure Bailey noted that on an individual basis, it makes sense to buffer the amount of contracted water but on a system wide basis, it does not and there are obstacles to allocating based on use, soil type, etc. It was agreed that this issue will return for discussion and further refinement. Board consensus was that the RVCWD Agreement is an opportunity to provide more water security to Redwood Valley and to put the RRFC's water to beneficial use.

Public comment was offered by Redwood Valley County Water District Chair Adama Gaska and Board Member Bree Klotter.

Trustee Reardan moved to approve the Redwood Valley County Water District application for a Uniform Water Supply & Purchase Agreement for 328.85 acre feet and direct Staff to proceed developing Agreement. Treasurer Bailey seconded the motion. The motion was approved by the following vote:

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

## **REGULAR BUSINESS, INFORMATION, AND REPORT ITEMS**

### **9. Water Supply Conditions Update**

GM presented the report. Board consensus was in support of filing a motion to intervene on the 2025 Minimum Instream Temporary Flow Amendment Request.

### **10. Consent Calendar**

- a) Acceptance of the April 2025 Financial Reports
- b) Approval of April 7, 2025 Regular Board Meeting minutes
- c) Approval of April 22, 2025 Special Board Meeting minutes
- d) Approval of Mendocino County Inland Water & Power Commission invoice for \$84,000

Vice President Rodrigue moved to approve the Consent Calendar. Treasurer Bailey seconded the motion. The motion was approved by the following vote:

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

### **11. Trustee & Committee Reports**

*LAFCo MSR/SOI & Annexation Ad Hoc:* GM Salomone noted the MSR/SOI update was approved by LAFCo at it's May meeting and provided an update on behalf of the Ad Hoc Committee on the annexation.

*Change Petition Ad Hoc:* GM Salomone provided an update on behalf of the Ad Hoc Committee.

*Treasurer Bailey* shared conversations with the public regarding the future of the Potter Valley Project in which he provided updates and encouraged participation in public agency meetings.

(Continued...)

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**12. General Manager Report & Correspondence**

GM presented the report and provided an update on the possibility of a temporary transfer being developed for 2025. This would transfer RRFC water to other water rights in exchange for payment of that water. The District received this request very recently and GM will consult with Legal Counsel on the process, timing, and cost. An agenda item will be brought to the Board in June.

The GM was asked if and how the proposed City of Ukiah annexation of the entire Willow Water District service area and part of the Millview Water District service area would impact RRFC. GM Salomone responded that the only foreseeable impact to RRFC would be contractual; the Ukiah Valley Water Authority and/or the City of Ukiah may request contract transfers or consolidations of the water retailer contracts.

**13. Direction on Future Agenda Items**

Final fiscal year 2025-2026 budget, temporary transfer for 2025.

**ADJOURNMENT**

Trustee Reardan moved to adjourn the meeting at 7:15 PM. Vice President Rodrigue seconded the motion.

The motion was approved by the following vote:

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

***APPROVED by Board of Trustees on June 2, 2025***

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President of the Board of Trustees

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Secretary of the Board of Trustees

**President**

*Christopher Watt*

**Vice President**

*Tyler Rodrigue*

**Treasurer**

*John Bailey*

**Trustee**

*John Reardan*

**Trustee**

*Dave Koball*



## United States Department of the Interior

U.S. GEOLOGICAL SURVEY  
California Water Science Center  
6000 J Street  
Sacramento, CA 95819

May 27, 2025

Elizabeth Salomone  
General Manager  
Mendocino Co. RRFC&WCID  
PO Box 2104  
Ukiah, CA 95482

Dear Elizabeth Salomone:

Enclosed is our standard joint-funding agreement 26ZGJFA01000008 between the U.S. Geological Survey California Water Science Center and Mendocino Co. RRFC&WCID for negotiated deliverables (see attached), during the period October 1, 2025 through September 30, 2026 in the amount of \$32,160 from your agency. U.S. Geological Survey contributions for this agreement are \$0 for a combined total of \$32,160. Please sign and return one fully-executed original to Nayely Nieto-Reyes at [nnieto-reyes@usgs.gov](mailto:nnieto-reyes@usgs.gov) or mail to the address above.

Federal law requires that we have a signed agreement before we start or continue work. Please return the signed agreement by **October 1, 2025**. If, for any reason, the agreement cannot be signed and returned by the date shown above, please contact Andrew Watson at (707) 468-4042 or email [afwatson@usgs.gov](mailto:afwatson@usgs.gov) to make alternative arrangements.

This is a fixed cost agreement to be billed quarterly via Down Payment Request (automated Form DI-1040). Please allow 30-days from the end of the billing period for issuance of the bill. If you experience any problems with your invoice(s), please contact Nayely Nieto-Reyes at phone number (619) 225-6114 or [nnieto-reyes@usgs.gov](mailto:nnieto-reyes@usgs.gov).

The results of all work performed under this agreement will be available for publication by the U.S. Geological Survey. We look forward to continuing this and future cooperative efforts in these mutually beneficial water resources studies.

Sincerely,

Anke Mueller-Solger  
Director, USGS California

Water Science Center

Enclosure  
26ZGJFA01000008 (2)

U.S. Department of the Interior  
U.S. Geological Survey  
Joint Funding Agreement  
FOR  
Water Resource Investigations

Fixed Cost Agreement YES[ X ] NO[ ]

THIS AGREEMENT is entered into as of October 1, 2025, by the U.S. GEOLOGICAL SURVEY, California Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the Mendocino Co. RRFC&WCID party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation for negotiated deliverables (see attached), herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of \$0.00

- (a) \$0 by the party of the first part during the period October 1, 2025 to September 30, 2026
- (b) \$32,160 by the party of the second part during the period October 1, 2025 to September 30, 2026
- (c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: \$0  
Description of the USGS regional/national program:
- (d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.
- (e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (<https://www.usgs.gov/office-of-science-quality-and-integrity/fundamental-science-practices>).

Water Resource Investigations

9. Billing for this agreement will be rendered quarterly. Invoices not paid within 60 days from the billing date will bear Interest, Penalties, and Administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

USGS Technical Point of Contact

Name: Andrew Watson  
Supervisory Hydrologic Technician  
Address: 2550 No. State Street Suite 1  
Ukiah, CA 95482  
Telephone: (707) 468-4042  
Fax: (707) 468-4022  
Email: afwatson@usgs.gov

Customer Technical Point of Contact

Name: Elizabeth Salomone  
General Manager  
Address: PO Box 2104  
Ukiah, CA 95482  
Telephone: (707) 462-5278  
Fax: (n/a)  
Email: DistrictManager@rrfc.net

USGS Billing Point of Contact

Name: Nayely Nieto-Reyes  
Accounting Technician  
Address: 4165 Spruance Road Suite 200  
San Diego, CA 92101-0821  
Telephone: (619) 225-6114  
Fax: (n/a)  
Email: nnieto-reyes@usgs.gov

Customer Billing Point of Contact

Name: Elizabeth Salomone  
General Manager  
Address: PO Box 2104  
Ukiah, CA 95482  
Telephone: (707) 462-5278  
Fax: (n/a)  
Email: DistrictManager@rrfc.net

U.S. Geological Survey  
United States  
Department of Interior

Mendocino Co. RRFC&WCID

Signature

Signatures

By \_\_\_\_\_ Date: 5/27/2025  
Name: Anke Mueller-Solger  
Title: Director, USGS California Water Science Center

By \_\_\_\_\_ Date: \_\_\_\_\_  
Name:  
Title:

By \_\_\_\_\_ Date: \_\_\_\_\_  
Name:  
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By \_\_\_\_\_ Date: \_\_\_\_\_  
Name:  
Title:

## Mendocino Co. RRFC&WCID

Attachment for 26ZGJFA01000008  
2025-10-01 to 2026-09-30

### SURFACE WATER

SITE NUMBER	DESCRIPTION	CODE	NO. UNITS	DIFF FACTOR	USGS FUNDS	CUST. CASH	OTHER FUNDS	TOTAL COST
11462080	RUSSIAN R NR TALMAGE CA Full Range Streamflow Station	QCONT	1	1		\$14,610		
				<b>SW Total:</b>				<b>\$14,610</b>
11467553	NF GUALALA R AB SF GUALALA R NR GUALALA CA Partial range streamflow O&M	QPART	1	1		\$17,550		
				<b>SW Total:</b>				<b>\$17,550</b>
				<b>SW Grand Total:</b>		<b>\$32,160</b>		<b>\$32,160</b>

### SUMMARY FOR

TYPE	USGS FUNDS	CUST. CASH	OTHER FUNDS	TOTAL COST
SURFACE WATER (SW)		\$32,160		\$32,160
<b>GRAND TOTAL</b>		<b>\$32,160</b>		<b>\$32,160</b>



May 1, 2025

Board of Directors and Elizabeth Salomone, General Manager  
Mendocino County Russian River Flood Control & Water Conservation Improvement District  
304 N. State Street, #2  
Ukiah, CA 95482

We are pleased to confirm our understanding of the services we are to provide the Mendocino County Russian River Flood Control & Water Conservation Improvement District (District) as of and for the year ended June 30, 2025.

### **Audit Scope and Objectives**

We will audit the business-type activities and each major fund of the District, as of June 30, 2025 and for the year then ended and the related notes, which collectively comprise the District's basic financial statements as listed in the table of contents of the financial statements.

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and, if applicable, in accordance with *Government Auditing Standards*, and/or any state or regulatory audit requirements will always detect a material misstatement when it exists.

Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

Accounting principles generally accepted in the United States of America, (U.S. GAAP,) as promulgated by the Governmental Accounting Standards Board (GASB) require that certain required supplementary information (RSI) such as management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America, (U.S. GAAS). These limited procedures will consist primarily of inquiries of management regarding their methods of measurement and presentation, and comparing the information for consistency with management's responses to our inquiries. We will not express an opinion or provide any form of assurance on the RSI. The following RSI is required by U.S. GAAP. This RSI will be subjected to certain limited procedures but will not be audited:

1. Management's Discussion and Analysis
2. Schedule of Proportionate Share of the Net Pension Liability
3. Schedule of Pension Contributions

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that the District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

### **Auditor Responsibilities**

We will conduct our audit in accordance with GAAS and in accordance with *Government Auditing Standards*. As part of an audit in accordance with GAAS and in accordance with *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
4. Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS and in accordance with *Government Auditing Standards*.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any other periods.

## Compliance with Laws and Regulations

As previously discussed, as part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

## Management Responsibilities

Our audit will be conducted on the basis that management acknowledge and understand that they have responsibility:

- a) For the preparation and fair presentation of the basic financial statements in accordance with accounting principles generally accepted in the United States of America;
- b) For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error, fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements; and
- c) To provide us with:
  - i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the basic financial statements such as records, documentation, and other matters;
  - ii. Additional information that we may request from management for the purpose of the audit;
  - iii. Unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.
  - iv. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
  - v. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.
- d) For including the auditor's report in any document containing basic financial statements that indicates that such basic financial statements have been audited by us;
- e) For identifying and ensuring that the District complies with the laws and regulations applicable to its activities;
- f) For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current year period(s) under audit are immaterial, both individually and in the aggregate, to the basic financial statements as a whole; and
- g) For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
- h) For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
- i) For informing us of any known or suspected fraud affecting the District involving management, employees with significant role in internal control and others where fraud could have a material effect on the financials; and
- j) For the accuracy and completeness of all information provided.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility:

- a) for the preparation of the supplementary information in accordance with the applicable criteria;
- b) to provide us with the appropriate written representations regarding supplementary information;
- c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and

- d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

As part of our audit process, we will request from management, written confirmation concerning representations made to us in connection with the audit.

### **Nonattest Services**

With respect to any nonattest services we perform,

At the end of the year, we agree to perform the following:

- a) Propose adjusting or correcting journal entries detected during the audit, if applicable, to be reviewed and approved by the District's management.
- b) Word process the financial statements using information provided by management.

We will not assume management responsibilities on behalf of the District. However, we will provide advice and recommendations to assist management of the District in performing its responsibilities.

The District's management is responsible for:

- a) making all management decisions and performing all management functions;
- b) assigning a competent individual to oversee the services;
- c) evaluating the adequacy of the services performed;
- d) evaluating and accepting responsibility for the results of the services performed; and
- e) establishing and maintaining internal controls, including monitoring ongoing activities.

Our responsibilities and limitations of the nonattest services are as follows:

- a) We will perform the services in accordance with applicable professional standards
- b) The nonattest services are limited to the services previously outlined. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities, including determining account coding and approving journal entries. Our firm will advise the District with regard to tax positions taken in the preparation of the tax return, but the District must make all decisions with regard to those matters.

### **Reporting**

We will issue a written report upon completion of our audit of the District's basic financial statements. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add an emphasis-of-matter or other-matter paragraph(s) to our auditor's report, or if necessary, withdraw from the engagement. If our opinions on the basic financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue a report as a result of this engagement.

In accordance with the requirements of Government Auditing Standards, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance will not be an objective of the audit and, therefore, no such opinion will be expressed.

## ***Preparation of State Controller Report***

### **Our Responsibilities**

The objective of our engagement is to prepare the annual Financial Transactions Report (FTR) in accordance with the California State Controller's Office Instructions based on information provided by you. We will conduct our engagement in accordance with Statements on Standards for Accounting and Review Services (SSARSS) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

We are not required to, and will not, verify the accuracy or completeness of the information you will provide to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion or a conclusion or provide any assurance on the FTR.

Our engagement cannot be relied upon to identify or disclose any FTR misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the District or noncompliance with laws and regulations.

### **Management Responsibilities**

The engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the FTR in accordance with the State Controller's Office Instructions. Management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your FTR in accordance with SSARSS:

- a) The selection of accounting principles generally accepted in the United States of America as the financial reporting framework to be applied in the preparation of the financial statements
- b) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error
- c) The prevention and detection of fraud
- d) To ensure that the District complies with the laws and regulations applicable to its activities
- e) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements
- f) To provide us with:
  - i. Documentation, and other related information that is relevant to the preparation and presentation of the financial statements,
  - ii. Additional information that may be requested for the purpose of the preparation of the financial statements, and
  - iii. Unrestricted access to persons of whom we determine necessary to communicate.

As part of our engagement, we will issue a disclaimer that will state that the FTR were not subjected to an audit, review, or compilation engagement by us and, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

### **Engagement Fees**

Our fixed fees for the services previously outlined will be as follows:

Financial Statements and Auditor Reports	\$9,000
Preparation of the State Controller's Report	500
<b>Total</b>	<b>\$9,500</b>

If significant changes occur in the District's audit requirements with the implementation of new Governmental Accounting Standards Board (GASB) Standards, Government Auditing Standards or the Audit and Accounting Guide for State and Local Governments issued by the AICPA for attest and/or nonattest services, this may render additional services needed which may increase the above noted fixed fee.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if the District's account becomes 60 days or more overdue and may not be resumed until the District's account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. The District will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from District personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate before we incur the additional costs.

Additionally, our fees are dependent on the availability, quality, and completeness of the District's records and, where applicable, upon the District's personnel providing the level of assistance identified in the "prepared by client" request list distributed at the end of our planning work (e.g., District employees preparing confirmations and schedules we request, locating documents selected by us for testing, etc.).

We will schedule the engagement based in part on deadlines, working conditions, and the availability of District key personnel. We will plan the engagement based on the assumption that District personnel will cooperate and provide assistance by performing tasks such as preparing requested schedules, retrieving supporting documents, and preparing confirmations. If, for whatever reason, District personnel are unavailable to provide the necessary assistance in a timely manner, it may substantially increase the work we have to do to complete the engagement within the established deadlines, resulting in an increase in fees over our original fee estimate.

If circumstances occur related to the condition of District records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

Should our assumptions with respect to these matters be incorrect, or should the condition of the records, degree of cooperation, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates. If significant additional time is necessary, we will discuss it with management and arrive at a new fee estimate as soon as reasonably practicable.

### **Scheduling**

Scheduling of the Audit Final-Fieldwork Dates will be based on an agreeable timetable with the District. We ask that the District prepare a completed and finalized Trial Balance and General Ledger in Excel form as of the June 30, 2025 date with all Balance Sheet accounts properly reconciled in Excel or PDF form and uploaded into the Suralink Portal System by the date scheduled. Failure to complete all the above noted items by the date scheduled will result in a \$1,000 extra fee charge and postponement of the audit to a later date. A 30-day notice before the initial scheduled Audit Final-Fieldwork date is required to change the date and avoid the extra \$1,000 fee. However, if a December or January date is chosen for the re-scheduled Audit Final-Fieldwork date, the \$1,000 fee will still apply to cover Overtime costs incurred during those months and will only guarantee the audit will be completed by January 31, 2026.

## Other Engagement Matters

During the course of the engagement, we may communicate with you or your personnel via fax or e-mail, and you should be aware that communication in those mediums contains a risk of misdirected or intercepted communications.

Government Auditing Standards require that we document an assessment of the skills, knowledge, and experience of management, should we participate in any form of preparation of the basic financial statements and related schedules or disclosures as these actions are deemed a non-audit service.

**Paul J Kaymark, CPA** is the engagement partner responsible for supervising the engagement and signing the report.

During the course of the audit we may observe opportunities for economy in, or improved controls over, your operations. We will bring such matters to the attention of the appropriate level of management, either orally or in writing.

You agree to inform us of facts that may affect the basic financial statements of which you may become aware during the period from the date of the auditor's report to the date the financial statements are issued.

We agree to retain our audit documentation or work papers for a period of at least seven years from the date of our report.

The audit documentation for this engagement is the property of Nigro & Nigro, PC and constitutes confidential information. However, we may be requested to make certain audit documentation available to regulatory agencies pursuant to authority given to it by law or regulation, or to peer reviewers. If requested, access to such audit documentation will be provided under the supervision of Nigro & Nigro, PC's personnel. Furthermore, upon request, we may provide copies of selected audit documentation to regulatory agencies. The regulatory agencies may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. We will notify the District of any such request.

## Conflict Resolution

Should any litigation or adverse action (such as audits by outside governmental agencies and/or threatened litigation, etc.), by third parties arise against the District or the board of directors subsequent to this engagement, which results in the subpoena of documents from Nigro & Nigro, PC and/or requires additional assistance from us to provide information, depositions or testimony, the District hereby agrees to compensate Nigro & Nigro, PC (at our standard hourly rates) for additional time charges and other costs (copies, travel, etc.), and to indemnify us for any attorney's fees to represent Nigro & Nigro, PC.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its applicable rules for resolving professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

The District and Nigro & Nigro, PC both agree that any dispute over fees charged by the auditor to the District will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of California. Such arbitration shall be binding and final. **IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.** The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

**Conclusion**

At the conclusion of our audit engagement, we will communicate to the Board of Directors the following significant findings from the audit:

- a) Our view about the qualitative aspects of the District's significant accounting practices;
- b) Significant difficulties, if any, encountered during the audit;
- c) Uncorrected misstatements, other than those we believe are trivial, if any;
- d) Disagreements with management, if any;
- e) Other findings or issues, if any, arising from the audit that are, in our professional judgment, significant and relevant to those charged with governance regarding their oversight of the financial reporting process;
- f) Material, corrected misstatements that were brought to the attention of management as a result of our audit procedures;
- g) Representations we requested from management;
- h) Management's consultations with other accountants, if any; and
- i) Significant issues, if any, arising from the audit that were discussed, or the subject of correspondence, with management.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the basic financial statements including our respective responsibilities.

Enclosed, as required by *Government Auditing Standards*, is a copy of the report on the most recent peer review of our firm.

We appreciate the opportunity to provide these services and believe this letter accurately summarizes the significant terms of our engagement.

Very truly yours,

Nigro & Nigro, PC

The services and arrangements described in this letter are in accordance with our understanding and are acceptable to us.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Governance signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**Resolution #25-02**  
of the  
**Mendocino County Russian River Flood Control  
& Water Conservation Improvement District**

**Adopting the  
Revised Uniform Water Supply & Purchase Agreement  
and the  
Amendment to the Uniform Water Sale & Purchase Agreement**

**WHEREAS**, the Mendocino County Russian River Flood Control & Water Conservation Improvement District ("**District**") is an improvement district organized and operating pursuant to the provisions of Chapter 54 of the Water Agency Acts entitled the Mendocino County Water Agency Act ("**Act**"). Pursuant to Sections 101 and 102 of the Act, the District has all the rights, duties, powers, liabilities, purposes, privileges, and immunities conferred and specified by the Act on the Mendocino County Water Agency. Chapter 54 §3(s) of the Act provides that the District, as an improvement district within the Mendocino County Water Agency, has the power "to divert, produce, store, transmit, distribute, and sell or otherwise furnish surface waters and ground waters or beneficial uses within or without the Agency"; and

**WHEREAS**, the District has been granted the right to divert east fork Russian River Water, redivert water released from storage in Lake Mendocino, and withdraw water from storage in Lake Mendocino in a total amount not to exceed 7,940 acre feet per year pursuant to License 13898 issued by the California State Water Resources Control Board; and

**WHEREAS**, the District has adopted Ordinance 25-01 Establishing Regulations and Rules for Water Sales which provides a method by which Customers who wish to purchase a specific amount of District Water may file an application with the District to purchase such water and, upon approval of the application by the District, enter into a Uniform Water Supply & Purchase Agreement which provides the terms under which District Water is sold and used.

**WHEREAS**, the District Board of Trustees has determined that it is in the best interest of the District to update the Uniform Water Supply & Purchase Agreement ("Agreement") contemplated by Ordinance 25-01; and

**WHEREAS**, no expansion of water service will occur under the revised Agreement, as the District will continue to provide water in the same manner to lands within the boundaries of the District, as the District has served water by contract for many years, and the by this action is approving an updated form of its contract for water service; and

**WHEREAS**, the District currently serves customers under a Uniform Water Supply & Purchase Agreement, and approval of the revised Agreement will continue existing water service within the District's designated places of use with the use of an Amendment to the Uniform Water Sale & Purchase Agreement; and

**WHEREAS**, the Board of Trustees heard and fully considered all oral and written public comment and General Manager's report on the revised Uniform Water Sale and Purchase Agreement at a Regular Board Meeting on April 7, 2025 and May 5, 2025 to solicit public comments on the Agreement.

**NOW, THEREFORE, BE IT RESOLVED** that the District Board of Trustees hereby approves the following:

1. The facts set forth in the recitals above and in the documents referenced therein are true and correct, and the Board so finds and determines.
2. The Amendment to the Uniform Water Sale & Purchase Agreement and revised Uniform Water Sale & Purchase Agreement are hereby approved.
3. The General Manager is hereby authorized to execute to the Amendment to the Uniform Water Sale & Purchase Agreement between the District and customers.
4. The revised Uniform Water Sale & Purchase Agreement will be used for all new contracts for water service between the District and its customers.
5. Approval of the revised Uniform Water Sale & Purchase Agreement is categorically exempt from further proceedings under CEQA pursuant to Guidelines §15301, because it merely provides for continued operation of an existing facility. Approval of the Revised Agreement will not create any effects on the environment that make categorical exemptions inapplicable pursuant to CEQA Guidelines §15300.2.
6. This Resolution shall revoke, supersede and replace Resolutions 04-04 Adopting Uniform Water Sales Agreement and 14-04 Adopting Uniform Waer Supply & Purchase Agreement.

ADOPTED 2nd of June, 2025 by the Board of Trustees of the Mendocino County Russian River Flood Control & Water Conservation Improvement District, by the following vote:

Christopher Watt	Yes/ No / Abstain / Absent
Tyler Rodrigue	Yes/ No / Abstain / Absent
John Bailey	Yes/ No / Abstain / Absent
John Reardan	Yes/ No / Abstain / Absent
Dave Koball	Yes/ No / Abstain / Absent

Signed: \_\_\_\_\_ Date \_\_\_\_\_  
Christopher Watt, Board of Trustees President

Attest: \_\_\_\_\_ Date \_\_\_\_\_  
Elizabeth Salomone, General Manager

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

**General Manager's Report for May 2025**  
*Presented at Regular Meeting of Monday, June 2, 2025*

**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)

**1-RR/Lake Mendocino 2025 operations:** Sonoma Water Agency submitted a Temporary Urgency Change Petition (TUCP) on April 10<sup>th</sup> to the State Water Resources Control Board (SWRCB) to modify the criteria for establishing the water supply conditions and the minimum instream flow requirements for the Russian River watershed that were established by Decision 1610. The District submitted a support letter (found in the May 5, 2025 Meeting materials.) More information: <https://rrfc.specialdistrict.org/2025-russian-river-and-lake-mendocino-operations> Sonoma Water has now taken over operations from the USACE since Lake Mendocino is out of the flood pool. There have been incremental increases to releases over the last few weeks.

**2-PG&E Public Draft Surrender Application and Decommissioning Plan:** Visit the District's website for the most recent updates including articles and comment letters: <https://rrfc.specialdistrict.org/pg-e-draft-surrender-application-and-decommissioning-plan-for-the-potter-valley-project>

**2- PG&E FERC Filings for 2025 and Beyond:** The Federal Energy Regulatory Commission (FERC) opened the public comment period for the PG&E temporary license flow amendment (previously referred to as a temporary flow variance) for the Potter Valley Project 2025 operations. PG&E has also submitted an Application for Non-Capacity License Amendment and a temporary flow variance request to perform repairs in November 2025. More information can be found on the District's website: <https://rrfc.specialdistrict.org/updates>, including comment letters submitted which are uploaded as received. The **attached** Motion to Intervene from the District was filed.

**4-Lake Mendocino's Coyote Valley Dam General Investigation Study:** In April 2025 "State and local politicians, tribal officials and representatives from the U.S. Army Corps of Engineers met ... at Lake Mendocino to formalize a cost-sharing agreement for the Coyote Valley Dam General Investigation Study." "A new partnership between three organizations will explore options for raising the dam at Lake Mendocino to boost the water supply supporting agriculture and recreation." More information can be found on the District's website: <https://rrfc.specialdistrict.org/lake-mendocino-s-coyote-valley-dam-general-investigation-study>

**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-Water Sharing Program:** The Working Group met to discuss the 10,000 acre foot reserve pool in Lake Mendocino for Sonoma County and public engagement and outreach tactics.

**3-Sonoma Water Climate Resiliency Pilot:** Another Watershed Network Meeting was held with ~75 participants. Sonoma Water staff reviewed the timeline, goals, and deliverables. Survey results were reviewed.

*(Continued...)*

**1-Farm Bureau Growers Meeting:** The Farm Bureau held a meeting for members for a briefing on the Potter Valley Project issues, proposed Redwood Valley annexation, increasing pond storage, and the District's developing change petition.

**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.)

**1/2-ACWA:** (1) The SGMA Implementation Committee met and discussed filing Groundwater Sustainability Plan 5 year evaluations vs amendments. Since the Interconnected Surface Water guidance documents have only recently been released, it may indicate all GSAs needs to file an amendment to their GSP (rather than a 5 year evaluation) to align with guidance documents. Committee Chair will coordinate with DWR to attend a future meeting and discuss.

**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-Annexation of Redwood Valley County Water District Service Area:** Consultants are preparing the required mapping. The annexation application will be submitted to LAFCo as soon as all required documentation and notice periods are completed. The Draft Plan for Services and other information can be found on the RRFC website: <https://rrfc.specialdistrict.org/lafco-msr-soi-update-annexation-application-2025>

**1-Change Petition:** Work continues on the mapping and documentation for the petition, specifically focused on including all relevant points of diversion. A Temporary Urgency Change Petition is being developed and presented to the Board in a previous agenda item of this same meeting.

**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:** Attended: (1) CSDA Webinar on GASB 68 (pension.) (2) CSDA webinar: Leadership Lessons with District Managers. (3) Sharing Data for Drought Resilience hosted by CA Water Data Consortium. (4) SDRMA (insurance) on how the Credit Incentive Program for discounts. (5) SWRCB Recharge & Permitting Team's Virtual Public Workshop for Stakeholders Who Plan to Pursue Surface Water Diversions. (6) HR Webinar: Mindfulness Strategies for Mental Health and Well-Being. (7) SWRCB UPWARD Advisory Group meeting to introduce a test model of the new CalWATRS system for water rights reporting. (8) SWRCB Telemetry TAC meeting.

**Community Meetings**

**Note: District Board members and GM will no longer be attending all community meetings and reporting here. Please contact the individual organizations for more information on public meetings and updates.**

**Ukiah Valley Water Authority (5/1/25):** City Attorney Phil Williams asked for consideration of a statement of policy regarding IWPC and ERPA, stating he believes it would be helpful to show the position of solidarity in the Mendocino County partners to Sonoma County partners and beyond. General consensus was to return with a draft to consider. RVCWD Board Member Tom Schoeman questioned the position RVCWD Board Member and UVWA Chair Adam Gaska and his role in drafting the Farm Bureau letter to the federal administration as the Executive Director of the Mendocino County Farm Bureau.

(continued...)

City Staff Sean White offered comments towards mindfulness and partnership. IWPC Chair Janet Pauli spoke regarding the UVWA's consideration of joining IWPC. She covered the history of IWPC formation, PG&E's decommissioning of PVP, IWPC funding, the Coyote Valley Dam project, etc. A discussion was held regarding the City of Ukiah's proposed reorganization including annexation of all of Willow, parts of Millview & Sanitation District, etc. Phil Williams noted the groundwork has been laid over the past five years through previous LAFCo actions, etc. Millview Board Member Jerry Cardoza shared concern in the process around which his request for Millview to retain one seat on the Water Executive Committee in representation of the remaining portion of Millview that will not be annexed into the City. Sean White expressed understanding of Cordoza's concerns and committed to research it more. Staff provided an update on the SAFER funding application. Some of the member Districts will be asked for resolutions of support and financial documentation for the application. A progress update on the consolidation of services was provided, noting construction projects. The Redwood Valley Water District well drilling project has resulted in test pumping at 300 gpm. The City has the CEQA document coming to City Council for approval for another groundwater well. The combined crew of 39 individuals under the City has proved successful. Mendo Fever article: <https://mendofever.com/2025/05/13/mendocino-water-leaders-clash-over-future-of-scott-dam/>

**Local Agency Formation Commission (5/5/25):** The District's Municipal Service Review and Sphere of Influence update was approved by the Commission in a public hearing. The final budget and work program for FY 2025-26 was approved.

**Ukiah Valley Basin Groundwater Sustainability Agency (GSA) Technical Advisory Committee (TAC) (5/7/25):** The TAC provided feedback to the Facilitation Support Services Ad Hoc Committee on public outreach, education, and engagement. Suggestions were solicited in updating governing documents. Partners provided updates on various projects and water related activities in the basin. It was decided TAC meetings will be scheduled for the 2<sup>nd</sup> Wednesday of February, May, and October each year, with special meetings being called as needed to advise the GSA Board on technical matters.

**Mendocino County Inland Water & Power Commission (IWPC) (5/8/25):** No closed session was held. There is consideration to move the time of the meetings from 6 pm to 5 pm. Meetings will be held in the main County admin building in Conference Room C beginning in June or July to provide better technical equipment. Partners continue to discuss development of a water diversion agreement. Negotiations continue with PG&E in support of the inclusion of the new diversion facility in PG&E's decommissioning plan. The next Eel River Project Authority (ERPA) meeting is in July; an agenda is forthcoming. Discussion was held regarding expanding IWPC staffing, which was not budgeted for the upcoming fiscal year. The Marketing and Public Education Ad Hoc Committee reported out from their first meeting. A draft fact sheet is being developed which will be shared at a future meeting. No formal meetings have been held with USACE on Coyote Valley Dam since the signing ceremony. An Ad Hoc Committee was appointed of Janet Pauli and Dave Koball. The FY 2025/26 Budget was approved. Mendo Fever article: <https://mendofever.com/2025/05/19/mendocino-officials-brace-for-pges-abandonment-of-the-potter-valley-project/>

**MC IWPC All Member Board Meeting (5/29/25):** This lengthy meeting provided a comprehensive overview of both the Trans Basin Diversion project and the Coyote Valley Dam Feasibility Study project. A closed session was held.

\* \* \* \*

*Mendocino County*

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

*P.O. Box 2104 Ukiah, CA 95482 707.462.5278 Website: [RRFC.net](http://RRFC.net) [DistrictManager@rrfc.net](mailto:DistrictManager@rrfc.net)*

May 12, 2025

By electronic filing

Debbie-Ann A. Reese, Secretary  
Federal Energy Regulatory Commission  
888 First Street, N.E.  
Washington, D.C. 20426

Dear Secretary Reese,

**Re: NOTICE OF INTERVENTION**

**Potter Valley Hydroelectric Project No. P-77-323 - Application for Temporary Variance of Flow Requirements**

**Applicant: Pacific Gas & Electric Company**

**Notice of filing MOTION TO INTERVENE by the Mendocino County Russian River Flood Control and Water Conservation Improvement District**

The Mendocino County Russian River Flood Control and Water Conservation Improvement District (“District”) submits this Notice of Intervention for P-77-323 in response to FERC’s Notice of Application for Temporary Flow Modification Accepted for Filing, Soliciting Comments, Motions to Intervene and Protests re PG&E’s Potter Valley Hydroelectric Project issued April 16, 2025.

The District was formed primarily to manage and put to beneficial use the approximately 8,000 acre feet of water allocated to Mendocino County from the East Fork Russian River and Lake Mendocino. The District has substantial water supply contracts with County Water Districts and Mutual Water Companies for municipal supply, as well as agricultural, commercial, and industrial users within our service area. Diversions from the Eel River through the Potter Valley Project (PVP) provide a substantial portion of this water. Therefore, the District wishes to become a party to this proceeding to ensure the interests of the District’s constituency are represented.

Please include the following person on the official service list for any matter relating to these proceedings:

Elizabeth Salomone, General Manager  
MCRRFC&WCID  
PO Box 2104, Ukiah, CA 95482  
[DistrictManager@rrfc.net](mailto:DistrictManager@rrfc.net)

With respect,



Elizabeth Salomone  
General Manager

Cc: Service List

**President**  
*Christopher Watt*

**Vice President**  
*Tyler Rodrigue*

**Treasurer**  
*John Bailey*

**Trustee**  
*John Reardan*

**Trustee**  
*Dave Koball*