

Mendocino County

Russian River Flood Control & Water Conservation Improvement District

P.O. Box 2104, Ukiah, CA 95482 707.462.5278 Website: RRFC.net DistrictManager@rrfc.net

APPROVED MINUTES

Regular Meeting of June 5, 2023

At District Office: 304 N. State Street, Ukiah, CA 95482

1. Roll Call

President Watt called the meeting to order at 5:34 PM.

Trustees Present: Christopher Watt, President
Alfred White, Vice President
John Bailey, Treasurer
Tyler Rodrigue, Trustee
John Reardan, Trustee

Staff: Elizabeth Salomone, General Manager
Colleen Hale, Office Administrator

2. Approval of Agenda

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

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

3. Public Expression

No one indicated interest in speaking.

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

4. Water Supply Conditions Update and District Response

GM Salomone presented the item. Public comment was offered by Sean White, City of Ukiah Director of Water & Wastewater.

5. Russian River Water Forum Update

GM Salomone and President Watt guided the Board through a set of discussion points intended to provide feedback to the Mendocino County Water Suppliers caucus representatives on the Planning Group.

The Board deferred a decision on involvement in the Leadership Council until more information is available, including a draft Charter.

(Continued...)

6. Budget Workshop

Treasurer Bailey began the workshop with a summary from the Ad Hoc Committee: The budget expenses have increased from the previous fiscal year due in part to expanding district staff in addressing the uptick of urgent issues confronting the District. This has been discussed in previous Board meetings. The District has a limited amount of water to sell, resulting in a flatline revenue in a period of increasing expenses to address water supply reliability issues. A budget deficit is projected for the next fiscal year which could be covered by withdrawing from reserves, however this would leave the District with decreased reserves in a time of known increased expenses. If the current cost per acre foot is maintained, it will create a structural deficit. The District has maintained the same price per acre foot since 2009, therefore absorbing the cost of inflation for 14 years with no increased revenue through water rates.

The Ad Hoc Committee (Bailey and Watt) worked with GM Salomone to provide the Board with an array of potential capital projects and estimated price per acre foot. The Board reviewed and provided the Ad Hoc feedback.

Vice President White suggested a gradual incremental rate increase with customer outreach and engagement, which was generally supported by other Board members.

Trustee Rodrigue posed a series of questions to determine if the increase in District operating expenses was a result of a permanent increase in staff workload or predicated on projects such as the trans-basin diversion. It was determined that the vacancy for administrative support has gone largely unfilled since 2019 and consultants are and will be used for project-based workload whenever possible.

The Board discussed the use of reserves (operational and water supply reliability) to 'smooth out' potential rate increases and requested options to review. The Board discussed the timing of potential rate increase implementation.

Direction given to staff to bring the Final FY 2023-2024 Budget to next meeting for possible approval, including several options combining rate increases and/or use of reserves.

7. Trustee Stipends

President Watt and GM Salomone presented information for Board discussion.

Trustee Reardan moved to update the current policy on stipend terms to increase Trustee stipends for all meetings to \$50 effective July 1, 2023. Trustee Bailey seconded the motion. The motion was approved by the following vote:

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

REGULAR BUSINESS, INFORMATION, AND REPORT ITEMS

8. Consent Calendar

- a) Acceptance of the May 2023 Financial Report
- b) Approval of May 1, 2023 Regular Board Meeting minutes

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

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

(Continued...)

9. Trustee & Committee Reports

- (a) Budgeting for Strategic Plan Implementation – see Agenda Item 6.
- (b) GM Evaluation: The evaluation is ongoing and will be discussed at a future meeting.

Trustee Reardan & President Watt provided updates on Mendocino County Inland Water & Power Commission activities and funding.

10. Office Administrator Report

OA Hale provided a written report for Board review.

11. General Manager Report & Correspondence

GM Salomone provided a written report for Board review. Direction given to GM to issue an availability poll to change the date of the July Board meeting.

12. Direction on Future Agenda Items

The Board requested a new standing agenda item on Trans-Basin Diversion issues.

ADJOURNMENT

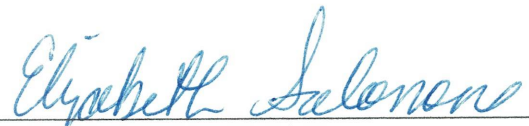
Vice President White moved to adjourn the meeting at 7:58 PM. Trustee Bailey seconded the motion. The motion was approved by the following vote:

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

APPROVED by Board of Trustees on July 18, 2023



President of the Board of Trustees



Secretary of the Board of Trustees

President
Christopher Watt

Vice President
Alfred White

Treasurer
John Bailey

Trustee
Tyler Rodrigue

Trustee
John Reardan