1	Mendocino County							
2	Russian River Flood Control & Water Conservation Improvement District							
3 4	P.O. Box 2104, Ukiah, CA 95482 707.462.5278 Website: RRFC.net <u>DistrictManager@rrfc.net</u> <u>DRAFT MINUTES</u> December Masting of Lung 5, 2022							
5								
 6 Regular Meeting of June 5, 2023 7 At District Office: 304 N. State Street, Ukiah, CA 95482 8 								
9	1. Roll Call							
10	President Watt called the meeting to order at 5:34 PM.							
11 12 13 14 15 16	Trustees Present:	Christopher Watt, President Alfred White, Vice President John Bailey, Treasurer Tyler Rodrigue, Trustee John Reardan, Trustee						
17 18 19	Staff:	Elizabeth Salomone, General Manager Colleen Hale, Office Administrator						
20	2. Approval of Agenda							
21 22 23 24	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)							
25	3. Public Expression							
26	No one indicated interest in speaking.							
27	ITEMS FOR DISCUSSION AND POSSIBLE ACTION							
28	4. Water Supply Condit	ions Update and District Response						
29 30	GM Salomone presented t & Wastewater.	he item. Public comment was offered by Sean White, City of Ukiah Director of Water	r					
31 32	5. Russian River Water Forum Update							
 33 34 35 36 37 38 39 	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.							
40		(Continued	·)					

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43 6. Budget Workshop

44 45 Treasurer Bailey began the workshop with a summary from the Ad Hoc Committee: The budget expenses have 46 increased from the previous fiscal year due in part to expanding district staff in addressing the uptick of urgent 47 issues confronting the District. This has been discussed in previous Board meetings. The District has a limited 48 amount of water to sell, resulting in a flatline revenue in a period of increasing expenses to address water supply 49 reliability issues. A budget deficit is projected for the next fiscal year which could be covered by withdrawing from 50 reserves, however this would leave the District with decreased reserves in a time of known increased expenses. If 51 the current cost per acre foot is maintained, it will create a structural deficit. The District has maintained the same 52 price per acre foot since 2009, therefore absorbing the cost of inflation for 14 years with no increased revenue 53 through water rates.

55 The Ad Hoc Committee (Bailey and Watt) worked with GM Salomone to provide the Board with an array of 56 potential capital projects and estimated price per acre foot. The Board reviewed and provided the Ad Hoc 57 feedback. 58

59 Vice President White suggested a gradual incremental rate increase with customer outreach and engagement, 60 which was generally supported by other Board members.

62 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 63 64 determined that the vacancy for administrative support has gone largely unfilled since 2019 and consultants are 65 and will be used for project-based workload whenever possible.

67 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 68 69 implementation. 70

71 Direction given to staff to bring the Final FY 2023-2024 Budget to next meeting for possible approval, including 72 several options combining rate increases and/or use of reserves. 73

75 **Trustee Stipends** 7.

76 President Watt and GM Salomone presented information for Board discussion.

78 Trustee Reardan moved to update the current policy on stipend terms to increase Trustee stipends for all 79 meetings to \$50 effective July 1, 2023. Trustee Bailey seconded the motion. The motion was approved by the 80 following vote:

81 Aves: 5 (Reardan, Bailey, White, Watt, Rodrigue) 82

REGULAR BUSINESS, INFORMATION, AND REPORT ITEMS 83

84 8. Consent Calendar

- a) Acceptance of the May 2023 Financial Report
- 86 b) Approval of May 1, 2023 Regular Board Meeting minutes 87

88 Vice President White moved to approve the Consent Calendar. Treasurer Bailey seconded the motion. The 89 motion was approved by the following vote:

- 90 Aves: 5 (Reardan, Bailey, White, Watt, Rodrigue)
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92				(Page 3	of 3, 6/5/23 Draft minutes)			
93								
94	9. Trustee & Com	mittee Reports						
95 96	(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.							
97 98 99	<i>Trustee Reardan & President Watt</i> provided updates on Mendocino County Inland Water & Power Commission activities and funding.							
100								
101	10. Office Administr	_						
102	OA Hale provided a w	vritten report for Board re	V1ew.					
103 104	11 Conoral Managor	Panart & Carragnanda	n					
104	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							
105	the date of the July Board meeting.							
107								
108	12. Direction on Fut	ure Agenda Items						
109	The Board requested a new standing agenda item on Trans-Basin Diversion issues.							
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112	ADJOURNMENT							
113 114	Vice President White	moved to adjourn the m	eeting at 7.58 PM Tr	istee Bailey seconded t	ne motion. The			
115		,	at 7.30 I WI. III	istee Dancy seconded th				
116	motion was approved by the following vote: Ayes: 5 (Reardan, Bailey, White, Watt, Rodrigue)							
117)	- (,),						
118	APPROVED by Board of Trustees on July 18, 2023							
119			<i>uni</i> 10, 2020					
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136	President	Vice President	Treasurer	Trustee	Trustee			
137	Christopher Watt	Alfred White	John Bailey	Tyler Rodrigue	John Reardan			