

Mendocino County

Russian River Flood Control & Water Conservation Improvement District

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Annexation Plan for Services

Summary of proposal

The proposal before LAFCo is the annexation of the remaining portion of the Redwood Valley County Water District (RVCWD) boundary and service area into the Mendocino County Russian River Flood Control and Water Conservation District (RRFC) boundary with no dissolution of RVCWD or consolidation of services.

RRFC wholesales water from the East Fork Russian River and Lake Mendocino under the terms of its State Water Resources Control Board (SWRCB) issued water right license 13898. RVCWD would join other water retailers within the RRFC boundary who currently purchase water from RRFC under a Uniform Water Sale & Purchase Agreement. These retailers include Millview County Water District, Willow County Water District, Hopland Public Utility District, Calpella County Water District, Rogina Mutual Water Company, and River Estates Mutal Water Company.

RVCWD services provided within the proposed annexation area consist of domestic water service to 1,105 equivalent dwelling units and 197 agricultural customers. Currently, RVCWD can only enter a UWS&PA (“Agreement”) for the small portion of its service area that falls within the RRFC boundary. RVCWD can receive RRFC surplus water, when available, for the remainder and majority of its service area. Annexation would provide an opportunity for RVCWD to expand the place of use in the Agreement to the entire RVCWD service area and provide a more stable water source, primarily for the agricultural customers but asl as an emergency municipal backup.



Lake Mendocino, September 2022 by Russian River Confluence

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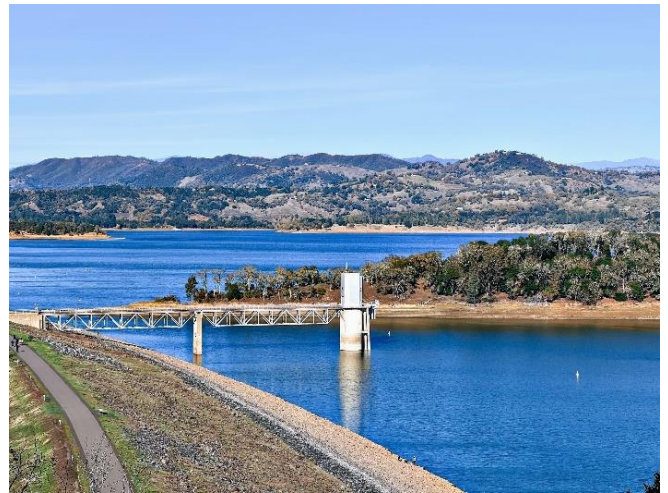
District profiles

The Mendocino County Russian River Flood Control and Water Conservation Improvement District (RRFC) was formed in 1956 to serve, along with the Sonoma County Water Agency, as the local sponsor for the development of Coyote Dam and Lake Mendocino. RRFC encompasses approximately 51,000 acres from the south end of RVCWD to just north of the Sonoma County line (Figure X).

RRFC provides wholesale water under a State Water Resources Control Board (SWRCB) issued water right license 13898. RRFC is authorized to divert 7,940 acre feet a year from the East Fork Russian River and Lake Mendocino for domestic, municipal, and irrigation purposes within this RRFC licensed place of use.

The District offers water sales contracts to water users within its boundaries through a Uniform Water Sale & Purchase Agreement (Agreement) for delivery of the District's licensed direct diversion and stored water through authorized points of re-diversion. The water is diverted and sold as raw water to customers for municipal water service uses, private agricultural entities for irrigation and frost protection purposes, and to others for industrial and domestic use. The Agreement between District and Customer specifies the amount of water that can be diverted annually, from what locations (or points of diversion), the purpose of use, and where the contracted water may be used. The Agreement defines terms for purchasing surplus water, measuring and reporting use, and responsibilities of each party to comply with all relevant laws and regulations by third parties. The term of the Agreements is twenty (20) years with an option to renew.

Lake Mendocino at Coyote Valley Dam, 2024 by CJ Watt



The quantity of water contracted to RRFC Customers remains relatively steady. Annually, any remaining uncontracted water supply is made available as surplus, first to RRFC customers as per the Uniform Water Supply and Purchase Agreement, and then to RVCWD, as per the conditions of the 1980 Stipulated Judgement between the two entities. On an annual basis, RRFC customers may offer to make some or all of their contract quantity available to other District customers and RVCWD as surplus through a transfer agreement, providing RVCWD with much-needed additional water supply.

RRFC has a five-member Board of Trustees elected at large to serve staggered four-year terms and District operations are performed year-round by the full-time General Manager, the District's only employee. The District obtains additional operational and planning support by engaging consultants and legal services. The District does not own or operate any facilities or infrastructure other than meters; its contractors are responsible for their own treatment, infrastructure, and delivery systems.

RRFC is recently underwent a Municipal Service Review (MSR) and Sphere of Influence (SOI) update in coordination with this annexation application. The extent of the proposed annexation area is the RVCWD boundary which is within the RRFC SOI. There are no changes being requested in the SOI.

The Redwood Valley County Water District (RVCWD) was established on January 16, 1964 under Sections 30322 and 30323 of the Water Code. RVCWD has a dual distribution system; irrigation water service began in April 1979; domestic water service began in November 1979. RVCWD's service area is roughly 15 square miles and is located north of the Ukiah Valley area (Figure X), with only a small area in the southern portion within the RRFC boundary. RVCWD serves a total of 1105 equivalent dwelling units and 197 agricultural customers.



RVCWD pump & intake at Lake Mendocino, by E Salomone

RVCWD has three sources of water supply. Treated municipal supply is purchased from Millview County Water District surplus groundwater supply via an intertie. Untreated water is purchased from RRFC, pumped by RVCWD from its Lake Mendocino pump station into the agricultural supply lines and to a holding reservoir. Water can be routed through the water treatment plant then stored in tanks for municipal supply. Untreated water can be routed from the reservoir to the irrigation distribution system. RVCWD also holds a largely unexercisable right to divert up to 4,900 acre feet a year directly from Lake Mendocino between November 1 and April 30 of each year. Water diversions under this right can only occur in instances when stream flows in the Russian River main stem (as measured at the confluence of the East and West forks) exceed 150 cubic feet per second and Lake Mendocino storage is within the flood pool. This represents a relatively narrow window of opportunity and RVCWD has not exercised this right in the last 5 years. Additionally, in order for this winter-diverted water to be useful to RVCWD, it must be stored and the District's only pond is grossly insufficient in size.

RVCWD is currently under a court-ordered moratorium for domestic connections and a district board initiated moratorium on irrigation connections. The proposed annexation will not meet the requirements to lift this moratorium.

RVCWD has a five-member Board of Directors elected at large to four-year staggered terms. In 2024, RVCWD joined the Ukiah Valley Water Authority (UVWA), a newly consolidated water management joint powers agency committed to providing efficient and reliable water services to residents and businesses within the greater Ukiah Valley. The formation of this joint powers authority unifies the formerly independent water agencies of the City of Ukiah, Calpella County Water District, Millview County Water District, Redwood Valley County Water District, and Willow County Water District, creating coordination which aims to modernize water infrastructure and governance while maximizing water access and resilience. The day-to-day operations of UVWA are managed by City of Ukiah employees and as of January 1, 2025, all RVCWD operational services were transferred to the City of Ukiah. UVWA is actively working with the SWRCB to obtain funding under the Safe and Affordable Funding for Equity and Resilience (SAFER) program to enhance and secure municipal water supplies which will include improving the municipal water supply services to RVCWD. UVWA is a functional consolidation of water agencies and while not an actual reorganization/consolidation under LAFCo, UVWA intends to move forward with formal LAFCo applications for reorganization/consolidation over the next few years.

History

The concept of consolidating water services has been discussed off and on in the greater Ukiah Valley for well over 30 years and has been the subject of numerous reports and studies.

In 2011, RRFC and RVCWD signed a Memorandum of Agreement (MOA) in pursuit of consolidation. In 2014, progress was made toward an annexation and dissolution of RVCWD before the Districts jointly concluded it was not a viable option.

In 2019, RRFC once again began to explore how to elevate the customer status of RVCWD from surplus only. An Agreement to Terms of Service was developed by a joint Ad Hoc Committee and approved by both Districts. The agreement lays out the terms under which RRFC provides surplus water to RVCWD.

In early 2024, RVCWD and RRFC resumed the collaboration toward annexation. On April 1, 2024, RRFC adopted Resolution No. 24-01, a *Commitment to Collaborate with Redwood Valley County Water District in Developing a Local Agency Formation Commission Annexation Application* and on April 18, 2024, the RVCWD adopted Resolution No. 24-01 of the same title. On August 1, 2024, RRFC and RVCWD entered a Memorandum of Understanding (MOU) regarding the development of an annexation application to LAFCo including a cost sharing agreement. This latest attempt has successfully resulted in this annexation application to LAFCo.

In April 2025, RVCWD submitted an application for a Uniform Water Supply & Purchase Agreement to serve the overlap area of the two Districts. The Board approved the application, allocating 328.85 acre feet of water annually effective May 5, 2025. Upon successful completion of the annexation, RVCWD can request expanding the contractual place of use to its entire service area.



Lake Mendocino 2019, by Bobby Cochran Photography

Description of current services

RRFC is restricted from providing a stable water supply source to the entirety of the RVCWD service area under a Uniform Water Supply & Purchase Agreement because RVCWD is not fully within the current RRFC jurisdictional boundary. There is only a small overlap of the southern portion of the RVCWD boundary within RRFC.

RRFC holds a State Water Resources Control Board (SWRCB) issued water right license 13898 authorizing it to divert 7,940 acre feet a year from the East Fork Russian River and Mendocino Lake for domestic, municipal, and irrigation uses within the RRFC licensed place of use. This water right memorializes the approved delivery to RVCWD of up to 4,000 acre feet of the total 7,940 acre feet licensed to RRFC, under the condition that the water is surplus from within the RRFC current boundary. This provision in the water right license was based on the 1980 Superior Court of the State of California No 42059 Stipulated Judgement between the two Districts which specifies only surplus water may be supplied outside of the RRFC boundary and is still in effect.

RRFC surplus water supply is determined by the amount of uncontracted water under this water right license. Additionally, RRFC Customers can offer to make some or all of their contract quantity available to other District customers and/or RVCWD as surplus through a transfer agreement on an annual basis.

Terms in the RRFC Uniform Water Supply & Purchase Agreement (Agreement) restricted the availability of surplus water to customers, which would limit the amount of water RVCWD was able to obtain from RRFC as a Customer once annexation is complete. In May 2025, RRFC addressed this limitation by updating the Agreement to remove these restrictions for all Customers.

Currently, RVCWD purchases water from both Millview CWD and RRFC that has been determined to be surplus to the ongoing needs of the two respective organizations. Millview CWD provides RVCWD with groundwater, which is not regulated by the SWRCB and has no assigned place or purpose of use. The amount of water that can be delivered by Millview CWD to RVCWD is limited by the size of the infrastructure, amounting to approximately 55 gallons per person per day to RVCWD municipal customers. With the recent formation of the Ukiah Valley Water Authority (UVWA) JPA, the expectation is that the UVWA will use State funding from the Safe and Affordable Funding for Equity and Resilience (SAFER) program to enhance and secure municipal water supplies through consolidation of the JPA member water rights and expanding groundwater pumping and delivery. Infrastructure improvements will include the delivery lines for the RVCWD municipal water supply.

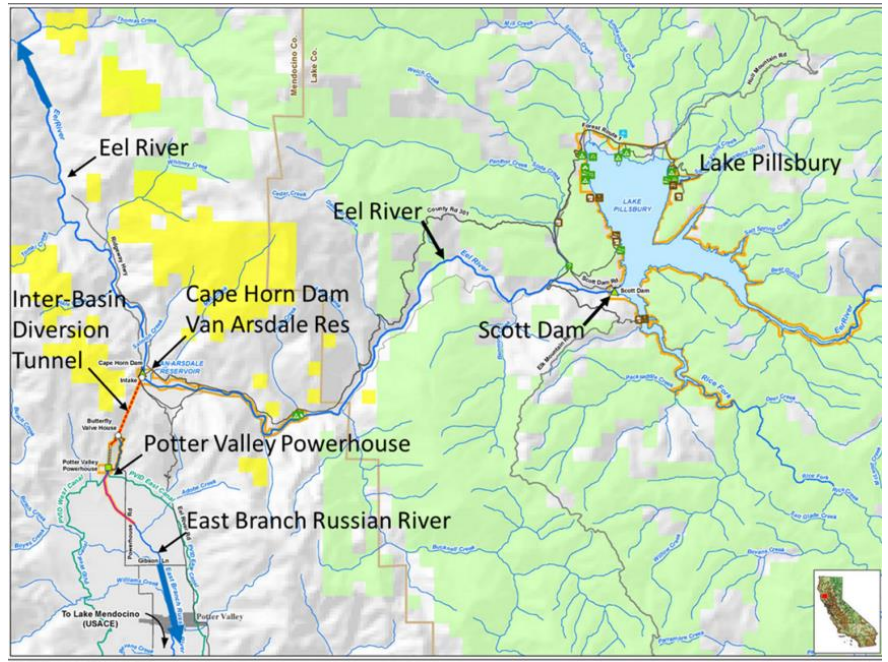
RVCWD has purchased an annual average of 850 acre feet of surplus water from RRFC since 2016, which includes times of supply restriction. This water is used to serve RVCWD's agricultural customers and as a supplement to the surplus water from Millview CWD for municipal supply. This supplementation will remain important to RVCWD until the improvements in infrastructure from UVWA are complete. Afterwards, the RRFC water will provide a redundant source in place for emergencies. RVCWD agricultural customers depend on the RRFC surplus supply, only augmented by those few and far between times RVCWD can exercise its own water right. The Redwood Valley agricultural community also relies on surface water storage ponds and groundwater, where available. During a drought, both ponds and wells are at high risk of going dry and farmers then rely solely on water stored in Lake Mendocino under RRFC's water right. Additionally, during years with extreme, prolonged frost events, access to RRFC water is critical to the RVCWD agricultural community.

While under the RRFC water right, RVCWD is allowed up to 4,000 acre feet of surplus annually, it historically has not needed that quantity. Increased use of RRFC water will be restricted by water supply availability from climate change impacts and the restrictions of the Potter Valley Project.

Service Challenges

The primary challenge in providing water in the Russian River watershed is reliable water supply due to both intensifying drought conditions and the impending changes to the Potter Valley Project.

The Potter Valley Project (PVP) has been rerouting water from the Eel River to the Russian River for over a century, growing and sustaining the economy in communities through agriculture, drinking water, and even recreation with additional water supplied as a byproduct of power generation. Pacific Gas & Electric (PG&E) as the current owner the PVP has determined in the last few years that the PVP is no longer a viable project to maintain and has issued a public draft application for surrender and decommissioning of the PVP. The final application will be submitted to the Federal Energy Regulatory Commission (FERC) by July 29, 2025.



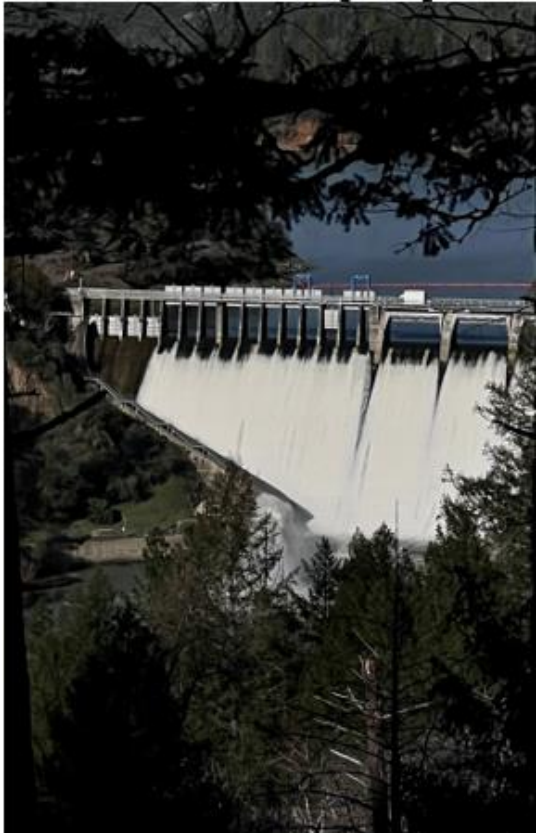
Potter Valley Project map by PG&E

The Russian River Watershed has been active for years in an effort to continue this trans basin diversion. Prior to 2019, a group of organizations representing both Eel and Russian River water user interests attempted to purchase the PVP with intent to relicense the entire project through FERC. Being unsuccessful, Russian River representatives reorganized and formed the Eel Russian Project Authority (ERPA) to develop solutions under the scenario of the PG&E decommissioning. ERPA met with Eel River Watershed interests, forming the Two-Basin Partnership and entered into talks to develop a proposal to submit to PG&E for a new diversion facility on the Eel River.



Lake Pillsbury by CJ Watt

In February 2025, the Two-Basin Partnership members established a Memorandum of Understanding (MOU) to advance a water diversion agreement associated with PG&E’s decommissioning of the Potter Valley Project. The MOU details how Russian River water users can continue to divert water, without harming the recovery of salmon species on the Eel River. It commits the parties to support the removal of the two dams on the Eel River, restoration in the Eel River watershed, developing water supply reliability and self-reliance in the Russian River, and sets terms for the proposed continued diversion. Under the current plan, a new water diversion facility will be designed to mimic a free-flowing Eel River and diversion to the Russian River will occur mostly in the wintertime and under strict rules designed to protect Eel River biological resources and ecological processes. These diversions are dependent on hydrological conditions in the Eel River and not guaranteed. It is expected that intensifying drought conditions will impact the ability to divert water in some years and the current lack of storage capacity in the Russian River watershed is another obstacle to addressing the significant deficit of diverted water.



Scott Dam at Lake Pillsbury by CJ Watt

Russian River water users will have to wait for several years as the decommissioning approval process moves through FERC. In the meantime, significant funding will need to be obtained to move forward with the plans. Mendocino County Inland Water & Power Commission (IWPC) is the local joint powers agency leading the effort in both the continued trans basin diversion and the feasibility of modernizing Coyote Valley Dam to, among other things, provide additional storage space in Lake Mendocino. Both RRFC and RVCWD are members of IWPC and contribute financially to the ongoing efforts.



Cape Horn Dam at the diversion site by Cal Trout

Intensifying climate conditions are a major concern for water suppliers through California. The region has experienced several significant droughts in the last 20 years, with the most recent one in 2020-2022 burdening the region with a drought declaration by the Governor of California and State Water Resources Control Board emergency regulations resulting in curtailment of water rights. Lake Mendocino reached its lowest point since filling and many community members were under strict water rations.

Both RRFC and RVCWD have guidelines to address water supply shortages and a history of enacting these to prioritize human health and safety while making an effort to support sustainable agriculture.

RVCWD adopted a conservation ordinance in 2007 to deal with droughts such as those that occurred in 2007–2009. The ordinance includes six tiers, of which the most severe restrictions apply to Tier 6. Tier 4 was implemented in 2009 when Lake Mendocino water levels receded to record lows. At that time mandatory rationing was imposed by the SWRCB, which resulted in a 50 percent reduction in water use. During the 2013-2015 drought, Tier 4 was again implemented, resulting in limits of 50 gallons per person per day and no agricultural water deliveries. During the 2020-2022 drought, RVCWD had limited supply for agricultural customers, with no deliveries being made in all of 2021 and most of 2022. The physical limitations of the Millview CWD intertie required RVCWD to ration municipal supply to 55 gallons per person per day.



Lake Mendocino north boat ramp, January 2021 by E Salomone

RRFC has a Water Conservation Program outlined in District Ordinance #25-01 to enact when conditions limit the water supply available to its customers. In the 2013-2015 drought, RRFC implemented mandatory reductions on District customers and coordinated an emergency water supply for RVCWD. During the 2020-2022 drought, RRFC declared a Water Supply Emergency, when the District determined a major failure of supply and storage, including no surplus water supply to provide to RVCWD. RRFC customers were asked to voluntarily reduce water use and through resounding cooperation were able to continue accessing RRFC stored water in Lake Mendocino, though the SWRCB was close to curtailing that use.

In 2022, the District and Sonoma County Water Agency entered a Memorandum of Understanding (MOU) concerning Lake Mendocino Storage Planning and Russian River Management. The MOU was developed in response to SWRCB terms during the drought and establishes planning and management activities related to the shared water supplies in Lake Mendocino. This MOU established the amount of stored water available to the various parties and will be a critical tool in years with reduced water supply.

RRFC, Sonoma Water, and other regional water interests worked with the SWRCB beginning in 2020 to develop the Upper Russian River Voluntary Water Sharing Program. The Program allows collaboration to share limited water resources within the water rights priority system regulated by the SWRCB. Work continues to enhance this Program.

Expanded Services Under Annexation

Annexation of the remaining portion of the RVCWD service area into the RRFC boundary will make RVCWD eligible for the Uniform Water Supply & Purchase Agreement for water use under RRFC's State Water Resources Control Board (SWRCB) issued water right license 13898.

The Ukiah Valley Water Authority (UVWA) has a portfolio of water supply sources among its membership to meet municipal supply demand. This includes contracts for RRFC stored water in Lake Mendocino. As a member of UVWA, RVCWD will benefit from expansion of the municipal water supply infrastructure system and full access to these water supply sources once annexed into the RRFC boundary.

All infrastructure is already in place; there will be no interruption in the services provided to RVCWD. The annexation is not expected to increase RVCWD's historical use of RRFC or induce growth due to regional water supply challenges described above. RVCWD will continue to use RRFC water as it has, for agricultural customers and as an emergency backup for domestic supply until such time as the UVWA expands the groundwater supply and infrastructure.



Lake Mendocino 2019, by Bobby Cochran Photography

Financial or Fiscal Impact

RVCWD currently pays for surplus water used from RRFC as per terms of the 1980 Stipulated Judgement between the two entities. The purchase price of surplus water is determined by dividing RRFC's operational expenses by 7,940, the licensed amount in RRFC's SWRCB issued water right license 13898. RRFC does not budget revenue from the sale of surplus water since it is an unknown in any given year.

Once RVCWD obtains water from RRFC under the Uniform Water Supply & Purchase Agreement, (Agreement) the cost per acre foot will be the same as for all RRFC customers, determined by the Board of Trustees through the adoption of fiscal year budgets. RRFC will budget the revenue from RVCWD's Agreement but not any additional surplus water purchased. After annexation, RVCWD will have a more stable water supply for agricultural customers and more regular revenue from sales.

Summary

The Redwood Valley Community was not originally fully included in the RRFC boundary, believing Redwood Valley would not need to utilize RRFC's water right to Russian River East Fork flows or stored water from Lake Mendocino.

Over time, conditions changed, and arrangements were made for RVCWD to purchase surplus water from RRFC through a stipulated judgement. When the SWRCB approved RRFC's water permit to a license, the RVCWD service area was included in the water right place of use. However, because RVCWD is not fully in the RRFC Local Agency Formation Commission (LAFCo) approved boundary, RVCWD can only purchase surplus water from RRFC, which can be in short supply especially in times of drought. In 2021 and 2022, all surplus sales were halted, and the Redwood Valley agricultural community had no water deliveries. RVCWD customers were also on restricted water amounts for several years.

The two Districts wish to find a lasting solution for the Redwood Valley community and have explored options for years. Most recently, there has been strong support for RRFC to annex the entire RVCWD service area, allowing RVCWD to use RRFC water to serve all Redwood Valley customers. The two Districts have collaborated on an annexation application to LAFCo.

Annexation is a crucial step for the future water supply in the Redwood Valley community. This annexation supports the work of consolidating services and water sources among municipal suppliers under UVWA. A more stable water supply to Redwood Valley agricultural users contributes to the economic health of the greater Ukiah Valley area.



RVCWD pump house and intake at Lake Mendocino, by CJ Watt