

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

STAFF REPORT

**Item 6: Mendocino County Inland Water & Power Commission Updates
Monday, October 5, 2026**

Future of the Trans Basin Diversion

The Federal Energy Regulatory Commission (FERC) closed the comment period on the Scoping Document for the Proposed Surrender, Decommissioning, and Non-Project use of Project Lands (NERF) on September 18, 2026. Organizational letters are posted on the District webpage.

More information can be found on the District's website: <https://rrfc.specialdistrict.org/future-of-the-eel-river-to-russian-river-trans-basin-diversion-potter-valley-project>

Financials & Member Contributions

See the **attached** financial statements from the September 4 2026 IWPC meeting. Note: due to scheduling of the RRFC and IWPC meetings, this is repeat information from the September 14, 2026 RRFC meeting packet.

As a reminder, at the May 2026 IWPC Meeting, RRFC proposed conditions on its approval of the FY 2026-2027 budget with any progress noted in bold brackets to the right:

- Monthly QuickBooks financial reports [**IMPLEMENTED**]
(following format of the IWPC budget. Beginning in June 2026)
- Consultant Tracking [**PROGRESS UNKNOWN**]
(reaffirmed scope of work, timelines, financials, etc. provided to Commissioners, as confidential materials where necessary, beginning within 3 months)
- Mid-year budget review [**DECEMBER 2026 OR JANUARY 2027**]
(December or January agenda item)
- Multi-year budget development [**AD HOC MEETING SCHEDULED IN OCT**]
(Commission discussion on expectations for timeline and report outs from financial consultant)
- Executive Director recruitment [**UNDERWAY**]
(Commission appoint an ad hoc committee ASAP)

The following were also noted as a slightly less critical priority but progress expected:

- Reserve building
by IWPC or by member agencies with commitment to IWPC
(Agenda item for Commission discussion July or August.)
- Financial audits
(explore legal requirements and best practices)
- Contribution credit policy or agreement.
(member agency contributions linked to benefits from projects)

(Continued...)

IWPC Executive Director Recruitment

The job posting has now been live and available at the link below. The role presents a unique opportunity to make a significant regional impact at a pivotal moment as IWPC advances multiple high-profile initiatives with expanded resources and strong professional support. Resumes are being accepted on an ongoing basis until the position is filled with the first review scheduled in October. The most recent IWPC staff report was included in the RRFC September 14 agenda packet

<https://cpshr.us/recruitment/2658/>

IWPC – Expanding Storage Capacity at Lake Mendocino

The IWPC Ad Hoc Committee has been developing a series of presentations given at the IWPC meetings which are/will be posted on the RRFC website: <https://rrfc.specialdistrict.org/increasing-storage-capacity-at-lake-mendocino>

At the September IWPC meeting, the Ad Hoc Committee recommended engagement of a Federal Lobbyist which was approved. The Ad Hoc continues to meet and provide regular updates to IWPC. The most recent IWPC staff report was included in the RRFC September 14 agenda packet and the most recent progress report is **attached**.

Potter Valley Water Supply Reliability Study

In July 2026, RRFC Staff confirmed with Sonoma Water that the agreement was fully executed therefore RRFC's term has met to allocate its portion of the payment. In September 2026, IWPC Staff confirmed no invoice has been received by IWPC from Sonoma Water and no further information has been received by RRFC.

Attachments:

- IWPC September 4, 2026 Financial Reports
- IWPC Progress Report on the Coyote Valley Dam General Investigation Study

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

IWPC Financial Accounts September 2026

Savings Bank: IWPC account \$ 990* As of 9/4/2026

Mendocino County Auditor's Office \$79,184 Balance, April 2026

After August 2026 bills are paid, we will have \$278,925 in the PVP account and \$23,602 in the Operations account.

Agency Payments invoiced June 2026

\$125,000 for PVID and RVCWD

\$215,000 for RRFC, City of Ukiah and Mendocino County Water Agency

Agency Payments

City of Ukiah—\$53,750 Aug;

County Water Agency—Pd \$215,000 July

PVID— Pd \$125,000 July

RRFCD—Pd \$84,000 June;

RVCWD—



IWPC BUDGET TO ACTUAL SUMMARY **FY 2026-27** **As of 8/31/2026**

Budget Category	IWPC Expenses Month Ended 8/31/2026	IWPC Expenses Year to Date Total	IWPC Expenses FY 26-27 Budget	YTD Variance \$ Under/(Over) Budget	YTD Variance % of Budget Used
Operations					
Staff / Consultants	9,570	32,245	\$ 395,000	\$ 362,755	8.2%
Basic Operations	126	371	7,000	6,629	5.3%
Operations Subtotal	9,697	32,616	402,000	369,384	8.1%
Projects / Studies					
New Eel Russian Facility (NERF)	17,173	28,250	180,000	151,750	15.7%
Lake Mendocino Increased Storage Capacit	11,235	20,147	500,000	479,853	4.0%
Potter Valley Storage	265	265	418,000	417,735	0.1%
Projects Subtotal	28,672	48,662	1,098,000	1,049,338	4.4%
TOTALS	\$ 38,369	\$ 81,278	\$ 1,500,000	\$ 1,418,722	5.4%



IWPC OPERATIONS BUDGET TO ACTUAL DETAIL

FY 2026-27

As of 8/31/2026

Budget Line Item	IWPC Expenses Month Ended 8/31/2026	IWPC Expenses Year to Date Total	IWPC Expenses FY 26-27 Budget	YTD Variance \$ Under/(Over) Budget	YTD Variance % of Budget Used
STAFF/CONSULTANTS					
Administration (60 hrs/mo x \$35/hr)	2,275	3,553	\$ 25,200	\$ 21,648	14.1%
Exec. Director (0.6 FTE; incl expenses)	-	-	150,000	150,000	0.0%
MCIWPC General Counsel (Scott Shapiro)	6,015	27,413	71,500	44,088	38.3%
ERPA General Counsel (Scott Shapiro)	674	674	25,000	24,326	2.7%
Agency Engineer (Tom Johnson)	-	-	46,500	46,500	0.0%
Financial Planning (LWA)	606	606	46,800	46,194	1.3%
Grant writing	-	-	30,000	30,000	0.0%
Subtotals	\$ 9,570	\$ 32,245	\$ 395,000	\$ 362,755	8.2%
BASIC OPERATIONS					
Insurance	-	-	3,500	3,500	0.0%
CA Special District Assoc. (CSDA) membership	-	-	500	500	0.0%
Website	-	-	1,000	1,000	0.0%
Post office fees	-	202	200	(2)	101.0%
Google Suite/Zoom	42	84	510	426	16.5%
Office supplies	84	84	500	416	16.8%
Misc./contingency	-	-	790	790	0.0%
Subtotals	\$ 126	\$ 371	\$ 7,000	\$ 6,629	5.3%
TOTALS	\$ 9,697	\$ 32,616	\$ 402,000	\$ 369,384	8.1%



IWPC PROJECTS BUDGET TO ACTUAL DETAIL

FY 2026-27

As of 8/31/2026

Budget Line Item	IWPC Expenses Month Ended 8/31/2026	IWPC Expenses Year to Date Total	IWPC Expenses FY 26-27 Budget	YTD Variance \$ Under/(Over) Budget	YTD Variance % of Budget Used
NEW EEL RUSSIAN FACILITY (NERF)					
Consultants (hired through ERPA/SCWA)	-	-	\$ -	\$ -	0.0%
Legal (Scott Shapiro)	10,680	18,180	50,000	31,820	36.4%
Project Management (Tom Johnson)	6,493	10,070	70,000	59,930	14.4%
Lobbying - State (grants, SWRCB, PUC)	-	-	60,000	60,000	0.0%
Subtotals	17,173	28,250	180,000	151,750	15.7%
LAKE MENDOCINO INCREASED STORAGE CAPACITY					
Legal (Scott Shapiro)	-	-	50,000	50,000	0.0%
Project Management (LWA-Nagy / Tom Johnson)	265	663	80,000	79,338	0.8%
USACE led General Investigation (feasibility study)	10,970	19,484	250,000	230,516	7.8%
Lobbying - Federal (CVD, USBR, Permitting)	-	-	120,000	120,000	0.0%
Subtotals	11,235	20,147	500,000	479,853	4.0%
POTTER VALLEY STORAGE					
Project Management (Tom Johnson)	-	-	50,000	50,000	0.0%
Legal/Strategy (Scott Shapiro)	-	-	50,000	50,000	0.0%
PV Water Reliability Study by Jacobs	-	-	-	-	-
(Grant Management reimbursement to SCWA)	-	-	68,000	68,000	0.0%
Consultants for PV Storage Studies (TBD)	265	265	250,000	249,735	0.1%
Subtotals	265	265	418,000	417,735	0.1%
TOTALS	\$ 28,672	\$ 48,662	\$ 1,098,000	\$ 1,049,338	4.4%

Coyote Valley Dam General Investigation Study September Update



- **USACE Activities**

- USACE feasibility study remains paused pending additional federal funding; IWPC continues evaluating whether the traditional feasibility study can resume if funding becomes available and current study constraints can be addressed

- **Sponsor Activities**

- IWPC is refining three paths to advance the Coyote Valley Dam raise: the traditional USACE feasibility study, a non-federally led feasibility study, and congressional authorization based on the 1950s Chief of Engineers Report
- Additional federal policy direction is needed regarding study schedule and cost limitations and potential alternative delivery approaches
- Ad Hoc Committee interviewed two federal lobbyist candidates to provide federal policy support and will recommend a preferred firm on September 10

- **Funding Outlook**

- The FY27 President's budget did not include funding for the study
- Rep. Huffman selected the Coyote Valley Dam GI Study for FY27 Community Project Funding consideration
- The project is included in the House FY27 Energy and Water Development Community Project Funding bill



Coyote Valley Dam General Investigation Study Background



Last Updated: 9/4/2026

- Study authorized by Section 1201(3) of the Water Resources Development Act of 2016 (PL 114-322).
- Feasibility Cost Sharing Agreement signed March 31, 2025
 - MCIWPC and Lytton Rancheria are joint non-Federal sponsors
 - Includes \$658,000 credit for Tribal participation.
 - Establishes \$3,000,000 budget cost-shared 50% Fed / 50% Non-Fed minus Tribal credit.
 - Local Agreement between MCIWPC and Lytton signed March 19, 2025.
- Federal Appropriations History:
 - FY 2024 = \$500,000
 - FY 2025 = \$0
 - FY 2026 = \$0
 - FY 2027 = TBD
- Completed Activities:
 - NEPA interagency kickoff meeting conducted June 26, 2025; additional scoping will resume once additional federal funds are received.
 - Series of meetings (charettes) held July 2025 to identify study problems and opportunities and begin documenting existing and future conditions.
 - Coyote Valley Dam site visit occurred August 5, 2025.

Study Area

