

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

General Manager's Report for November 2022

Presented at Regular Meeting of Monday, December 5, 2022

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)

Also see Agenda Item on Water Supply Conditions

2-Russian River Water Forum: The Project Management Advisory Team met multiple times to receive interview findings, discuss Tribal briefings, and work with consultants on timeline.

3-Water Right Applications: Meetings were held with RRFCD's engineering consultants and Sonoma Water.

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-Groundwater Sustainability Agency (GSA): The GSA held an in-person Agricultural Stakeholder meeting as implementation of the Communication & Engagement Plan. The topic was the Governor's Executive Order, which requires well-permitting agencies and GSAs to assess the well-permitting process in coordination with one another and increase measures to protect groundwater. County staff and GSA General Manager presented and invited feedback. The County is developing an ordinance and process in coordination with the GSA and a follow up meeting is expected in early 2023.

2-Russian River Water Forum: (See Priority 1)

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-Public Outreach: Along with two of the other Steering Committee members of the Russian River Drought Response Group, GM presented on the Upper Russian River (URR) Voluntary Water Sharing Program (VSA Program) on the Water Network webinar. GM was also interviewed by an independent journalist on the Water Sharing Program.

2-ACWA: The Region 1 Board and the full ACWA Board met in November.

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-Water Accounting: Annual meter downloads are nearly complete, and conversion of the data will soon be underway. The State Water Resources Control Board has adjusted water rights reporting requirements to align with the water year (Oct 1 – Sept 30) and final reports are due February 1, 2023.

2-Managed Aquifer Recharge: Attended several FloodMAR webinars hosted by the Department of Water Resources.

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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 Transboundary Water Negotiations: A Case Study of Afghanistan and Iran. Information. Attended an information session for the 2023 Water Leaders Program. Applications are due Dec. 7, 2022. Attended a series of webinars on Managed Aquifer Recharge.

2-Board Leadership: Board members were provided with further education and mandatory training options currently available.

4-Finances: Continuing work with District Accountant and Auditor to address financial planning, reporting, and enhancement. Preparing end of calendar year tasks. The final audited financial statements for FY 2020-21 are now posted on the website: <https://www.rffc.net/finances>. The FY 2021-2022 audit is underway.

Community Meetings Attended This Month

Mendocino County Board of Supervisors (11/1/22): The Board held an item on the revitalization of the Mendocino County Water Agency. Consultants are slated to begin in early 2023.

Upper Russian River Water Agency (URRWA) (11/2/22): Willow GM Walker provided updates on operations, an interview regarding Russian River Water Forum development, and the proposed consolidation between URRWA water district members and the City of Ukiah. A draft document for shared management of water services was provided in the packet. It was noted at some time a request had been made for a non-biased party with consolidation experience to facilitate or review documents. Walker and Sean White from the City of Ukiah met with State Water staff 11/1/22 discussing grant funding and the draft document. Questions were put forward regarding legal counsel review and impact on other water and sewer providers. It is proposed a 10 member executive committee (2 from each of the 5 entities: 8 from URRWA and 2 from City) would be created to implement the agreement. Board members agreed to read the draft, have it discussed at the respective board meetings, and express any concerns through the ongoing ad hoc monthly meetings that have brought things this far.

City of Ukiah (11/2/22): Mayor Brown reported on the proposed consolidation: draft agreement was made available and out for review. Everything is going well. The City has a new website tool to search Council meeting agenda, materials, etc. Director of Water & Wastewater, Sean White, introduced the GSA City Representative appointment item. Doug Crane was confirmed as the regular seat rep and Josefina Duenas as the alternate.

Local Agency Formation Commission (LAFCo) (11/7/22): A presentation was provided on the Ukiah Sanitation District and City of Ukiah. City staff noted the 3 separate annexation applications are slated to move forward in the first quarter 2023. There was some sharing regarding the resistance of City of Ukiah annexations and the process of engagement and untangling. The Commission received an update on the changing requirements for remote meetings, review of the work plan and proposals, and the changing makeup of the Commission due to elections. The December meeting was rescheduled to December 19th.

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Willow County Water District (11/14/22): GM Walker reported on operations, service district contract renewals with the other water districts, and provided feedback on the Water Forum interview, sharing he believed they asked the right questions and consultants will develop and provide a final report. It was reported that Willow was able to meet all its Ag customer water demands this year and for Oct was 10 acre feet higher than 2021. **PROPOSED CONSOLIDATION:** The potential consolidation of small water districts and City of Ukiah was discussed. The Willow Board wants legal counsel involved as soon as possible. Willow's legal counsel made cursory review recently and indicated Districts are giving up a lot of control to the City. One legal firm was suggested to represent URRWA but has a conflict as it currently represents the Ukiah Valley Sanitation District. Specific questions were asked by Board members about justifying the use of City water rates for Willow customers when Willow rates are lower, concern over the City's complex budget and the ability of the proposed water executive committee members to decipher the water enterprise fund budget, whether Districts assets will remain separate by District or consolidated into a single water enterprise fund, and clarification if Districts will exist post consolidation. **GROUNDWATER SUSTAINABILITY AGENCY (GSA):** The Board directed staff to request justification for \$68,000 dues to the Ukiah Valley Basin Groundwater Sustainability Agency from URRWA.

Inland Water & Power Commission (IWPC) (11/10/22): Updates were provided and an Ad Hoc committee established.

Hopland PUD (11/10/22): No one from the District attended.

Millview County Water District (11/15/22): Willow GM Walker reported on Millview operations. Audit was approved. **PROPOSED CONSOLIDATION:** Sage Sangiacomo (City Manager), Sean White (City Director of Water & Wastewater), Phil Williams (City water rights attorney) and Willow GM Jared Walker met and agreed that for speed and cost containment, meeting as a group with the member districts' counsels to discuss the draft and refine it into something that can be operational would move things along. This would be done weekly with the goal of having something for the ad hoc group to review in January. The board supported this plan. **GROUNDWATER SUSTAINABILITY AGENCY (GSA):** The Board was perplexed by the bill for their portion of the Upper Russian River Water Agency (URRWA) GSA invoice. Willow GM Walker and the Board were in the dark on much of what has been going on with the GSA and what commitments have been made. RRFC Trustee White gave a brief overview and answered a few questions, sharing they should have a better understanding going forward now that URRWA has finally appointed someone to sit on the GSA. Nevertheless, they will bring it back next month to authorize payment.

City of Ukiah (11/16/22): Councilmember Crane reported he met with the Groundwater Sustainability Agency (GSA) General Manager and Supervisor McGourty (also the GSA Chair.) He also mentioned the public workshop on well permitting. A presentation on the Sanitation District, City, and Local Agency Formation Commission (LAFCo) issues was provided under City Manager Reports.

Calpella County Water District (11/16/22): No one from the District attended.

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Redwood Valley County Water District (11/17/22): GM answered questions on financials, provided a water supply update noting only about 100 acre feet (af) of the 400 af made available by RRFC has been sold, and reported on the RR Water Forum interview. **UPDATE ON ELECTION:** The County discovered that Deborah Hughes (who was appointed unopposed to a 2 year seat) doesn't live in the RVCWD boundary. Therefore, the District will go to the appointment process to fill the seat. Other election results were not confirmed at the time of the meeting. **PROPOSED CONSOLIDATION:** Legal Counsel BBK declined to participate in the consolidation efforts due to conflict of interest (they serve as UV Sanitation District legal counsel.) Appreciation was given to Director Klotter for a list of questions on the draft agreement that was shared with the other URRWA members. Legal counsels from each entity will begin meeting with City and Willow staff. **GRAND JURY REPORT:** The draft response from Legal Counsel was rejected and the draft response from Director Klotter was accepted as the response to the Grand Jury. **BUREAU OF RECLAMATION DEBT:** In the Grand Jury report the District was urged to communicate with the Bureau regarding the unpaid debt. Legal Counsel provided a draft letter in the packet which was rejected by the Board. Director Klotter was directed to prepare a draft response for approval by the Board. President Schoeneman mentioned correspondence he received directly from Senator Feinstein's office regarding the Districts Bureau debt, and it was requested he make that available to the District and Board. President Schoeneman reported that District Legal Counsel believes consolidation and/or annexation could relieve some of the debt due to establishing a secure source of water. President Schoeneman urged the Board to explore options of debt relief and support from politicians and other representatives both in consolidation efforts and debt relief.

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