

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

**STAFF REPORT**

**Agenda Item 9: New Policy: Allocation of Uncontracted Water**

**Monday, June 1, 2026**

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**The Strategic Plan** relevant priority is: **1: Water Supply Security**, ensuring effective and beneficial use of District water as a public resource; and **2: Governance and Operational Excellence** through effective systems and administration to execute the strategic plan.

**Background**

The District provides wholesale water under a State Water Resources Control Board (SWRCB) issued water right license 13898 (License) authorizing diversion of 7,940 acre feet a year from the East Fork Russian River and Lake Mendocino within the place of use established in the license.

The District offers water sales contracts to water users within its boundaries through the Uniform Water Supply and Purchase Agreement (Agreement) for delivery of water available under the License. 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 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, allocations during shortage, 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.

In May 2025, the 7,940 acre feet established in the License was fully allocated through Customer Agreements for the first time. Applications and requests for additional contracted water were received and placed on hold until water became available for contract under the Agreement, which happened in February 2026. The requests exceed the available amount of water for allocation and with the lack of policy to direct allocation, Staff and Legal Counsel began developing recommendations for the Board's consideration of a new policy.

When uncontracted water was available in the past, Customer requests for additional water under the Agreement were fulfilled administratively. Changes to water quantity in Agreements are not uncommon. With increased awareness of the changes to water supply due to precipitation changes, the trans basin diversion future, and most recently, financial issues related to the wine grape and pear markets, Customers are assessing how much they will rely on the Agreement for access to stored water if/when their own water rights and alternative sources become less reliable.

**Discussion**

The draft policy regarding allocation of uncontracted water addresses notice to not only current customers but the general public of availability of water to contract. It provides a process for allocating water when the amount of requested water exceeds available water, noting that no priority for allocation will be given for any factors.

The Board is invited and encouraged to discuss the draft policy and how it addresses the strategic plan and core duties of the District.

*(Continued...)*

**Recommended Action:**

- Move to approve the new policy Allocation of Uncontracted Water;
- or
- Provide feedback and direction to Staff and legal counsel.

**Attachments:**

- DRAFT Policy on Allocation of Uncontracted Water

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

## Attachment to Agenda Item 10: New Policy: Allocation of Uncontracted Water

**\*\*DRAFT\*\***

### 5000 Water Policies

#### 5\*\*\* Allocation of Uncontracted Water

Notice will be provided of water available for contract under the District's Uniform Water Sale & Purchase Agreement.

On or near August 1<sup>st</sup>, the District will issue public notice of availability of water to contract for a period of 60 days, during which time all interested parties must submit a request to contract for a specific amount of District water. Allocations will become effective on October 1<sup>st</sup> of that same year.

Notice will be in the form of a public notice published in the local newspaper, posted on the District's website, physically posted at the District's office, and an email of the notice to all Customers, applicants, and others who have registered interest with the District for its water.

If requests to contract for available District Water exceed the amount of water available to contract, the available District Water will be allocated pro rata across all requests based on a proration factor (percentage) of each request amount. Formula:

Total Available Amount / Total Requested Amount = Proration Percentage

Multiply each entity's requested amount by the proration factor to determine their share.

No priority for allocation of uncontracted water will be given for any factors.