Mendocino County Russian River Flood Control & Water Conservation Improvement District

STAFF REPORT

To: Board of Trustees

From: E. Salomone, General Manager Meeting: Monday September 12, 2022

RE: Agenda Item 7: Water Resiliency Planning

<u>The Strategic Plan</u> relevant priorities are to (a) **Secure** reliable and available sources of water; (b) **Use** water to its highest and best use as a public resource through management; (c) **Advocate** in the security and use of water beyond our direct authority; and (d) **Administer** District resources in alignment with the District's Mission Statement to proactively manage the water resources of the upper Russian River for the

benefit of the people and environment of Mendocino County.

Water Right Applications 12919C and 12920B

The District received a water supply analysis presentation from Balance Hydrologics at the June 6, 2022 Regular Board meeting. The Initial Draft Water Supply Analysis Report was completed by Balance Hydrologics in July 2022 and submitted to the State Water Resources Control Board Administrative Hearing Office (AHO.) There is currently a public comment period which was extended to October 15, 2022 in order to accommodate further meetings and formal comments from protestants. The AHO held a status conference on August 19, 2022 and the deadlines were amended slightly as shown below:

The hearing officer sets the following deadlines based on the Mendocino District's August 11 status conference statement and comments and requests made by the parties during the August 19 status conference:

October 15, 2022, at 12 p.m.: Protestants shall submit in writing to the Mendocino District and the AHO, with a copy to the service list, any objections to or comments on the preliminary water availability analysis submitted by the Mendocino District.

December 15, 2022, at 12 p.m.: Mendocino District shall submit to the Division and the AHO, with a copy to the service list, any amendments to the petitions for partial assignment of state-filed Applications 12919 and 12920 or water-right Applications 12919C and 12920B.

December 16, 2022, at 12 p.m.: Mendocino District shall submit a status conference statement to the AHO, with a copy to the service list, describing the status of each of the actions that it is directed to take in this status conference ruling.

January 15, 2023, at 12 p.m.: Mendocino District shall publicly release and submit to the AHO a Notice of Intent or Notice of Preparation for a CEQA document for the petitions for partial assignment of state-filed Applications 12919 and 12920 or waterright Applications 12919C and 12920B, with a copy to the service list.

The AHO will post all information and comments received by the AHO from the Mendocino District and the protestants on the Water Board AHO FTP site in the folder for this matter.

The next Status Conference is set for December 20, 2022.

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Russian River Water Users Forum

From Sonoma Water Agency's Request for Qualifications Project Description:

For over 100 years, water users on the Russian River have benefited from free imported water from the Eel River watershed as a result of the operation of the Pacific Gas & Electric Company's (PG&E) Potter Valley Project (PVP). PG&E has indicated that it does not intend to continue operating the PVP in the near future and will be directed by the Federal Energy Regulatory Commission (FERC) to file a license surrender/decommissioning plan. These actions will likely eliminate water diversions into the Russian River unless another entity is willing and able to acquire and operate the PVP's water diversion facilities.

The Mendocino County Inland Water & Power Commission (Mendocino County IWPC) and Sonoma Water have been working to represent the interests of the various diverters on the Russian River who have benefited from the PVP water. In order to maintain the flow of this vital water supply resource into the Russian River, Russian River diverters must be engaged on the future of this resource. This includes the more than 600 diverters on the Russian River main-stem located between Mendocino County IWPC and Sonoma Water.

The Russian River Water Users Forum is an engagement process for water diverters who have not yet been engaged and who are not within the jurisdictional boundaries of Sonoma Water and Mendocino County IWPC. Possible steps for an effort on equitable and inclusive engagement may include, but are not limited to, the following:

<u>Develop a strategic engagement plan</u>: The plan will include goals, structure, and participants for an engagement effort.

Outreach to and education of stakeholders: Stakeholders for this engagement include property owners that hold water right permits on the Russian River. Many of these stakeholders are unaware of the potential impacts resulting PG&E's decision to decommission the PVP. These stakeholders need to be engaged, educated, and supportive (politically and financially) of efforts to protect flows into the Russian River.

<u>Facilitate the creation of a leadership structure:</u> A leadership structure will be needed for this engagement to result in substantive solutions to PG&E ceasing PVP operations.

Engage in solutions for the Russian River watershed: Once a broader understanding of the impacts resulting from PG&E's decommissioning has been achieved, and an effective leadership structure has been created, the engagement efforts will focus on solutions to the PVP challenges created by PG&E's decommissioning of the PVP.

This work is being funded by a grant from the California Department of Water Resources. Sonoma Water has invited several other stakeholders to participate in the Project Management Advisory Team working closely with consultants Kearns & West in development and implementation of the Project.

The team has developed the scope of work, budget, timeline for the contract. Objectives, stakeholder interview questions, and an interviewee list are being refined. Discussions have begun on public workshop meetings, governance structure, funding, and outreach/education.

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Raising of Coyote Valley Dam at Lake Mendocino Reservoir

The District's Draft 2023-2025 Strategic Plan identifies water supply security as a priority and increasing storage capacity as a goal. Increasing storage capacity of Lake Mendocino through raising Coyote Valley Dam would likely be a significant collaborative effort by the potential beneficiaries. It is proposed in the Draft Strategic Plan that the District formulate an approach to support these efforts. Below is a brief description of the proposed Project and resources for further information to inform a Board discussion during the meeting.

From US Army Corp of Engineers website

(https://www.spn.usace.army.mil/Missions/Projects-and-Programs/Coyote-Valley-Dam-Restoration/):

Coyote Valley Dam (also known as Lake Mendocino Dam), which was completed in 1957, consists of a 160-feet-high earth-filled dam and a reservoir with a storage capacity of 122,400 acrefeet. The authorized project includes sediment, flood control, and domestic and agricultural water supply pools with a total storage capacity of 199,000 acre-feet. Because local interests considered it unnecessary at the time, an additional water-supply portion of the authorized project (77,000 acrefeet) was deferred following Congressional authorization of the project in 1950. As a result of the 2008 National Marine Fisheries Service's (NMFS) Biological Opinion (BO) concluded that the existing Coyote Valley Dam is likely to jeopardize the survival and recovery of the Endangered Species Act (ESA) listed Central California Coast (CCC) steelhead and California Coastal (CC), the Endangered Habitats Conservancy (EHC), supports a project to provide improvements to the ESA listed species habitat as well as floodplain and riparian habitat that is critically limited in the Russian River watershed below the dam. Together with the EHC, the US Army Corps of Engineers (USACE), San Francisco District (SPN) has determined that there is strong potential for implementation of a policy compliant restoration project in accordance with Section 1135 of the Continuing Authorities Program (CAP).

It has been estimated that \$2,042,320 is needed for the feasibility study and \$320 million to \$560 million is needed for completing construction. The Inland Water & Power Commission monitors the US Army Corp of Engineers and legislative activity regarding the Project.

In 2015, the Silva-Jordan Sandoval Coyote Valley Dam Storage Study (Russian River Integrated Water Management: Preliminary Results for Raising Coyote Valley Dam) was conducted and can be found on the Inland Water & Power Commission website: https://mendoiwpc.com/our-shared-water/resources/