

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

General Manager's Report for August 2023

Presented at Special Meeting of Monday, September 11, 2023

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)

1-Potter Valley Project (PVP) Operations: (1) On July 5, 2023, the Federal Energy Regulatory Commission (FERC) issued a notice of comment period closing August 4, 2023 on PG&E's flow variance request. Comments and Motions to Intervene were submitted by many organizations. No decision by FERC has been received at the time of writing this report, though a collective of organizations submitted a letter to FERC urging quick consideration and approval. (2) PG&E filed a long-term flow regime request to FERC on July 31, 2023. "...the need for the proposed Long-Term Flow Regime is expected to begin in January 2024 and extend until Project Decommissioning is completed, and the "variance period" for each year is defined as the period from May 16 until Lake Pillsbury storage exceeds 36,000-acre feet (af) after October 1 of each year." This is considered a change to the license and may take many months to years for FERC consideration and potential approval.

2-Russian River Water Forum: The August 3, 2023 Planning Group meeting was rescheduled at late notice to August 17, 2023. In the meantime, three organizations issued a press release announcing a proposal submitted to PG&E. Mendocino County Inland Water and Power Commission, the Round Valley Indian Tribes, and Sonoma County Water Agency submitted a proposal in early August 2023 "to Preserve Potter Valley Diversion and Fish Passage Options." This proposal was the main discussion point at the August 17th Planning Group meeting. The Steering Committee met August 18th. The Water Rights & Water Management Working Group met August 21st as well as presenting at the August 17th Planning Group meeting. The Water Supply & Fisheries Working Group has not met since July 19th, and the three remaining groups (Governance Working Group, Economics Working Group, and the Russian River Resiliency Subcommittee) have not had any meetings scheduled, yet. The September 7th Planning Group meeting was cancelled at short notice and the next meeting is on the previously scheduled date of October 5th. More information: <https://russianriverwaterforum.org/>

2-Eel/Russian River Trans Basin Diversion Future: (1) On August 7, 2023 Mendocino County Inland Water and Power Commission, Round Valley Indian Tribes, and Sonoma County Water Agency ("Proponents") announced in a press release a proposal submitted to PG&E the week prior "to advance a regional solution for preserving flows in the Russian River and improving Eel River fisheries." (More information can be found: <https://rrfc.specialdistrict.org/updates> .) At the RR Water Forum Planning Group meeting held the following week, Proponents presented the proposal and received comments and questions. Forum facilitators issued a notice cancelling the September 7th Planning Group meeting with the following message: "The Proponents are in the early stage of efforts to meet the initial deadlines identified in the proposal to PG&E which includes formation of a JPA as the Regional Entity by 12/31/23 and convening a table to negotiate a settlement agreement with respect to the approach to the New Eel-Russian Facility in the license surrender application by 10/31/23. These efforts are being discussed and direction is being provided by respective Boards and Councils. Discussions are also proceeding with regard to how to formally involve the Russian River Water Forum in the effort to create the New Eel-Russian Facility. We hope to be able to share more complete updates by the October Planning Group meeting." (2) Numerous organizations have filed comments and Motions to Intervene to FERC on the PG&E license transfer. There is general concern that the license transfer could impact PG&E's response to decommissioning the Potter Valley Project.

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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 Technical Advisory Committee met on August 30th, receiving reports on the Groundwater Sustainability Plan feedback from the Department of Water Resources, monitoring, the 5 year evaluation of the Groundwater Sustainability Plan, the County's efforts to develop a Water Extraction Ordinance, and the Rate and Fee Study progress. The GSA Board met directly after and received a report on a Fish & Wildlife Restoration Grant opportunity and directed Staff to work with the City of Ukiah on grant application task financing. The Board also reviewed the Groundwater Sustainability Plan feedback from the Department of Water Resources, the Rate and Fee Study progress, the 5 year evaluation of the Groundwater Sustainability Plan, and an item on a grant application.

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.)

2-ACWA: Quarterly Committee meetings were held. I attended several, hearing from State Water Board on Groundwater Sustainability Plans, updates on legislative matters, etc.

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 Right License Change Petition: Balance Hydrologics Engineers and GM Salomone met with representatives from Mendocino County Farm Bureau and CA Land Stewardship Institute to coordinate efforts on data collection and analyzation. Staff continue to progress on the change petition.

1-SB88 Compliance: The State Water Resources Control Board held a virtual listening session on the Water Measurement and Reporting Regulation Adopted Pursuant to 2015 Senate Bill 88. "The purpose of this listening session is for staff from the State Water Resources Control Board's Division of Water Rights to listen to and document public feedback on the Water Measurement and Reporting Regulation. Board staff particularly wish to better understand areas of confusion and barriers to compliance with the regulation. Feedback received at this listening session will inform forthcoming compliance assistance materials and other guidance to comply with the regulation." Additionally, the presenters interviewed GM Salomone to better understand the obstacles to implementation of the Regulation in the Upper Russian River for the District and other water right holders.

1-Metering Program: See Agenda Item 6d) Ratification of Service Contract with Mendocino County Resource Conservation District for metering and data management program.

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.)

3-Effective Systems - Meters: Some of the new meters required to comply with the Resulting from the tour of the customer points of diversion that need upgrading to be compliant with Water Measurement and Reporting Regulation Adopted Pursuant to 2015 Senate Bill 88 & District Ordinance #17-01 were received and installation is being scheduled and conducted by Performance Pump. As per the Ordinance, the District purchases meters and Customers are required to cover the costs and work of installation, however, many

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choose to use Performance Pump. Some meter conversion kits for the retail water districts are on back order. Staff plan to prepare recommended amendments to the Ordinance and Alternative Compliance Plan in the near future.

3-Human Resources: A local employment agency has been engaged to assist with finding temporary part time administrative help, however, GM has de-prioritized this effort until the Resource Conservation District metering program training is complete.

4-Finances: (a) A letter went to customers to announce the approved Fiscal Year 2023-2024 Budget and Rate Setting. The letter and related materials are posted on the website: <https://www.rrfc.net/finances> **(b)** GM continues to work with the District's Accountant on fiscal year end work, budgeting, QuickBooks improvements, and reporting.

Community Meetings

Local Agency Formation Commission (LAFCo) (8/7/23): Nothing water related to report.

Upper Russian River Water Agency (URRWA) (8/2/23): Cancelled

Willow Water District (8/14/23): Housing developer, Guillon Inc., is seeking to pay (defer) Willow service connection fees out of escrow when house sells rather than up front prior to construction of the house. Various contingencies to pay fees in case of changed conditions. Concerns about cost and timing to install infrastructure to serve project. Goal is to break ground spring 2024. RRFC rate increase was discussed, including possibly increasing RRFC contract quantity in response to the 171 houses planned by Guillon at Bella Vista. A brief overview of the New Eel-Russian Facility proposal was provided. GM reported that they are working on fixing leaks in all Districts. Redwood Valley water treatment plant is running well. Using plant during week and shutting down on weekend and using inter-tie. Title 22 water quality sampling in all districts to occur in coming weeks. Willow Board moved to rescind water conservation resolution and drop the drought and water conservation standing agenda items. Proposed Ukiah Valley Water providers consolidation is waiting to receive comments from state on draft consolidation agreement. Fiscal Year 2023/2024 budget discussion with approval deferred to a future meeting.

Mendocino County Inland Water & Power Commission (MCIWPC) (8/10/23): A closed session was held, no report out. In open session, IWPC Chair Pauli recommended IWPC business planning ad-hoc meet with Sonoma County's business planning group. PG&E long-term flow regime request filed and comment period expected to begin soon. IWPC will oppose.

Hopland Public Utility District (8/10/23): No one from the District attended.

Millview Water District (8/15/23): Report to be provided at meeting.

City of Ukiah (8/16/23): Nothing water related to report.

Calpella Water District (8/16/23): No one from the District attended.

Redwood Valley Water District (8/17/23): Report to be provided at meeting.

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