

Yolo County Flood Control & Water Conservation District

AGENDA Board Meeting 34274 State Highway 16 Woodland, CA 95695 Tuesday, August 3, 2010 7:00 P.M.

Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the District's Administrative Office at the address listed above.

In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, then please contact Christina Cobey at (530) 662-0265 or (530) 662-4982 fax. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

AGENDA

- 7:00 1. Board Consideration: The Board will consider adoption of the minutes of the July 6, 2010 Regular Board Meeting.
- 7:02 2. Open forum (Limited to five minutes): Guest introductions, unscheduled appearances and opportunity for public comment on non-agenda items.
- 7:07 3. Board Consideration: Adding Items to the Posted Agenda.
In order to add an item to the agenda, it must fit one of the following categories:
a) A majority determination that an emergency (as defined by the Brown Act) exists; or
b) A 4/5ths determination that the need to take action that arose subsequent to the agenda being posted.
- 7:10 4. Board Consideration: Review of 2009/2010 Independent Audit.
- 7:30 5. Board Consideration: Biennial Review of the Conflict of Interest Code.
- 7:40 6. Board Discussion: District Weed Management Program.
- 7:50 7. Board Consideration: Capay Dam Apron Rehabilitation Project Update.
a) Engineering and Construction
b) Permitting Issues
c) Loan Application Submittal

- 8:00 8. Directors' Reports: Each member of the Board will have the opportunity to report on meetings and conferences attended during the prior month on behalf of the District.
- 8:05 9. Attorney's Report: The District's attorney will report on the following:
a) Current legal and legislative activities.
- 8:15 10. General Manager's Report: The Board will receive a report from the General Manager or designated representatives regarding current general activities and projects of the District.
a) General Activities
b) Operations, Maintenance and Water Conditions
- 8:25 11. General Discussion: Opportunity for Board members to ask questions for clarification, provide information to staff, request staff to report back on a matter, or direct staff to place a matter on a subsequent agenda.
- 8:28 12. Board Consideration: The Board will consider the approval and the payments of bills.
- 8:30 13. Adjourn

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. Public comment on items within the Board's jurisdiction is welcome, subject to reasonable time limits for each speaker. Upon request, agenda items may be moved up to accommodate those in attendance wishing to address that item. Times listed for consideration of agenda items are approximate only. The Board may consider any agenda item at any time during the Board meeting.

I declare that the foregoing agenda was posted at the office of the Yolo County Flood Control and Water Conservation District, 34274 State Highway 16, Woodland, CA on July 30, 2010.

By: _____
Christina Cobey, Administrative Assistant



Y O L O C O U N T Y
FLOOD CONTROL &
WATER CONSERVATION
DISTRICT

BOARD MEETING MINUTES

Tuesday, August 3, 2010, 7:00 PM

**YCFCWCD Offices
34274 State Highway 16
Woodland, CA 95695**

The regular meeting of the Board of Directors of the Yolo County Flood Control and Water Conservation District was held at 7:00 p.m. on Tuesday, August 3, 2010, at its regular place of business, 34274 State Highway 16, Woodland, California. Chair Brice convened the meeting. In attendance were:

District Board

Ann Brice, Chair
Bruce Rominger, Vice Chair
Jim Mayer
Ron Tadlock
Erik Vink

District Staff

Tim O'Halloran, General Manager
Christy Barton, Assistant General Manager
Mike Horgan, Engineer
Stefan Lorenzato, Environmental Program Manager
Jen Reed, Project Manger
Max Stevenson, Water Resources Associate
Paul Bartkiewicz, Legal Counsel

Members of the Public

Duane Chamberlain
Erica Pastor, Mann, Urrutia, Nelson CPAs & Associates
Dave Pratt
Don Rominger
Bob Schneider

1. BOARD CONSIDERATION: Approval of Minutes

M/S/C approved the minutes of the July 6, 2010 Regular Board Meeting as modified.

2. OPEN FORUM

None

3. BOARD CONSIDERATION: Adding Items to the Posted Agenda

Assistant General Manager Barton reported that Yolo County is requiring a Board resolution to accompany the annual submittal of Special Assessments to Yolo County for collection on the property tax roll. She became aware of this change in policy on Monday, August 2, 2010, while preparing to submit the required forms to the Yolo County Tax Collector's office.

M/S/C (5/5 vote) after a determination that the need to take action that arose subsequent to the agenda being posted, approved adding the following item to the agenda – Board Consideration: Resolution Authorizing Collection of Charges on the Tax Roll. This became item 5a.

4. BOARD CONSIDERATION: Review of 2009/2010 Independent Audit

General Manager O'Halloran introduced Senior Manager Pastor, Mann, Urrutia, Nelson CPAs & Associates, to review the 2009/2010 Independent Audit and answer questions, as needed.

Pastor complimented the District for the organization of the documents by Financial Supervisor McGriff, which made for an efficient audit. Pastor reviewed the requirements of an Independent Audit and the highlights of the District's audit. She reported that the District had been issued an unqualified opinion as the result of the 2009/2010 independent audit. Additionally, Pastor noted the following:

Significant findings or adjustments - No issues were noted.

Prior year's audit recommendations - All have been implemented.

Management letter - No significant or material issues were noted.

A finding was made that vacation hours are being accrued in excess of a District policy.

Pastor reported the audit went very smoothly and expressed her thank you to O'Halloran and McGriff for their cooperation and assistance.

Board member Vink reported that the Finance Committee had reviewed the draft audit report.

Board member Mayer complimented staff stating it is a substantial accomplishment to get such a clean audit report.

M/S/C accepted the 2009/2010 Independent Audit for filing.

O'Halloran provided the Board with a draft memo, which would change the policy dealing with the accrual of vacation time, to review. He stated he would like to review the proposed change with employees prior to implementing the change in policy.

5. BOARD CONSIDERATION: Biennial Review of the Conflict of Interest Code

Legal Counsel Bartkiewicz reported he had reviewed the District's Conflict of Interest Code. Although it meets the legal criteria as is, he suggested these changes: (1) that the allowed value for a gift be raised to match current legal limits; (2) that gifts from a source doing business or likely to do business with the District be included within the personal income reporting category; and (3) that the code be reformatted as a stand-alone document rather than a resolution.

M/S/C adopted a modified Conflict of Interest Code consistent with Legal Counsel Bartkiewicz's recommendations.

Bartkiewicz will modify to the Code as approved and return it to the District. The District will forward a copy of the modified Code to Yolo County with confirmation that the biennial review has been completed.

5a. BOARD CONSIDERATION: Resolution Authorizing Collection of Charges on the Tax Roll

Assistant General Manager Barton reported on the two Special Assessments that are provided annually to Yolo County Tax Collector's office for collection with property taxes. To protect itself regarding charges being added to a property tax bill, Yolo County is requiring a resolution from the Board confirming the charges are legal and complies with Proposition 218, and indemnifying Yolo County in the event the charge is contested. In the future, this resolution will be a standard item brought to the Board every year to authorize adding the Special Assessment charges to the property tax roll.

M/S/C adopted Resolution 10.08 requesting collection of charges on tax roll by the following vote:

Ayes: Directors Brice, Mayer, Rominger, Tadlock & Vink

Noes: None

Absent: None

6. BOARD CONSIDERATION: District Weed Management Program

General Manager O'Halloran reported that this item is a follow-up to an Open Session item at the July Board meeting, at which Don Rominger complained regarding the presence of a species of Primrose on the District's canal banks. O'Halloran met with Field Supervisor Espinoza and Water Resources Technician Hunt, who is overseeing the weed control program, to identify the plant. O'Halloran met with Rominger on site and the area was sprayed to remove the plant. Rominger noted that there appear to be areas that were missed and need to be sprayed again.

O'Halloran reported the plant is a native and not listed as any type of weed. He expressed concern that removal of one established plant could create a niche available for a less desirable plant to become established. He reported that Hunt is in the process of developing a draft policy for vegetation management on the canals. The District plans to develop a list of plants, to be provided to landowners, that identifies plants that have been approved for use on the District's canals. Complaints regarding plants on the canals will need to be investigated, identifying and assessing the impact of the particular plant of concern.

O'Halloran will have Hunt prepare a presentation for a Board meeting, but first O'Halloran would like to arrange for the Board to visit the revegetated University Canal to review that project and answer questions. If three or more Directors would be interested in such a tour, O'Halloran will arrange for a Special Board meeting to provide that tour.

Environmental Program Manager Lorenzato reminded the Board that the District has a grant to help with the development of a Vegetation Management Plan and to provide plants to encourage landowners to use for their areas. He noted the District is trying to dovetail its planning with the

Natural Resources Heritage Program in Yolo County.

Bob Schneider noted that a number of areas that the District had been sprayed to remove arundo are showing some regrowth.

Lorenzato reported on the 2-year arundo removal project, which uses a contractor for the applications. The difficulty is the timing of the spraying. A post-kill management plan is being developed and reviewed.

7. BOARD CONSIDERATION: Capay Dam Apron Rehabilitation Project Update

Environmental Program Manager Lorenzato reported on three areas of the Project -- engineering and construction, permitting, and financing.

Engineering and Construction -- The construction contract has been signed with the notice to proceed issued last week. The contractor has been very responsive and a preconstruction meeting with Stantec, Steelhead and other interested parties, such as the landowners, has been scheduled. The pre-construction meeting will be an all day meeting and include review of already known change orders, such as relocating the area for disposal of the material. Issues related to the Triple Creek Farms easement agreement are being completed. September 1, 2010 is the date to start mobilization with September 13, 2010 being the day water will be shut off at the dams.

Permitting Issues – The District has two mitigation purchase agreements by which the District will purchase mitigation credits related to the project's potential impacts to open water and to the long-horned elderberry beetle. The amendment the District requested to its 1600 permit has been approved. The amendment corrects the location of the downstream structure, which removes potential impact to riparian habitat. Regarding the needed Caltrans encroachment permit, the District has been informed it is in the mail.

Financing -- The State Water Resources Control Board (SWRCB) approved the \$4.4 million application making the District eligible for the state loan program. SWRCB staff will now begin working on a contract in coordination with the District staff to submit a contract to the District Board for consideration. The loan program is a reimbursement program with the loan to be repaid over 28 years after the first withdrawal. The rate will be one half of the rate of the most recent General Obligation bond issued prior to the execution of the contract.

General Manager O'Halloran reported that Project Manager Reed has been working very hard on the financing issues. Chair Brice congratulated Reed and Lorenzato for all their hard work on the Project. Reed thanked Legal Counsel Bartkiewicz and Horowitz for their assistance regarding the financial issues.

Director Rominger reported that the Infrastructure Committee had met and reviewed the Project Change Orders and the Construction Management contract.

8. DIRECTORS' REPORTS

Director Tadlock reported he and General Manager O'Halloran had met with David Guy, Northern California Water Association (NCWA), to discuss the District's issues with NCWA. Guy reported there are going to be a number of changes made within NCWA. Tadlock suggested the District give

NCWA some time, then see what changes are made and how NCWA's priorities mesh with those of the District.

General Manager O'Halloran reported on a NCWA meeting today that included both managers and attorneys. He thought the discussion was constructive.

9. ATTORNEY'S REPORT

Legal Counsel Bartkiewicz reported on the Delta Vision Plan, which is likely to recommend increased flows to the Delta, reallocation of water from the Sacramento Valley to Delta uses, and assessment of fees or taxes for water use within and upstream of the Delta, and in the export areas. On July 21, 2010, the SWRCB made available a draft Flow Criteria for the Delta (Flow Report) for comment. Bartkiewicz has worked with NCWA to submit comments on behalf of the District and other NCWA members. That Flow Report was adopted today. It recommends much higher flows in the Delta without any scientific analysis of the impact. The Flow Report's preamble states that the SWRCB was directed by the State Legislature to develop criteria to protect Delta fisheries without considering other beneficial uses of water. That means there was no attempt to balance various needs or demands on water. Bartkiewicz noted that MBK will be analyzing the impact of the recommendations.

Bartkiewicz stated it is expected that the Delta Stewardship Council could incorporate the flow criteria from the Flow Report into the Delta Flow Plan, without any analysis of water supply and other impacts. The water community will have to do the analysis and determine the impacts and bring the information forward. The proposed flows are unsustainable, and would put the system in a virtual drought condition on an annual basis. Bartkiewicz is working with NCWA, ACWA, and the export interests to provide technical analyses of these issues. The Flow Report suggests water needed for the Delta would come from upstream sources.

Bartkiewicz reminded the Board that the SWRCB Decision 1641 included a determination that Cache Creek is not connected to the Sacramento River when flow releases were required to meet Delta water quality standards, so there should be no requirements placed on the District to make water supplies available for the Delta. His office will continue to reinforce that issue.

Bartkiewicz reported that fees will be another issue in the Delta and upstream. The Governor and some members of the Legislature want to increase fees in order to fund all costs for the CA Department of Fish and Game, the Department of Water Resources, the SWRCB and other state agencies. AB 2092 (currently pending in the Legislature) would require the Delta Stewardship Council to develop a financing plan (including fees on water use) to pay for implementation of the Delta Plan.

Director Tadlock questioned who would be considered Delta water users who would be required to pay fees. That appears to be an open question, including whether fees would be assessed against private groundwater pumpers.

Bartkiewicz reported on the recently-published UC Berkeley Goldman School of Public Policy and Analysis Project Paper (Goldman Paper) that recommends that the State pass legislation requiring all water providers to assess a consumption-based fee or tax on municipal and industrial water bills as a public goods charge in order to pay for their water-related costs to implement regional water management plans. Although agricultural water use was not included in the Goldman Paper,

extending the requirements to agricultural water providers might be an obvious next step.

Bartkiewicz also reported on SB 565 (Pavley), a modified version of legislation previously submitted and defeated three times. This bill would not only increase- fines and penalties associated with reporting water use to the SWRCB, but also would authorize the SWRCB to make any water diverter conduct and pay for any study needed, as determined by the SWRCB. This could have substantial cost impacts on water users.

Bartkiewicz reported that long-time Sacramento Valley water attorney Anne Schneider has passed away. He commented on Anne's achievements and professional career, and expressed his condolences to Bob Schneider and his family.

10. GENERAL MANAGER'S REPORT

General Manager O'Halloran reported that the District had just completed a month of peak demand on the system. That means there were some waiting lists in effect during the month. He reported taking Supervisor Chamberlain on a tour of the system showing him areas with capacity problems.

O'Halloran provided the Board and those present with a memo regarding water sales, which he then reviewed. Although water sales are up, the hydroelectric sales are down and the impact on the District's budget is a revenue shortfall estimated at \$150,000. The Finance Committee will be meeting after the end of the season to reevaluate the budget.

O'Halloran reported that the United States Geological Service (USGS), which operates and maintains gauges at numerous locations for the District, has made some recent adjustments to the tables and readings which are of some concern. Staff will be meeting with USGS at the Cache Creek Dam to discuss issues associated with the gauges and rating tables.

11. GENERAL DISCUSSION

None

12. BOARD CONSIDERATION: Payment of Bills

M/S/C approval for the following claim(s) for payment:

Yolo County Flood Control Checks: # 44452-44463

13. ADJOURN

There being no further business to come before the Board, the meeting was adjourned.

Ann Brice, Chair

ATTEST:

Tim O'Halloran, Secretary