

Yolo County Flood Control & Water Conservation District

AGENDA Board Meeting 34274 State Highway 16 Woodland, CA 95695 Tuesday, May 3, 2011 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 April 5, 2011 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. Staff Presentation: Strategy discussion related to District staff and consultant engagement on issues of statewide and regional significance.
- 7:35 5. Board Consideration: Adoption of the Fiscal Year 2011/2012 District Budget.

- 7:50 6. 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.
- 7:55 7. Attorney's Report: The District's attorney will report on the following:
a) Current legal and legislative activities.
- 8:05 8. 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
- 8:15 9. 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.
- 8:20 10. Board Consideration: The Board will consider the approval and the payments of bills.
- 8:25 11. Closed Session:
a) Closed Conference with real property negotiator involving APN 025-010-018, and CCF V, Inc. Instructions to the negotiator may include price, terms of payment, or both. (See Government Code sections 54954.5(b) and 54956.8).
- 8:58 12. Closed Session Report
Report action and vote, if any, taken in Closed Session
- 9:00 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 April 29, 2011.

By: _____
Christina Cobey, Administrative Assistant



Y O L O C O U N T Y

**FLOOD CONTROL &
WATER CONSERVATION
DISTRICT**

BOARD MEETING MINUTES
Tuesday, May 3, 2011, 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 May 3, 2011, at its regular place of business, 34274 State Highway 16, Woodland, California. Chair Rominger convened the meeting. In attendance were:

District Board

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

District Staff

Tim O'Halloran, General Manager
Christy Barton, Assistant General Manager
Max Stevenson, Water Resources Associate
Ryan Bezerra, Legal Counsel

Members of the Public

David Guy, Northern California Water Association
Dave Pratt
Don Rominger
Cindy Tuttle, Yolo County Natural Resources Manager

1. BOARD CONSIDERATION: Approval of Minutes

M/S/C approved the minutes of the April 5, 2011 Regular Board Meeting as corrected.

2. OPEN FORUM

David Guy, President of the Northern California Water Association (NCWA) and Cindy Tuttle, Yolo County Natural Resources Manager were acknowledged.

Tuttle introduced herself as the Yolo County Natural Resources Manager. Her primary role is to oversee the Cache Creek Area Plan, which includes the Off-Channel Mining Plan and Cache Creek Resources Management Plan. She is also the Yolo County representative to the Water Resources Association of Yolo County, the Delta Technical Advisory Committee, and any other group as the County may designate from time to time.

Tuttle expressed her appreciation to O'Halloran and Water Resources Associate Stevenson for their support in providing information and assistance when requested.

3. BOARD CONSIDERATION: Adding Items to the Posted Agenda

General Manager O'Halloran noted that the agenda had been modified to delete the first sentence in item 11.

4. STAFF PRESENTATION: Strategy discussion related to District staff and consultant engagement on issues of statewide and regional significance

General Manager O'Halloran framed the issue for the Board and reported this item will be a joint presentation by himself, NCWA President David Guy and Legal Counsel Ryan Bezerra. He reminded the Board of its concerns regarding how it allocates its funds among consultants and organizations. The presentation covered: a) Framework – Background information regarding processes in which the District is engaged; b) Risk Management – How effective are we in indentifying and prioritizing risk and recognizing opportunities that arise; and c) Organization - Is the District organized to effectively respond to current and future externally imposed issues? This discussion is meant to lay the groundwork for future strategic planning meetings for the Board to consider where and on what to focus the District's staff time and money.

Guy provided an update on NCWA's activities since his last presentation to the Board regarding Delta issues. He reminded the Board that the District and much of Northern California have something that others want – water rights. To protect them, NCWA has had to prioritize its approach.

First priority was to create a Water Management Task Force. This Task Force is focused on providing technically correct and yet understandable educational material regarding agricultural water use, and water use sustainability in the Sacramento Valley. This is the Grant Davids document that was reported to the Board last fall and is anticipated to be ready for draft review in a few weeks.

The second major issue being addressed concerns Salmon and similar migratory fish. The fishery landscape has excluded consideration of other values, sometimes pitting native/residual fish against salmonids. NCWA hired well known and respected fisheries scientist David Vogel to write a report to address how we can improve the situation and how NCWA members can be proactive regarding salmonid fishery issues.

Third priority is protection of the Pacific Flyway. This element needs to be central to any discussion of water management in the Sacramento Valley.

Guy reported that many of NCWA's activities are a combination of defensive and proactive activities.

Legal Counsel Bezerra provided some background regarding the District's risk regarding Delta requirements. He noted that Cache Creek has a unique relationship with the Delta. Although during flood events Cache Creek provides water through the Yolo Bypass to the Sacramento River and to the Delta, during most times of the year, there is no hydrologic connection between Cache Creek and the Yolo Bypass, much less the Sacramento River and Delta. Bezerra reported that, during the Phase 8 proceedings at the State Water Resources Control Board (Water Board), Engineer Francis Borcalli made a presentation to the Water Board to demonstrate that (within the context of the Phase 8 proceedings) Cache Creek water is not hydraulically connected to the Yolo Bypass, Sacramento River or the Delta, at times when the Delta needs water. The Water Board accepted that information and exempted Cache Creek and the District's water rights from making any contribution to meeting increased Delta flow requirements. However, because Cache Creek and the District are located near the Yolo Bypass, the Sacramento River and the Delta, people often assume that there must be a connection and accordingly assume that the District should be subject to any new regulation related to the Delta. For example, in recent months, the Delta Stewardship Council (Council) identified the District as a responsible agency to carry out the Delta Plan.

The Council's staff and consultants have issued a second draft Delta Plan, under which the Council would attempt to regulate diversions and water agencies' operations in most of the state. Although the Council only has regulatory power over actions that occur at least in part in the Delta, the Delta Plan will influence other agencies, including regulatory agencies such as the State Water Resources Control Board.

The Association of California Water Agencies (ACWA) has created an Ag/Urban working group that involves many water agencies, including Ag, Urban, Northern and Southern California agencies. The group is currently working on comments regarding the Draft Delta Plan. O'Halloran, Guy and Bezerra are participating in that group.

O'Halloran noted that Bezerra is only reporting on one of the many processes in play. Additionally, there is a lot of different legislation being proposed. The questions the Board needs to consider are "Are we organized to effectively address the issues facing us? How do we prioritize and allocate staff time and District funding? How do we create opportunities, collaborations and partnerships to increase our impact and effectiveness with the least financial impact on the District?"

Bezerra reported that Guy and NCWA are very effective talking with legislators and that the Bartkiewicz firm and others provide assistance regarding policy issues. He also noted that, where his firm was providing assistance, the billing was allocated among the various beneficiaries of the work. Guy provided the Board a May 2011 NCWA white paper "State Funding Mechanisms: Water Taxes and Fees in an Era of Continuing Fiscal Subsidence" noting how NCWA is leveraging the member's dues to accomplish major goals for its members, such as challenging the State's Water Right Fees.

Director Mayer stated that the Board will need to meet to strategize and consider a number of questions regarding internal operations vs. external affairs and having defensive vs. proactive agendas. Simply put the Board needs to consider: What are the District's goals? How does the District set priorities? How should the District allocate its money and staff time?

Director Vink affirmed the need for the Board to meet outside the regular monthly meeting to consider these issues.

Cindy Tuttle reported that Yolo County has also been trying to determine how it should move forward. Should the County be taking a proactive position or a reactionary one? The Delta Counties Coalition, which includes Contra Costa, San Joaquin, Sacramento, Solano and Yolo Counties, is working to share the costs and workloads, but each county has its own unique concerns and issues regarding the Delta. Yolo County is concerned about the economics due to loss of agricultural land and flooding of the Yolo Bypass during summer growing season. To the extent the County and District can partner on issues, Tuttle would like to do so.

5. BOARD CONSIDERATION: Adoption of the Fiscal Year 2011/2012 District Budget

General Manager O'Halloran provided a PowerPoint presentation review of the proposed Fiscal Year (FY) 2011/12 budget. He stated that the purpose of the budget is to provide both a planning and a financial control document. He reviewed the Budget Summary provided in the Board Agenda package, including the main drivers of both revenues and expenses, significant changes from the

prior year budget, and the proposed Capital Budget. He noted the resulting \$100,000 deficit that will have to come from the District's reserves.

Director Vink informed O'Halloran that the Board would like to be kept apprised regarding the expenditures from the Capital Budget.

O'Halloran noted that the current District business model is not sustainable. In a year with a full water supply, the District should not expect to incur a \$100,000 loss. The District needs to look forward and make some changes. Issues to consider include:

1. Exploring Opportunities to save money or increase revenue – e.g. hydro operations, automation, partnerships, grants, conjunctive use to increase sales and efficiency;
2. Change Rate Schedule to include more steps;
3. Update the Infrastructure Program and estimated costs; and
4. Convene a Board Strategic Planning session

Vink reported that he and Director Tadlock, as the Finance Committee, had met three times with O'Halloran and Financial Supervisor McGriff to examine the proposed draft budget and refine it. He noted that the Committee felt that the numbers are conservative, but a realistic estimate that calls for dipping into the District's reserves.

Tadlock noted that the District's estimates for budget income and expenses are usually pretty close to the actual figures.

Vink reported that the Finance committee recommended adoption of the proposed budget as presented.

The Board thanked O'Halloran and McGriff for their work on the budget.

M/S/C adopted the FY 2011/12 Budget as presented.

6. DIRECTORS' REPORTS

Director Brice reported that she and General Manager O'Halloran had met as the Environmental Committee. Chair Rominger was not been able to participate. They met to discuss the departure of Environmental Program Manager Lorenzato and Resources Associate Hunt, and to consider how to effectively advance the District's stewardship program.

7. ATTORNEY'S REPORT

Legal Counsel Bezerra reported on a number of legislative bills that might be of interest to the District.

SB 34 (Simitian) - includes \$10 per irrigated acres in water fees to fund state and regional water management activities.

AB 576 (Dickinson) includes a study to evaluate how to fund the Delta Stewardship Council, including through possible water diversion fees.

SB 200 (Wolk) – includes assurances of no redirected adverse impacts from the Bay-Delta Conservation Plan.

SB 571 (Wolk) – attempts to require that decisions about investments in water projects be made through new regional agencies, similar to the regional agencies that make decisions about transportation investments.

SB 834 (Wolk) – would require that integrated regional water management plans for areas that use water from the Delta water or the Delta watershed show how that region is working to be more self-reliant.

8. GENERAL MANAGER'S REPORT

General Manager O'Halloran reported on flood releases from Clear Lake and the start of the irrigation season. Additionally, he reported that the Moore Siphon is leaking. The District has engaged the United States Geological Service (USGS) to evaluate and quantify the size of the leak.

9. GENERAL DISCUSSION

None

10. BOARD CONSIDERATION: Payment of Bills

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

Yolo County Flood Control Checks: # 45483, 45488, 45544-45558

11. CLOSED SESSION

The meeting was adjourned to Closed Session under:

- a) Government Code sections 54954.5(b) and 54956.8. Conference with real property negotiator O'Halloran involving APN 025-010-018, and CCF V, Inc. Instructions to negotiator may include price, terms of payment, or both. Persons attending other than the Board included Legal Counsel Bezerra, Negotiator and General Manager O'Halloran, Assistant General Manager Barton, and Water Resources Associate Stevenson.

12. CLOSED SESSION REPORT

Chair Rominger reconvened the regular meeting. Legal Counsel Bezerra reported there was no action to report from Closed Session.

13. ADJOURN

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

Bruce J. Rominger, Chair

ATTEST:

Tim O'Halloran, Secretary

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