

Yolo County Flood Control & Water Conservation District

AGENDA Board Meeting 34274 State Highway 16 Woodland, CA 95695 Tuesday, February 2, 2010 7:00 P.M.

Documents and materials relating to an open session item that are provided to the District Board less than 72 hours prior to a regular meeting will be available for public inspection and copying at 34274 State Highway 16, Woodland, CA.

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 January 5, 2009 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 Report: Yolo County Water Committee Progress Report.
- 7:30 5. Board Report: Appointment of District Representations to Committees and Various Groups.
- 7:35 6. Board Consideration: Finance Committee Report; Rate Setting for 2010.

- 7:55 7. 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.
- 8:00 8. Attorney's Report: The District's attorney will report on the following:
a) Current legal and legislative activities.
- 8:15 9. 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
- 8:30 10. 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.
- 8:40 11. Board Consideration: The Board will consider the approval and the payments of bills.
- 8:45 12. 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 January 29, 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, February 2, 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 (District) was held at 7:00 p.m. on February 2, 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, Director
Ron Tadlock, Director
Erik Vink, Director

District Staff, Consultants, Presenters

Tim O'Halloran, General Manager
Christy Barton, Assistant General Manager
Margaret Kralovec, Writer/Editor
Jen Reed, Project Manager
Max Stevenson, Water Resources Associate
Paul Bartkiewicz, District Legal Counsel
Dirk Brazil, Deputy County Administrator, Yolo County

Members of the Public

Duane Chamberlain
Blake Harlan
Don Rominger
Bob Schneider
Frank Siefertman
Dave Pratt

1. BOARD CONSIDERATION: Approval of Minutes
10.6 M/S/C approved minutes for the January 5, 2010, Regular Board Meeting as submitted.

2. OPEN FORUM

None.

3. BOARD CONSIDERATION: Adding Items to the Posted Agenda

None.

4. BOARD REPORT: Yolo County Water Committee Progress Report

General Manager O'Halloran introduced Deputy Yolo County Administrator Brazil, one of the authors of the Yolo County Water Committee ("Committee") Progress Report, January 2010, to summarize the efforts of the Yolo County Water Committee. Brazil reviewed with the Board that the Yolo County Board of Supervisors had requested more input on water management in the county after making an initial, unsuccessful move to restructure water management in the recent past. Jeff Loux facilitated a large (40+) stakeholder process that looked at different scenarios for water management in Yolo County, and selected among them a preferred option. Through the stakeholder process, the Yolo County Water Committee found no support for a water management agency led by the Board of Supervisors. The Committee's preferred option, which will be presented to the Board of Supervisors was for an enhanced version of the Water Resources Association of Yolo County (WRA) that would be structured under a joint powers authority (JPA), and which would include more stakeholders than the current members of the WRA.

Director Mayer commented on the importance of establishing a water management structure that would not necessarily create more government, but would get governments to work together better. He expressed a belief that a revised structure for the WRA creates an opportunity for improving water management, but does not in and of itself accomplish such improvements. O'Halloran complimented the leadership of the Yolo County Water Committee and its work, including the efforts of Jeff Loux, Dirk Brazil, and the many stakeholders and community members who participated in what was a deliberate and open process. He felt the process allowed diverse participants to ask hard questions about the strengths and deficiencies of the WRA, including countywide issues such as groundwater management and policy development. O'Halloran felt that the next step of forming the preferred option would be in developing the governance structure of a new JPA entity – who would be members, how would dues be contributed and in what portions, what conflicts of interest may exist for the general manager of Yolo County Flood Control and Water Conservation District ("District) to act also as the Executive Director (ED) of such a JPA, as currently proposed. Director Brice was impressed that so much work had been accomplished by the Committee, and requested that the Board be kept posted on the progress of the Committee's proposal before the Board of Supervisors.

5. BOARD REPORT: Appointment of District Representations to Committees and Various Groups

Director Brice requested this agenda item be moved to next month's Regular Board Meeting so that she would have an opportunity to speak with each Director about his interest and availability to serve on proposed appointments. That said, the Board agreed that Director Tadlock would continue to serve as the Board's Northern California Water Association (NCWA) representative.

6. BOARD CONSIDERATION: Finance Committee Report; Rate Setting for 2010

Director Vink reported that the Finance Committee, consisting of Director Tadlock and himself, met on January 27, 2010, with General Manager O'Halloran, Assistant General Manager Barton, and Financial Supervisor McGriff to review the rate setting process for the upcoming water delivery season. He reminded the Board that it had given authority to the Finance Committee at the January Regular Board Meeting to come up with a rate recommendation which it would present to the full Board, and to do so in a timely manner that would accommodate the 45-day notice to ratepayers and other provisions as required by Proposition 218.

For rate setting context, O'Halloran briefly provided a current water conditions report that was scheduled for Agenda Item 8(b), noting significant improvement in water supplies due to January rains. Then, he directed the Board's attention to the District's focus on anticipated reserve levels at the end of the coming season when establishing rate considerations, and continuing a tier-based analysis of rates derived by establishing minimum acceptable reserve levels that reflect four possible water supply scenarios: Case 1 avoids "foreclosure" at a minimum reserve of \$2.0m, Case 2 avoids high restart costs at a minimum reserve of \$3.5m, Case 3 avoids non-critical spending at a minimum reserve of \$4.1m, and Case 4 creates reserve growth. In a handout provided to the Board and members of the public, O'Halloran presented proposed agriculture water rates that would ensure reserve targets for each water supply scenario as follows:

Case 1 (40,000 - 90,000 a.f.)	\$40/a.f.	Season-end reserve \$2.13m - \$3.19m
Case 2 (90,001 - 170,000 a.f.)	\$35/a.f.	Season-end reserve \$3.15m - \$4.98m
Case 3 (170,001 - 230,000 a.f.)	\$26/a.f.	Season-end reserve \$4.01m - \$5.20m
Case 4 (> 230,000 a.f.)	\$20/a.f.	Season-end reserve \$4.71m - or greater

In addition, O'Halloran announced a proposed non-agriculture water rate increase from \$52.50 to \$55/a.f., and water moving fees of \$5/day for a customer's own water, \$20/day for moving blended water (customer and District's water combined).

Director Mayer wondered whether higher reserve levels resulted in cheaper credit rates for borrowing money. Bob Schneider noted that in the case of high water supply, the resulting reserve was actually lower in spite of higher water sales, and asked about the option of raising the Case 4 rate to \$22 in order to focus on reserve development. Director Tadlock indicated that a \$2.50 raise in water rates as projected in case 4 would be a large jump for farmers, especially when farm commodity prices are going down. Director Rominger concurred. Duane Chamberlain noted that as surface water prices rise, farmers will be looking more closely at pumping water from wells rather than purchasing water from the District. Blake Harlan noted that the future of drip irrigation installations will likely have a major impact on surface water purchases over the next few years, and encouraged the District to watch this trend closely. Duane Chamberlain noted the negative impact of drip irrigation on the environment due to the reduction in wildlife habitat as surface water is reduced. Harlan explained that he would not be upset by rate increases if he had assurance that the District infrastructure would be improved as a result.

- 10.7** M/S/C approved providing notice of a hearing, consistent with the Prop 218 requirements, to consider the proposed tiered rates which reflect "not-to-exceed" levels, and to set a rate change hearing for public comment at 7:10 pm at the Regular Board Meeting scheduled for April 6, 2010

7. DIRECTORS' REPORTS

Director Tadlock announced a February 11 NCWA annual meeting.

Chair Brice reported that she had recently attended the Water Law Symposium, an annual event hosted in rotation by the four Bay Area law schools. She felt the information about the history of water law benefited her understanding of water issues as they relate to her role with the District, and she looks forward to attending these events in the future.

8. ATTORNEY'S REPORT

Legal Counsel Bartkiewicz indicated that water fee legislation is likely during the legislative session, but the specifics remain to be seen.

Bartkiewicz informed the Board that the State Regional Water Quality Control Board ("SRWQCB") was holding an informational proceeding on March 22-24, 2010, receiving unsworn testimony related to Delta flows and associated environmental issues. He reported that while SRWQCB members have not made their position known, there is a concern they will adopt a numerically driven solution based on outflow without the benefit of evidentiary hearings. Bartkiewicz reported that the Bay-Delta Conservation Plan is moving forward and is expected to be finalized by August, 2010. He also noted that the governor is expected to make appointments to the Delta Stewardship Council in the near future.

9. GENERAL MANAGER'S REPORT

General Manager O'Halloran provided a report on the recent release of water from Cache Creek Dam in order to not exceed the 7.56 foot limit at the Grigsby Riffle as established in the Solano Decree. He also explained that when water levels below the Grigsby Riffle exceed those above it as a result of tributary drainage between the riffle and the dam, water sometimes flows backwards from the dam into Clear Lake.

O'Halloran also reported on the Walnut Canal break that occurred on January 22, and the innovative, responsive, and cost-effective solution effected by Operations Supervisor Espinoza and his staff, who quickly secured large hay bales in the break. This temporary canal fix is likely to stop any losses that could have remained unremediated until after the end of the delivery season.

10. GENERAL DISCUSSION

Chair Brice announced the upcoming Yolo Basin Foundation Duck Days event, February 19 and 20, 2010, and specifically encouraged Board members and the public to come enjoy the opening reception and art show at the Davis Art Center on the evening of February 19.

11. BOARD CONSIDERATION: Payment of Bills

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

Yolo Flood Control Checks: # 43592-43605

12. ADJOURN

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

Ann Brice, Chair

ATTEST:

Tim O'Halloran, Secretary

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