

**Yolo County Flood Control &
Water Conservation District**

**Board Meeting
34274 State Highway 16
Woodland, CA 95695
Tuesday, September 6, 2022
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 by scheduling an appointment with Christina Cobey at (530) 662-0265 or ccobey@ycfcwcd.org.

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 please contact Christina Cobey. Requests should be made as early as possible, and at least one full business day before the start of the meeting.

AGENDA

- 7:00 1. Consideration: Adoption of the August 2, 2022 Regular Board Meeting Minutes
- 7:02 2. Open forum (Limited to five minutes): Guest introductions, unscheduled appearances, opportunity for public comment on non-agenda items
- 7:07 3. 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. Consideration: Receive Update from Outreach Committee and Authorize General Manager to Enter into Services Agreement with Larsen, Wurzel & Associates
- 7:40 5. Consideration: Authorize General Manager to Enter into Memorandum of Understanding with Eaton Drilling

- 8:05 6. Presentation: SGMA Implementation: Update on the District’s Projects
- 8:15 7. Director’s Report: Report on meetings and conferences attended during the prior month on behalf of the District
- 8:20 8. Attorney’s Report: Report on legal matters of concern to the District
- 8:25 9. General Manager’s Report: Report regarding current general activities and projects of the District
- a) Operations, Maintenance, and Water Conditions
 - b) Financial Report
 - c) Capital Improvement Program
 - d) YSGA Update
 - e) General Activities
 - f) Upcoming Events
- 8:40 10. General Discussion: Opportunity for clarification or additional information request
- 8:45 11. Consideration: Consider the approval and the payment of bills
- 8:50 12. Closed Session: Bay-Delta
- Closed session conference with legal counsel for existing administrative proceeding and anticipated litigation/significant exposure to litigation pursuant to Government Code §54956.9, subsections (d)(1) and (d)(2) – State Water Resources Control Board Bay/Delta Plan update proceeding.
- 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 & Water Conservation District, 34274 State Highway 16, Woodland, CA on September 2, 2022.

By:

 Kristin Sicke, General Manager

YOLO COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT

AGENDA REPORT

MEETING DATE: September 6, 2022

ITEM #: 1

SUBJECT: Consideration: Adoption of the August 2, 2022 Regular Board Meeting Minutes

INITIATED OR BOARD
REQUESTED BY: STAFF
 OTHER _____

COORDINATED OR
APPROVED BY: Kristin Sicke

ATTACHMENT YES NO
 DIRECTION

INFORMATION
 ACTION: MOTION
 RESOLUTION

BACKGROUND:

Pursuant to Section 54957.5 of the Brown Act, copies of the draft minutes are available to the public on the District's website and at the District office prior to their approval.

In advance of the Board meeting, staff request the Directors notify staff if a correction is needed in the draft minutes to clarify a substantial point or to correct content. Staff will make the appropriate change(s) and submit the revised draft for review to the Board and the public at the meeting.

RECOMMENDATION:

District staff recommend the adoption of the attached minutes with any corrections.



YOLO COUNTY
FLOOD CONTROL &
WATER CONSERVATION
DISTRICT

BOARD MEETING MINUTES
Tuesday, August 2, 2022, 7:00 PM

YCFC&WCD Offices
34274 State Highway 16
Woodland, CA 95695

The regular meeting of the Board of Directors of the Yolo County Flood Control & Water Conservation District (District) was held at 7:00 p.m. on Tuesday, August 2, 2022 at its regular place of business, 34274 State Highway 16, Woodland, California. Chair Vink convened the meeting. The following people were in attendance:

District Board

Erik Vink, Chair
Mary Kimball, Vice Chair
Tom Barth
Jim Mayer
Shane Tucker

District Staff

Kristin Sicke, General Manager
Ryan Bezerra, Legal Counsel

Members of the Public

Jim Barrett
Scott Brown, LWA
Tim Busch, City of Woodland
Nick Edsall
Adam Riley, LWA
Bruce Rominger
Lee Smith

1. CONSIDERATION: Approval of Minutes

M/S/C approved the minutes of the July 5, 2022 regular Board meeting.

Ayes: Directors Barth, Kimball, Mayer, Tucker, and Vink

Noes: None

Absent: None

Abstain: None

2. OPEN FORUM

There were no comments.

3. CONSIDERATION: Adding Items to the Posted Agenda

There were no changes made to the agenda.

4. PRESENTATION: Update on City of Woodland's Aquifer Storage and Recovery Program

City of Woodland's Principal Utilities Civil Engineer, Tim Busch, provided a presentation on lessons learned in implementing the City's Aquifer Storage and Recovery (ASR) Program. Busch reported on the significant impact of the imposition of Term 91 curtailments and of the 18% water allocation from the Central Valley Project (CVP) this year.

The City of Woodland has three wells in its ASR Program allowing the City to inject treated Sacramento River water into the ground for temporary storage and recovery during peak demands. The City's ASR Program has decreased the City's dependence on groundwater and increased the City's resiliency to drought periods. The City has found the surface water to be of higher quality than the groundwater in the area, and they are able to track the ASR water in the aquifer by sampling water quality constituents in nearby monitoring wells. The City is currently in the process of planning for additional monitoring wells so that they have a better understanding of the lateral flow characteristics.

Director Mayer asked whether Conaway's contribution of the CVP water right to the Woodland Davis Clean Water Agency meant that Conaway was using less water or simply switching their supply to groundwater. Busch replied that he believed it was the latter.

Director Tucker inquired what distance the monitoring wells were from the ASR wells. Busch reported that they are currently about 300 feet away, and that the City may install a closer well (approximately 100 feet away) soon.

Director Kimball asked whether the City was interested in adding more ASR wells and Busch said yes, at least one more is currently being planned.

Director Barth asked whether they've qualified the energy cost of the ASR system. Busch stated that they are currently investigating that question. They know the useful life of the well is about 30 to 50 years due to contamination/clogging/biological fouling that can occur and that there is expected lost capacity over time; however, with appropriate maintenance and backflushing it can last longer. Busch compared the City's ASR capacity to a 1,000 acre-foot stormwater pond.

5. CONSIDERATION: Adopt Resolution 22.02 Requesting Collection of Charges on Tax Roll

General Manager Sicke reported that the District places the following Regular Special Assessments on the Yolo County (County) property tax roll annually:

1. East Adams Area Assessment District (Tax Area Code 54620)
2. Hungry Hollow Area Assessment District (Tax Area Code 54621)
3. 2012 Annexation Special Assessment District (Tax Area Code 54623)

As part of the Special Assessments' process, the County is requesting the Board adopt a formal resolution that acknowledges the collection of these charges on the County's property tax roll for 2022/2023.

District staff recommend the Board adopt Resolution 22.02 Requesting Collection of Charges on Tax Roll.

M/S/C adopted Resolution 22.02 Requesting Collection of Charges on Tax Roll.

Ayes: Directors Barth, Kimball, Mayer, Tucker, and Vink

Noes: None

Absent: None

Abstain: None

6. PRESENTATION: Receive Update from Finance Committee and Authorize Chair to Appoint Ad Hoc Outreach Committee

General Manager Sicke provided an update on the July 20, 2022 Finance Committee meeting with Larsen, Wurzel & Associates (LWA), which was held to review the draft Technical Memorandum (TM) for investigating an alternative funding mechanism to augment and diversify the District's current funding structure. She referenced the attachment included in the August 2, 2022 Board package. Sicke introduced LWA's Adam Riley and Scott Brown to provide a presentation on the draft TM and to review the possible opportunities for generating new revenues for the District.

Riley reviewed the current problem; the District's current rate structure is limiting in three main ways: 1) water sales volatility; 2) deficient capital investment reserves (deferred maintenance); and 3) lack of groundwater revenue stream for in-lieu and recharge benefits. The draft TM estimates the agricultural water revenue gap and suggests the need for a drought contingency allotment (fund) to maintain fiscal stability during limited water supply years. The draft TM recommends the

District proceed with a three-pronged process: 1) increase the current agricultural water rate to ensure sustainability in the future, 2) while simultaneously proceeding with a fixed charge (water availability charge) and lowering the agricultural water rate accordingly if the fixed charge is approved, and 3) initiating the process to consider a groundwater-related charge in the future. Riley reviewed the draft schedule for proceeding with the Phase 2 efforts of initiating the three-pronged process, which would require an updated proposal from LWA to come before the Board for approval.

Director Tucker would like to see the District incorporate or factor in an incentive to use surface water within the revenue structure.

Director Barth commented that the YSGA's charges should be distinct from the District's groundwater charges since the YSGA JPA is project-based and the YSGA can impose regulatory fees under Proposition 26.

Director Mayer requested the District's public report be separate from LWA's TM since it would be used as an outreach tool.

Chair Vink appointed Directors Tom Barth and Shane Tucker to the ad hoc outreach committee to facilitate LWA's Phase 2 efforts with customer and stakeholder input.

Lee Smith commented that the District should be cautiously aware of this not being a good time to impose an increased fee on farmers as Irrigated Lands fees are planned to increase and the YSGA is planning to impose SGMA-related fees in the near future.

7. DIRECTORS' REPORTS

Director Mayer reported on participating in NCWA's Board of Directors meeting, and Groundwater Management Task Force meeting where DWR reviewed upcoming funding for groundwater sustainability initiatives (potentially \$254M).

Directors Kimball and Mayer reported on participating in the District's Capay Dam Tour with Congressman Thompson.

Directors Barth and Vink reported on participating in the Finance Committee meeting.

Director Tucker had nothing to report.

8. ATTORNEY'S REPORT

Legal Counsel Bezerra briefly reported on the status of [AB 2201 – Groundwater Extraction Permit](#) and [SB 1205 – Water Rights: Appropriations](#).

9. GENERAL MANAGER'S REPORT

General Manager Sicke provided reports on the following:

- a) Operations, Maintenance, and Water Conditions
- b) Financial Report Summary – Highlights from the July 31, 2022 Financial Statements Report were reviewed, and the actual FY 2022/2023 Budget was compared to the projected FY 2022/2023 Budget.
- c) Capital Improvement Program – An update on the planning activities related to capital projects was provided.
- d) YSGA Update – An update on Yolo Subbasin Groundwater Agency's *2022 Yolo Subbasin Groundwater Sustainability Plan* implementation activities was provided.
- e) General Activities – A list of outreach activities and projects (in-house and coordinated with other agencies) was reviewed.
- f) The following upcoming events were announced:
 1. YSGA: Working Group Meetings (August 3 and 31)
 2. YSGA: Coordination Meeting with North American Subbasin (August 4)
 3. Lower Cache Creek Reserve Unit Management Plan (August 5)
 4. NCWA: North State Drinking Water Solutions Network Meeting (August 5)
 5. YSGA: Ad Hoc Committee Meeting to Reconsider Voting and Dues (and WRA Merger to YSGA) (August 8)
 6. NCWA Coordination Meeting (August 9)
 7. Woodland Chamber Water Committee Meeting (August 10)
 8. YSGA: Ad Hoc Drought Contingency Planning Committee (August 10)
 9. Yolo County Financial Oversight Committee Meeting (August 11)
 10. Meeting with Paradise Valley Ranch Property Owner (August 11)
 11. NCWA: VA Updates, Coordination (August 15)
 12. Coordination Meeting with CAO Pinedo (August 18)
 13. Nitrate Management Zone Planning for Yolo County (August 18)
 14. WRA TC Ad Hoc Drought Task Force (August 18)
 15. CSDA Annual Leadership Conference (August 22-25)
 16. Yolo Land Trust's A Day in the Country: River Garden Farms (September 25)

10. GENERAL DISCUSSION

Shane Tucker asked whether there was an annual report on the District's conveyance losses to provide a scientific analysis or justification for the average canal system loss estimate of 25%. General Manager Sicke reported that there is not a formal report that further breaks down the water-budget-closure estimated as 25% average losses. There is uncertainty in how much of these losses are attributable to evaporation, groundwater-dependent ecosystems, water theft, or other potential losses.

CONSIDERATION: Payment of Bills

M/S/C approved the following claims for payment – Yolo County Flood Control & Water Conservation District Checks # 61428-61437.

Ayes: Directors Barth, Kimball, Mayer, Tucker, and Vink

Noes: None

Absent: None

Abstain: None

11. CLOSED SESSION

Closed Session conference with legal counsel for existing administrative proceeding and anticipated litigation/significant exposure to litigation pursuant to Government Code 54956.9, subsections (d)(1) and (d)(2) – State Water Resources Control Board Bay-Delta Plan update proceeding.

Closed Session Report: Chair Vink reported that the Directors, General Manager Sicke, and Legal Counsel Bezerra participated in the closed session item and that there was nothing to report.

12. ADJOURNMENT

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

Erik Vink, Chair

ATTEST:

Kristin Sicke, Secretary

YOLO COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT
AGENDA REPORT

MEETING DATE: September 6, 2022

ITEM #: 4

SUBJECT: Consideration: Receive Update from Outreach Committee and Authorize General Manager to Enter into Services Agreement with Larsen, Wurzel & Associates

INITIATED OR BOARD
REQUESTED BY: STAFF
 OTHER _____

COORDINATED OR
PREPARED BY: Kristin Sicke
APPROVED BY: Kristin Sicke

ATTACHMENT YES NO
 DIRECTION

INFORMATION
 ACTION: MOTION
 RESOLUTION

BACKGROUND:

On February 1, 2022, the Board of Directors authorized the District to enter into a services agreement with Larsen, Wurzel & Associates (LWA) to investigate an alternative funding mechanism for augmenting the District’s current funding structure (Phase 1). At the August 2, 2022 Board meeting, LWA staff provided an update on the draft technical memorandum outlining the District’s options for proceeding with implementing an alternative funding mechanism.

The Outreach Committee met on August 15, 2022 to discuss the District’s next steps in working with LWA to implement an alternative funding mechanism (Phase 2). The Outreach Committee and General Manager Sicke will provide an update on that meeting.

Attached is LWA’s proposal for continuing to provide professional services as part of the Phase 2 efforts, which includes a comprehensive outreach package to ensure effective communication with District customers and stakeholders.

RECOMMENDATION:

Staff recommend authorizing General Manager Sicke to enter into a Services Agreement with Larsen, Wurzel & Associates up to \$162,000 on behalf of the District.

August 30, 2022

Yolo County Flood Control and Water Conservation District
Kristin Sicke, P.E., General Manager
34274 State Highway 16
Woodland, CA 95695-9371
via e-mail: ksicke@ycfcwcd.org

Subject: Scope of Work for Public Finance Services - New Funding Source Phase 2, Implementation (LWA #2115000)

Dear Ms. Sicke:

Larsen Wurzel & Associates, Inc. (LWA) is pleased to submit the attached scope of work and budget to the Yolo County Flood Control and Water Conservation District (District) for the second phase to implement new funding sources (Phase 2). The District and LWA executed a services agreement on February 24, 2022, for Phase 1 of the New Revenue Identification, Evaluation and Analysis scope of work. During that phase, LWA prepared a technical memorandum summarizing the District's financial history, anticipated funding needs, estimated financial gap over the next five years, an evaluation of possible funding options, and the recommended next steps to implement the District's preferred approach.

Phase 2 work includes the implementation and outreach support to develop an updated water rate and a special benefit assessment, in compliance with the authority of the District and the requirements and procedures of Proposition 218. **Exhibit 1** contains the proposed scope, budget, and schedule for this phase of work.

Mr. Adam Riley will provide these services with support from and oversight by Mr. Scott Brown. Others in the firm will assist with the analysis, report development, balloting, and reviews. Additionally, the District has requested outreach support services, which will help guide and augment the work of the District's Outreach Committee. LWA has proposed teaming with Kim Floyd Communications, Inc. (KFC), an experienced public outreach and communications firm with extensive experience advising local municipalities on public engagement, effective communication, and strategic messaging in the context of Proposition 218 proceedings. Should you have any question about the make-up of our team and the scope of our services, please do not hesitate to reach out.

As was the case with Phase 1, work will be performed on a time and materials basis at the applicable hourly rates contained in LWA's 2022 Hourly Rate Schedule (**Exhibit 1**). Also contained therein is KFC's hourly rate sheet. In addition to the fees for services, we will also expect to be reimbursed for direct expenses or disbursements made on your behalf.

There is inherent uncertainty associated with the type of analysis described in the attached scope of work. Because of the lack of certainty about the extent and duration of the tasks required to complete the assignment, LWA has proposed a "good faith," not-to-exceed estimate of cost, reflecting a "cap" on the District's responsibility for our fees and out-of-pocket expenses. The work required may cost less or more than the budgeted amount. LWA will work efficiently to manage costs for this effort. However, the timetable for completion of our work and the extent of the analysis requested by the District will be a significant driver of the total cost. LWA would communicate frequently with the District and provide as much advanced notice as possible if it is determined that the scope of

work directed by the District will exceed the initial “good faith” contract estimate. Given the goal and timeline for implementing new rates prior to April 1, 2022, LWA, KFC, and the District will be in close and frequent communication to achieve the interim milestones. Relatedly, it’s important to note that throughout this process, especially while undergoing grower outreach, the approach, strategy, or effort may change or otherwise shift, in line with the District’s needs and direction.

As described in **Exhibit 1**, the estimated budget to provide the scope of work is **\$162,000**. The District would be charged for work performed, on a time and materials basis, up to the authorized budget. LWA sends invoices on a monthly basis for the services provided the preceding month and payment is requested within 30 days.

We do not expect that the evaluation described in **Exhibit 1** will involve the issuance of debt by the District. As such, we do not characterize our service as Municipal Advisory services as that term has been defined by the Securities and Exchange Commission (“SEC”) or the Municipal Securities Rulemaking Board (“MSRB”). However, in an abundance of care, we have previously provided you with certain regulatory disclosures that are required by these two entities under current effective rules. Our firm’s required MSRB Rule G-42 Municipal Advisor disclosures may help you better understand how our firm’s Municipal Advisor registration affects our professional relationship with you. These disclosures were provided with the Phase 1 proposal and remain in effect. If you require another copy of those disclosures, we are happy to provide them.

LWA appreciates the opportunity to continue to support the District through this next phase. If the District desires to have LWA move forward with the proposed Phase 2 scope of work, we understand that the District will prepare an amendment to the current professional services contract for approval by LWA and the District. Alternatively, if desired, LWA can prepare a draft of an amendment for the District’s review and approval. Please do not hesitate to contact me at (916) 827-1707 if you have questions or require changes to this request.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott L. Brown", followed by a long horizontal line extending to the right.

Scott L. Brown, P.E.

Principal

Larsen Wurzel & Associates, Inc.

SLB/aar
Enclosures

Exhibit 1

SCOPE OF WORK

New Revenue Identification, Implementation

This draft Scope of Work (SOW) describes the approach, tasks and work products needed to support the Yolo County Flood Control and Water Conservation District's (YCFCWCD, or District) implementation of revenue sources through an updated water fee and a new special benefit assessment to augment its current revenue structure. Based on the first phase of work, the District desires to fill its current revenue gap with an updated (increased) water fee or, if successful, a combination of a special benefit assessment and water fee. Fees or charges for use of groundwater are being contemplated by the District, but this scope does not cover fees or charges related to groundwater. The following scope of work identifies a step-wise process, approach, and timeline for the implementation of changes to the District's revenue sources.

1. PHASE 1 – Revenue Identification, Evaluation and Feasibility Analysis

LWA completed the first phase of the revenue identification, evaluation and feasibility analysis on August 25, 2022, with the completion of a technical memorandum. That process included three draft memorandums, collaboration meetings with staff and a presentation of project status to the District's Board of Directors on August 2, 2022. The technical memorandum summarizes the District's financial history, anticipated funding needs, estimated financial gap over the next five years, an evaluation of possible funding options, and the recommended next steps to implement the District's preferred approach.

2. PHASE 2 – Implementation

As a result of the analysis from the technical memorandum developed under Phase 1 and in consultation with District staff and its Board of Directors, a three-pronged revenue structure was recommended, consisting of:

- A fixed annual charge on an irrigable acre basis;
- A variable water use rate fee based on the current rate structure; and
- A groundwater charge

Due to its complexity, development of the rate structure for the groundwater charge has been deferred to Phase 3. Therefore, Phase 2 will focus solely on the fixed and variable charges for agricultural water service.

The District's desired goal is to obtain landowner approval in a timely manner to publish water rates for the next water year in April 2023. In order to meet this objective, LWA's proposed implementation approach includes two options for landowners to consider:

- Option 1: Increase the current water rate to cover the cost of services established in Phase 1 utilizing the current variable rate structure. Assuming a majority protest is not present, this option sets the rates to be considered against the second option.
- Option 2: Develop a fixed charge per irrigable acre to more equitably spread the cost of service. In combination with the fixed charge, a reduced water rate (based on the same variable rate structure) would be established to cover the remaining cost of services. This option requires a ballot proceeding to obtain approval from a majority of returned ballots weighted by the fixed charge.

The following scope of work has been prepared to simultaneously develop both rate structure options. The ability to implement the landowner approval process for both options prior to April 2023 is highly dependent on engagement and buy-in from landowners.

Task 2.1 – Agricultural Water Rate Update

LWA will prepare an updated agricultural water rate, based on the underlying data and analysis prepared in the technical memorandum from Phase 1. The report will comply with best practices for a cost-of-service analysis and in compliance with California Constitution Article XIIIID, Section 6. LWA will prepare a draft report for review by the District. Once comments have been addressed, LWA will prepare a final report to support the Proposition 218 water rate noticing process.

LWA will gather all affected, readily available parcel and property information for fee noticing purposes; LWA will distribute written notices to affected parcel owners, support the public meeting with materials and PowerPoint presentations; LWA will tabulate all protests against the proposed fee and report back to the District.

Primary activities under this task include:

- Completion of a cost-of-service analysis and water rate study based on the analysis completed in Phase 1.
- Collect property data and identify affected parcels
- Preparation of notices, protest mailers, tabulation, and reporting of results.

This task assumes support for and attendance at two Board meeting and support to the outreach efforts. This task assumes for direct cost purposes, that only protest mailers will be sent to up to 1,000 property owners. It is further assumed that the District will provide geographical information related to its water system in relation to parcel data.

Deliverables:

- Draft Water Rate Study Report
- Final Water Rate Study Report
- Tabulation Report

Task 2.2 – Fixed Charge with Reduced Agricultural Water Rate

Given that the approach to implement a fixed charge in conjunction with a change to the water rate is closely tied to the work and efforts undertaken under Task 2.1, it is recognized that there are synergies between efforts, such as financial analysis, parcel data evaluation, and stakeholder outreach. However, for the fixed charge allocation methodology, additional analysis is required, to include evaluation of all parcels within the district and georeferenced water infrastructure information. LWA will gather all readily available parcel and property information to establish the justification for a fixed charge to cover certain cost of service, along with a methodology and apportionment analysis that derives the expected fixed charge per irrigable acre based upon the budget for the services provided by the fixed charge. It is anticipated that the fixed charge may be classified as “special benefit assessment” instead of a property service fee. As part of this effort LWA will work with the District to define the factors that derive and would become the basis for the assessment of special benefit; these may include information such as land use type, geographic location to District services, and surface water delivery facilities and field turnouts.

The work to develop the fixed charge must be closely coordinated with the District’s legal counsel in order for the justification and basis for the fixed charge to be as defensible as possible against a legal challenge.

Assuming the fixed charge will be considered a “special benefit assessment,” LWA will facilitate a Proposition 218 special benefit ballot proceeding in compliance with California Constitution Article XIIIID, Section 4. LWA will distribute written notices to affected parcel owners, support the public meeting with materials and PowerPoint presentations; LWA will tabulate all ballots and report the results to the District. If the fixed charge can be considered a property related fee or charge for water service, LWA will facilitate a protest proceeding in compliance with California Constitution Article XIIIID, Section 6.

Primary activities under this task include:

- Collection of property related information and cost data
- Preparation of special benefit factors and cost allocation methodology
- Preparation of a preliminary Engineer's Report
- Preparation and distribution of materials for a Proposition 218 protest ballot proceeding, including meeting materials for the District's Board of Directors, and ballot tabulation.

This task assumes support for and attendance at three Board meetings and support to the outreach efforts. This task assumes for direct cost purposes, that ballots will be mailed to up to 1,000 property owners.

Deliverables:

- Preliminary Engineer's Report
- Final Engineer's Report
- Example ballot materials for approval prior to distribution
- Ballot tabulation report

2.1. Task 3 – Outreach

A strategic landowner/grower outreach program is essential for the dissemination of factual data and informative discussion. As a result, it is recommended that development of the agricultural water rate and fixed charge leverage the services of an experience outreach practitioner. Since the District has spearheaded outreach efforts through the Board of Directors' Outreach Committee, the communications consultant will work closely with this committee and District staff on an effective strategy and tactical implementation.

Kim Floyd Communications will develop and implement a comprehensive public outreach program to inform and engage property owners and growers as the project progresses to implementation. This includes a subset of activities specific to a Proposition 218 balloting process for a benefit assessment district and tailored messaging based on the unique situation regarding changes to the agricultural water rate and fixed charges. The tentative implementation plan is to propose an updated agricultural water rate followed by a fixed charge for water service (which may be considered an assessment as a standby charge or a property related charge for water service), following the applicable requirements of California Constitution Article XIII D. It should be recognized that this general approach could change as a result of grower engagement and after further detailed discussions on the approach and implementation strategy.

The public outreach program will be flexible and responsive to changing needs, helping the District daylight and address concerns before they become obstacles. Ultimately, tactics included in the program will be designed to:

- Provide clear, transparent, accurate and consistent information about the purpose and need for the proposed fee increase and assessment.
- Create and maintain avenues for two-way communication with property owners, growers, and other stakeholders.
- Establish and maintain tools that allow for the identification, tracking and resolution of stakeholder input, questions and concerns.
- Use a variety of outreach and engagement methods and tools to encourage understanding and action by diverse stakeholders in the District's service area.
- Develop interactive, engaging forums to provide important project information and solicit stakeholder input.
- Correct misinformation rapidly and factually.
- Provide evaluation and reporting mechanisms for the effectiveness of public outreach tools and tactics.

The public outreach program tactics will include the following:

Strategic Communications & Program Management

The consultant will develop and maintain a public outreach work plan and timeline, in close collaboration with the District's Outreach committee, to guide the Agency's engagement with agricultural property owners. This task includes participation in project, team and District Board meetings, as well as providing strategic counsel, to facilitate clear communication of District decisions and actions to property owners and growers. This assumes support and attendance at three board meetings and up to four meetings with the outreach committee (in addition to stakeholder outreach meetings described below).

Outreach Materials

The consultant will work with the project team on the development of outreach materials that maximize stakeholder exposure to the project purpose, need and timeline. A key messages document will be developed and used to guide content development. Outreach materials may include fact sheets, frequently asked questions, and fliers. For purposes of the Prop 218 process, it is assumed outreach materials will include one mailed newsletter or postcard, along with updates to a project fact sheet and FAQ. However, allowance is given for the development of additional handouts/fliers/mailers. The consultant will also develop a Ballot Information Guide, the assessment ballot, and the ballot packaging. In total across all tasks and for budgeting purposes, the scope assumes three mailers – one for the protest vote (as explained in Task 2.1), one for outreach and one for the assessment ballot (as explained in Task 2.2).

Stakeholder Outreach

Outreach activities will be designed to align with communication needs of the agricultural water users. Activities will include, but not be limited to the following:

- The most effective form of communication is face-to-face discussion. As such, it will be important to identify opportunities for small-group or one-on-one meetings with property owners (as identified by the Outreach Committee and project team) to provide project information, address key concerns and create meaningful opportunities for two-way communications. The consultant will work with the Outreach Committee on logistics and scheduling of these meetings. It is assumed there would be up to 10 small-group or one-on-one meetings.
- It is assumed the District will hold up to two community meetings to allow property owners the opportunity to learn about project objectives and ask questions specific to their properties.
- A project hotline and email will be established to ensure property owners have easy access to information about the proposed fee and assessment. These tools also allow for tracking of property-specific concerns, needed adjustments in factors used to calculate assessments, and requests for replacement ballots. The hotlines will feature a recorded message directing callers to visit the project website, and/or leave a message if they want to speak to the public outreach consultant. All calls will be returned within a 24-hour period. A tracking log will be established and maintained to document all inquiries and outcomes, to include follow up as needed from project team members. The hotline number and email will be included in all outreach materials and on the website.

Media Relations

The consultant will assist the client in developing media releases and/or advisories timed with important Prop 218 milestones, in close collaboration with the Outreach Committee. Media coverage will be monitored for accuracy and corrections provided, as needed.

Website

The consultant will provide materials for the District's website, to include proposed updates to pages and content, and document posting as per directed by the District. It is assumed the District will upload and/or modify content as identified through this process.

Deliverables:

- Research-based key messages for integration into all outreach materials
- Mailed newsletter (1)
- Hotline/Email Management
- Fact sheet(s)
- FAQs
- Protest mailer (1)
- Ballot information guide (1)
- Ballot (1)
- Ballot envelope (1)
- Webpage content
- Up to 10 small group or one-on-one stakeholder meetings
- Produce handouts, PowerPoints, or other presentation materials, as needed and in collaboration with the team and the Outreach Committee.

Phase 2 Budget Estimate

Task/Description	LWA Staff Hours				KFC Staff Hours		LWA & KFC Staff Cost Subtotal	Direct Costs [1]	Rounded Task Total
	Principal Brown	Supervising PM Riley	Sr Analyst	Admin	PM Floyd	Project Asst			
Phase 2 Impementation									
Task 2.1: Water Rate Update									
Cost of Service Analysis	2	16	24	0		0	\$8,418		
Water Rate Study Report	4	24	40	0	2	0	\$13,840		
Protest Vote Proceedings and Requirements	2	16	16	0	6	0	\$7,982	\$1,300	
Subtotal Task 2.1	8	56	80	0	8	0	\$30,240	\$1,300	\$31,600
Task 2.2: Water Rate and Fixed Fee									
Boundary, Mapping and Benefit Methodology and Analysis	4	8	40	0		0	\$9,620		
Water Rate and Fixed Fee Report	12	24	40	0	2	0	\$15,800		
Proposition 218 Election, Proceedings and Requirements	4	24	24	8	6	0	\$12,576	\$3,100	
Subtotal Task 2.2	20	56	104	8	8	0	\$37,996	\$3,100	\$41,100
Task 2.3: Outreach									
Strategic Comms/Program Management	8	24	0	0	60	30	\$19,540	\$2,500	
Outreach Materials	0	8	24	0	100	40	\$24,568	\$9,800	
Stakeholder Outreach	12	24	0	0	90	50	\$26,820	\$1,300	
Media Relations	0	0	0	0	10	4	\$1,860		
Website	0	0	8	0	4	10	\$2,836		
Subtotal Task 2.3	20	56	32	0	264	134	\$75,624	\$13,600	\$89,300
Billing Rates (2022)	\$245	\$245	\$167	\$101	\$150	\$90			
Phase 2 Totals	48	168	216	8	280	134	\$143,860	\$18,000	\$162,000

Notes:

[1] Direct Costs include subconsultant markup (5%), travel mileage (at IRS reimbursement rate from Sacramento to destination), reproduction / printing expenses, and other miscellaneous direct costs.

Schedule Estimate

The District's objective is to have the updated water rates and/or fixed fees in place prior to publishing of new rates on April 1, 2023. Based on outreach efforts, task and review timelines, statutory noticing periods, and hearing requirements, this objective is aggressive and contingent upon several factors. The following critical details are essential to achieving this objective. In some cases, the details are only knowable once the work begins, and therefore may necessitate an adjustment to the approach and implementation timeline.

- Interaction and alignment with the Outreach Committee, its recent efforts and the outreach plan for the month of September.
- Interaction, makeup and engagement during any stakeholder focus groups or other relevant feedback sessions
- Data needs related to the District boundary, potential and existing customer base, including parcel data
- Data needs and interaction with District staff and the Finance Committee related to defining fixed versus variable water costs
- Feedback and input from the District, finance committee, and outreach committee related to the proposed methodology for the fixed charge

For the purposes of budgeting and planning, it is assumed that the work will be completed by April 1, 2023 and thus the following scheduled milestones are provided as estimates.

Overall Target Completion: April 1, 2023

Task 2.1 – Agricultural Water Rate Update

- Parcel data for those affected by the water rate update – September 9, 2022
- Draft Water Rate Study Report – September 23, 2022
- Final Water Rate Study Report – September 30, 2022
- First Board of Director's meeting – October 4, 2022
- Public Notice and Protest Period – October 21 to December 5, 2022
- **Public Hearing– Board of Director's meeting – December 6, 2022**

Task 2 – Agricultural Fixed Fee with Reduced Water Rate

- Draft Preliminary Engineer's Report – November 12, 2022
- Board Meeting for Methodology and Proposition 218 Process/Procedures – December 6, 2022
- Preliminary Engineer's Report / Resolution of Intention at Board Meeting – January 3, 2023
- Protest Ballot Proceeding – January 20 to March 7, 2023
- **Final Engineer's Report / Public Hearing to Adopt Assessment – March 7, 2023**

Task 3 – Outreach

- First Meeting with Outreach Committee – mid-September
- Begin Stakeholder Focus Group, Small Group, and/or one-on-one Meetings – mid-September
- Achieve understanding of stakeholder sentiment by end of November 2022 to refine messaging and make adjustments to fixed charge and reduced water rates

Larsen Wurzel & Associates, Inc.
Hourly Rate Schedule

Staff Billing Rates	2022*
Principal	\$245
Senior Consultant	\$256-\$301
Supervising Project Manager	\$245
Senior Project Manager	\$233
Associate Project Manager	\$223
Project Manager	\$212
Supervising Associate	\$232
Senior Associate II	\$221
Senior Associate I	\$211
Associate III	\$200
Associate II	\$189
Associate I	\$178
Senior Analyst	\$167
Analyst II	\$150
Analyst I	\$134
Supervising Engineer	\$240
Senior Engineer II	\$232
Senior Engineer I	\$225
Project Engineer	\$217
Associate Engineer	\$195
Assistant Engineer II	\$184
Assistant Engineer I	\$172
CAD Tech/GIS Specialist	\$150
Junior Engineer	\$140
Senior Project Coordinator	\$150
Project Coordinator	\$134
Project Assistant	\$128
Technical Editor	\$111
Clerical Staff	\$101
Intern	\$78

***Rates increase on January 1st of each year.**

Automobile mileage is billed at the IRS federal reimbursement rate.
Professional services provided by others billed through LWA are billed at cost plus a service charge of 5%.

Kim Floyd Communications
Hourly Rate Sheet

Kim Floyd:	\$150
Project Assistant:	\$90

YOLO COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT

AGENDA REPORT

MEETING DATE: September 6, 2022

ITEM #: 5

SUBJECT: Consideration: Authorize General Manager to Enter into Memorandum of Understanding with Eaton Drilling

INITIATED OR BOARD
REQUESTED BY: STAFF
 OTHER _____

COORDINATED OR
PREPARED BY: Kristin Sicke
APPROVED BY: Kristin Sicke

ATTACHMENT YES NO
 DIRECTION

INFORMATION
 ACTION: MOTION
 RESOLUTION

BACKGROUND:

As discussed at the July 5, 2022 Board meeting, Eaton Drilling (Eaton) is interested in partnering with the District to expand the District’s winter recharge activities to agricultural properties within the Yolo Subbasin, which would enhance or increase water recharged into the groundwater aquifer. Specifically, Eaton is proposing to partner with the District in preparing grant application materials and obtaining grant funding for completion of a groundwater recharge pilot project.

As requested at the July 5, 2022 Board meeting, the roles and responsibilities of a potential public-private-partnership have been incorporated into the attached draft memorandum of understanding. For additional information, a summary of this collaborative approach is also provided as an attachment.

RECOMMENDATION:

Staff recommend authorizing General Manager Sicke to enter into Memorandum of Understanding with Eaton on behalf of the District.

MEMORANDUM OF UNDERSTANDING

September 2, 2022

By and Between

Yolo County Flood Control and Water Conservation District, an independent special district (District) and, Eaton Drilling Company, a California Limited Liability Company (Eaton) jointly referred to as the “parties”.

Introduction

Groundwater recharge is a significant strategy to improve and maintain the sustainability of groundwater in central Yolo County. This strategy is increasingly used in major agricultural areas of California and the West.

California agricultural lands, including wine grape vineyards, can act as groundwater recharge sites while continuing to produce valuable crops. Groundwater recharge projects are in various states of implementation throughout California, including Sonoma, San Joaquin, and Fresno counties. As examples:

- A new effort is underway in the iconic Alexander Valley to divert peak flows from the Russian River onto agricultural land.
- In the McMullin Area, the Kings River Conservation District and Terranova are diverting high flows onto farmland for groundwater recharge.
- In Northern California, UC Davis representatives and alfalfa growers are working together and moving flood flows onto fields to recharge the underlying groundwater using existing irrigation infrastructure to move water from surface water to farmland.

This project builds on the District’s existing winter recharge efforts in utilizing a temporary water right for diverting excess Cache Creek storm flows into the District’s canal system at the Capay Dam. The canal system acts as a temporary retention basin for excess surface water to percolate into the aquifer. Groundwater monitoring has demonstrated a positive change in groundwater levels during recharge events. The proposed project will increase recharge area available by adding 10,000 acres of farmland.

State Policy and Financial Support

On March 28, 2022, California’s Governor Newsom issued Executive Order N-7-22 (Order). The Order in conjunction with District’s long-standing policies and practices provides the policy and fiscal rationale for pursuing this project.

The Order specifically provides for support of groundwater recharge projects through making new state funding sources available, waiving CEQA for qualified projects and mandating that the State Water Board and Regional Water Quality Control Boards prioritize water right permits, water quality certifications, waste discharge requirements, and conditional waivers of waste discharge requirements to accelerate approvals of such projects.

This project is designed to be a true public private partnership utilizing the appropriate skills, resources, and authority of each party for the benefit of the project goal of increasing groundwater sustainability in the district and the district’s constituents.

Project Description

In recent years, the District has applied for and received a temporary winter water right from the State Water Board for diverting excess storm flows at the Capay Dam and conveying and holding the water throughout the unlined canal system for groundwater recharge. This project has been considered a successful pilot project; however, now the District needs to complete a process for requesting a long-term winter water right for diverting excess storm flows at the Capay Diversion Dam. This long-term winter water right process requires completion of a Water Availability Analysis and CEQA, which is preliminary planning to ensure downstream water rights and environmental benefits are not impacted from the District’s winter diversions. The second component of this project would entail the on-farm recharge aspect that has been included annually in the District’s winter water permit request, but has not successfully been implemented. As part of the temporary permits, the District wants to spread excess storm flows onto farm fields (with agreement from willing landowners) to enhance the groundwater recharge opportunities. Spreading water onto farmers fields will require coordination to ensure a farmers' property is ready for receiving the water (berming the fields, installing the necessary flow measurement device and delivery infrastructure, coordinating any access issues) along with actively monitoring surface flow diversions at the farm-field level and monitoring nearby groundwater wells for signs of recovery or real-time recharge.

Roles and Responsibilities of the Parties

In service of the project, the parties will undertake the following:

The District will:

1. Inform the project team of its goals and objectives for the project regarding groundwater sustainability, water rights, permitting and related infrastructure.
2. Provide timely reviews and comment on draft materials and provide timely coordination with the Yolo Subbasin Groundwater Agency.
3. Assist in identifying project funding sources and participate as needed in meetings and presentations.
4. Provide resources as required by the funding source for “matching funds” for successful grants or other funds awarded to the project.
5. Provide access to maps, databases and other information that may be helpful to the development of the project.
6. Serve as the fiscal agent (or coordinate with the YSGA) for the project when funded to be compensated from project funds for expenses incurred in this role.

7. Assist in identifying and speaking with property owners in the Yolo Subbasin regarding participation in the project.
8. Assist in gathering letters of support for the project and funding applications.
9. Use best efforts to ensure success of the funding applications and project.
10. As appropriate, provide resumes of staff for statement of qualifications for funding applications.

Eaton Drilling will:

1. Provide project development materials (work plan, budget, schedule, and benefits), grant writing, and to the extent needed, conceptual design services for grant applications and other funding opportunities as appropriate.
2. Use its expertise and knowledge of the property owners' interests and needs to inform the project design.
3. Provide expertise in design of groundwater recharge projects, engineering, drilling, and construction. These experts will be referred to as the project team and included in the qualifications for funding applications. They will also prepare necessary project development materials and funding applications.
4. Provide expertise and information regarding the groundwater conditions in the Yolo Subbasin derived from aggregate information from Eaton's installed base.
5. Assist in identifying and speaking with property owners in the Yolo Subbasin regarding their participation in the project.
6. Provide timely reviews of materials submitted by the GSA for comment.
7. Assist in gathering letters of support for the project and funding applications.
8. As allowed by applicable law, provide necessary engineering, construction, and drilling services to implement the project in accord with funding awarded.
9. Participate in meetings and presentations with potential project supporters, sponsors, and funding agencies.
10. Use best efforts to ensure the success of the funding applications and project.

The Parties agree as follows:

It is the intent of each party to use its best efforts and diligently pursue fulfilling its role and the responsibilities as described herein.

This MOU does not create a binding agreement between the parties, except the commitment to the exercise of diligence and use of best efforts and either party may choose not to pursue the project

at any time until the submission of funding applications as approved by the parties prior to submission.

The term of this MOU shall be eighteen months (18 months) or the duration of any project funded through the efforts of the parties under this MOU.

District

Kristin Sicke, General Manager

Date

Eaton

Chris Ott, COO

Date

DRAFT

Yolo County Flood Control & Water Conservation District's Flood-MAR Initiative (Yolo Subbasin Groundwater Recharge Project)

California agricultural lands, including wine grape vineyards, can act as groundwater recharge sites while producing valuable crops. Projects that intentionally flood agricultural lands during winter are in various stages of implementation throughout California, including Sonoma, San Joaquin, and Fresno counties. As examples:

- In the iconic Alexander Valley, [a new effort is underway](#) to divert peak flows from the Russian River onto agricultural property. Ultimately, the project will mound shallow groundwater, encouraging baseflow connectivity with the Russian River in the late summer when salmon and downstream communities need it most.
- In the McMullin Area, the [Kings River Conservation District and Terranova](#) are diverting high flows onto farmland for groundwater recharge. This project essentially stores flood water in the local aquifer that otherwise would be 'lost' or cause downstream damage.
- In northern California, [UC Davis and UC Davis Cooperative Extension](#) are working with growers to evaluate groundwater banking potential via flooding of agricultural fields. Existing irrigation infrastructure is used to move water from surface water conveyance systems to farmland.

YOLO COUNTY FLOOD-MANAGED AQUIFER RECHARGE (FLOOD-MAR) INITIATIVE, A COLLABORATIVE APPROACH

Yolo County Flood Control & Water Conservation District (YCFC&WCD), in collaboration with Eaton Drilling, Dr. Phillip Bachand, the Yolo Subbasin Groundwater Agency (YSGA), Yolo County, local landowners, and environmental community representatives are working to improve the reliability of water in the Yolo Subbasin through on-farm managed aquifer recharge (Flood-MAR).

Similar to other Flood-MAR initiatives and in coordination with YCFC&WCD, Yolo County landowners – Sutter Home (Trinchero Family Estates), Boundary Bend Olives (Cobram Estate), and other farmers – will divert excess surface water from canals onto their properties in the winter months. Existing water delivery infrastructure will be used to apply water to the land and ultimately, the excess surface water will infiltrate to groundwater.

This new initiative builds on YCFC&WCD's existing winter recharge efforts in utilizing a temporary water right for diverting excess Cache Creek storm flows into the YCFC&WCD canal system at the Capay Dam. The canal system acts as a temporary retention basin for excess surface water to percolate into the aquifer. Groundwater monitoring has demonstrated a positive change in groundwater levels during recharge events. The proposed Yolo Subbasin Flood-MAR initiative will increase recharge area available by adding 10,000 acres of farmland (see figure below).

1).



GOAL

To use excess surface water for groundwater recharge on agricultural lands in Yolo County.

OBJECTIVES & BENEFITS

Objective	Description of Issue	Benefits of Yolo Subbasin Flood-MAR
Address sustainability indicators, or SGMA's undesirable results as defined by the water code.	Mitigate and prevent undesirable results including: (1) groundwater level declines, (2) groundwater storage reductions, (3) water quality degradation, and (4) interconnected surface water depletions.	<ul style="list-style-type: none"> The Flood-MAR initiative will recharge the underlying aquifer with flood waters, raise the water table, and ensure adequate supply for new and existing groundwater users. Raising the water table will promote interconnectivity of instream baseflows to surface water bodies.
Respond to Governor's Executive Order N-7-22 & resulting regulations	New well permits are prohibited without demonstrating that new wells are: (1) consistent with sustainable groundwater management programs (2) not likely to interfere with existing wells or result in subsidence	Properties participating in the Flood-MAR initiative will recharge groundwater at a volume equal to, or greater than, their withdrawals.
Support the YSGA / Yolo Subbasin GSP	Managed Aquifer Recharge is a key project for the Yolo Subbasin.	<ul style="list-style-type: none"> The Flood-MAR initiative implements an important project identified in the GSP.
Support FloodSAFE Yolo 2.0	Yolo County is undertaking projects to reduce flood risk in Western Yolo County.	<ul style="list-style-type: none"> The Flood-MAR initiative takes water off the channel during high-flow events, reducing flood risks. Flood-MAR lowers reservoir storage levels, reducing flood risks below the reservoir.
Promote Net Zero Water	Water use is offset with an alternative, and water returned to the original water source.	<ul style="list-style-type: none"> Properties participating in the Flood-MAR initiative will match or exceed their withdrawals with recharge.
Support the Yolo County IRWMP	Undertaking aquatic and riparian enhancement actions to improve conditions for native and endangered fish species.	<ul style="list-style-type: none"> The Flood-MAR initiative will raise groundwater levels, thereby boosting instream baseflows to surface water and reducing water temperature.
Promote climate change resiliency	Climate change will cause fewer, but more intense, storms as well as result in longer periods of drought.	<ul style="list-style-type: none"> The Flood-MAR initiative uses water from intense rain events to recharge the underlying aquifer, thereby mitigating against drought conditions.
Improve water reliability	Ensure adequate water supplies to support agricultural and urban users, while protecting groundwater-dependent ecosystems.	<ul style="list-style-type: none"> Higher groundwater levels from the Flood-MAR initiative will help reduce groundwater pumping costs and prevent the need to deepen wells.
Augment groundwater quality	Protect and promote high quality water to support beneficial uses and safe drinking water.	<ul style="list-style-type: none"> Increasing the amount of water in storage, will potentially dilute salts and nutrients.
Preserve agricultural lands	Conversion of agriculture land to urban and other uses consumes about 40,000 acres a year of prime farmland.	<ul style="list-style-type: none"> The Flood-MAR initiative keeps farmland in production while ensuring land is available for recharge.
Provide basis for potential water trading/marketing program	Allow landowners, who do not use all their water allocation, to sell the water to others in the Yolo Subbasin.	<ul style="list-style-type: none"> Lands undergoing Flood-MAR may avoid groundwater pumping and have excess water to trade.

YOLO COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT
AGENDA REPORT

MEETING DATE: September 6, 2022

ITEM #: 6

SUBJECT: Presentation: SGMA Implementation: Update on the District's Projects

INITIATED OR BOARD
REQUESTED BY: STAFF
 OTHER _____

COORDINATED OR
PREPARED BY: Kristin Sicke
APPROVED BY: Kristin Sicke

ATTACHMENT YES NO
 DIRECTION

INFORMATION
 ACTION: MOTION
 RESOLUTION

BACKGROUND:

The Yolo Subbasin Groundwater Agency is currently soliciting projects for prioritizing Yolo Subbasin groundwater initiatives and preparing for upcoming grant solicitations. Consistent with the adopted [Yolo Subbasin Groundwater Sustainability Plan](#), District staff has submitted additional information related to District projects to prepare for anticipated grant funding opportunities.

District staff will provide a presentation on the project concepts.

RECOMMENDATION:

This agenda item is for informational purposes only. No Board action is required.