

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

**Board Meeting
34274 State Highway 16
Woodland, CA 95695
Tuesday, April 4, 2023
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, ext. 100 or ccobey@yfcwcd.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 March 7 Regular and March 14, 2023 Special 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. Presentation: Rate Setting Framework and Guiding Principles
- 7:55 5. Director's Report: Report on meetings and conferences attended during the prior month on behalf of the District
- 8:00 6. Attorney's Report: Report on legal matters of concern to the District

- 8:10 7. 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
- 8:25 8. General Discussion: Opportunity for clarification or additional information request
- 8:30 9. Consideration: Consider the approval and the payment of bills
- 8:35 10. 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 11. 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 March 31, 2023.

By: _____
Christina Cobey, Administrative Assistant

YOLO COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT

AGENDA REPORT

MEETING DATE: April 4, 2023

ITEM #: 1

SUBJECT: Consideration: Adoption of the March 7 Regular and March 14, 2023 Special Board Meeting Minutes

INITIATED OR [] BOARD
REQUESTED BY: [X] STAFF
[] OTHER _____

COORDINATED OR
APPROVED BY: Kristin Sicke

ATTACHMENT [X] YES [] NO
[] DIRECTION

[] INFORMATION
[X] ACTION: [X] 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.



Y O L O C O U N T Y

FLOOD CONTROL &
WATER CONSERVATION
DISTRICT

BOARD MEETING MINUTES
Tuesday, March 7, 2023, 6:00 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 6:00 p.m. on Tuesday, March 7, 2023 at its regular place of business, 34274 State Highway 16, Woodland, California. Chair Barth convened the meeting. The following people were in attendance:

District Board

Tom Barth
Mary Kimball
Jim Mayer
Shane Tucker
Erik Vink

District Staff

Kristin Sicke, General Manager
Andrew Ramos, Legal Counsel
Sal Espinoza, Operations and Maintenance Supervisor
Jennifer Reed, Project Manager
John Stotts, O&M Worker
Garret Wright, O&M Worker
Joe Young, O&M Worker

Members of the Public

Scott Brown	Joe Heidrick
Ron Caceres	Tim Heidrick
Duane Chamberlain	Jim Hiatt
Nick Charles	Geoff Klein
Fritz Durst	Jim & Carol Neilson
John Facque	Neil Muller
Carston Gunter	Emily Reinhart

Lee Smith
Brent Stephens
John Stephens

1. CONSIDERATION: Approval of Minutes

M/S/C approved the minutes of the February 7, 2023 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. PUBLIC HEARING: Preliminary Engineer's Report and Proposed Assessment for Capital Improvements

Chair Barth opened the public hearing session, and made the following announcements:

The public hearing this evening is the conclusion of the assessment ballot proceeding that allows property owners within the YCFC&WCD to decide if an assessment should be approved to provide adequate funding for Capital Improvement at and downstream of the Capay Diversion Dam. The proposed assessment would supplement existing water rate revenues.

In accordance with Proposition 218 law, tonight's public hearing gives property owners the opportunity to provide comments and questions to this Board. After the conclusion of the public hearing, the balloting period will close.

The procedure for the public hearing will be as follows:

1. First, the General Manager and consultant team will provide a brief overview of the proposed assessment and the ballot proceeding.
2. Next, we will open the public hearing so that property owners can speak about the proposed benefit assessment.
3. Generally speaking, the Board and staff will not respond to public comment. However, at its discretion, the Board reserves the right to direct staff to respond to specific questions or comments.

4. After everyone who wishes to speak has had the opportunity to do so, there will be a short recess followed by the final call for ballots to be submitted.
5. After the final call for ballots, the public hearing will be closed. If so decided, ballots will then be counted tonight, here, in the Board Room or in the back dock, depending on space. Official results will be reported at this Board meeting tonight following tabulation.

All ballots must be submitted prior to the close of tonight's public hearing. The ballot box is located at the front of the room. Please drop your ballot in this box if you wish to submit your ballot.

If you've misplaced your ballot or need a new ballot, you can request and receive a replacement ballot tonight. If you have already voted but want to change your vote, you may ask for a new ballot for that purpose. Your previously submitted ballot will not be counted.

General Manager Sicke reviewed the history in initiating the District's Revenue Stabilization Program: the previous General Manager, Tim O'Halloran, had solicited Larsen, Wurzel & Associates assistance in 2015 and the drought had stressed the importance of determining a sustainable fiscal solution for the District. Outreach for the first phase of the District's Revenue Stabilization Program (the property assessment) began in November 2022 with Focus Group meetings, and two larger community workshops were held in January and February 2023. Adam Riley of Larsen, Wurzel & Associates presented on the Preliminary Engineer's Report, which reviewed the proposed property assessment rate for properties that were benefiting from the District's services.

Chair Barth opened the public comment portion of the public hearing. No public comments were received, and Chair Barth announced the closing of the public hearing. Prior to moving on to Item 5 there were general comments from meeting participants as follows:

Duane Chamberlain stated that he would like the District to consider reviewing his properties because he believes that some of them are being assessed at the wrong rate and should likely be revised from connected to potentially connected.

Nick Charles announced that he would like the Board to consider the benefits that are accruing to non-participants; everyone that has a well is not included in this assessment. He also believes that the District's process for assessing properties does not represent the proportionality of reality. There are different lease types associated with agricultural properties and the impacts of this assessment will be more difficult for certain crop types and the arrangement outlined in that associated lease agreement.

John Stephens requested District staff to post the results to the website in the morning in case members of the public cannot stay for the entire meeting.

5. CONSIDERATION: Adoption of Resolution 23.05 Declaring Emergency Conditions from the December 2022 and January 2023 Storm Events

General Manager Sicke reported on District staff's survey of damages incurred in the District's canal system and on the bank of Cache Creek during the December 2022 and January 2023 storm events. Because of the extensive amount of damage and the exigent situation for ensuring repairs occur prior to the irrigation season, staff are requesting the Board of Directors consider declaring emergency conditions.

M/S/C adopted Resolution 23.05 Declaring Emergency Conditions from the December 2022 and January 2023 Storm Events.

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

Noes: None

Absent: None

Abstain: None

6. CONSIDERATION: Adoption of Resolution No. 23.06 Designating of Applicant's Agent for Federal or State Financial Assistance

General Manager Sicke reported that the County of Yolo was included in the State and Federal Emergency proclamations and the District's project could be considered for reimbursement through CalOES and FEMA's emergency reimbursement processes. An updated resolution designating the Applicant's Agency was required for complying with CalOES's administrative process.

M/S/C adopted Resolution 23.06 Designating of Applicant's Agent for Federal or State Financial Assistance.

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

Noes: None

Absent: None

Abstain: None

7. DIRECTOR'S REPORT

Director Mayer reported on his activities related to NCWA and the work that NCWA is doing to keep regulatory responsibilities under local jurisdiction.

Director Barth reported on participating in the YSGA's Ad Hoc Committee Meetings in February: *Drought Contingency Planning* and *Reconsideration of Voting and Dues*.

8. 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 February 28, 2023 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. Meeting with FEMA to Discuss Reimbursement for Storm Damage (March 8)
 2. ACWA State Legislative Committee Meeting (March 9)
 3. OA Briefing March 2023 Storms (March 10)
 4. NCWA Groundwater Management Task Force Meeting (March 13)
 5. DWR Water Resilience Projects Tour at Capay Diversion Dam (March 13)
 6. NCWA Dry Year Task Force Meeting (March 14)
 7. CII Board Meeting (March 14)
 8. YCFC&WCD Special Board of Directors Meeting (March 14)
 9. YCFC&WCD Meeting with Agricultural Water Customers (March 16)
 10. Meeting with USDA to Brainstorm on Recharge Pilot Dry Well Sites (March 17)
 11. YSGA: Board of Directors Meeting (March 20)
 12. Rolling Acres Flooding Ad Hoc Committee Community Meeting (March 23)
 13. NCWA Bay-Delta Task Force Meeting (April 3)
 14. DWR's Spring 2023 GSA Summit (April 19)
 15. ACWA Spring Conference (May 9-11)
 16. Yolo County Water Awareness Forum (May 16)
 17. GRA/ACWA GSA Summit (June 7-8)
- g) Overview of Cost-of-Service Study – An overview of the District's process for hiring Larsen, Wurzel & Associates to complete a Cost-of-Service Study and update the District's agricultural water rate. A review of the setting of the 2015 sliding scale water rate and the concern over lower water sales in higher water storage years.

9. CONSIDERATION: Adoption of Resolution No. 23.07 Adopting the Capital Assessment

Chair Barth announced that the tallying of the ballots for the District's Capital Improvement Assessment was complete and of the 730 ballots mailed, 349 were returned as valid ballots and counted in the tabulation process. Of the 349 ballots, 200 'yes' votes were received with a 66.93% assessment value (based on weighted assessment).

Director Kimball stated her appreciation for the high number of participants in the District's assessment process, the high-voting return rate is something that should be acknowledged, and it means a lot for landowners and water customers to engage in and support this issue.

M/S/C adopted Resolution 23.07 Adopting the Capital Assessment.

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

Noes: None

Absent: None

Abstain: None

10. PRESENTATION: Update from Larsen, Wurzel & Associates on Cost-of-Service Study

Adam Wurzel of Larsen, Wurzel & Associates provided a continuation of General Manager Sicke's presentation on the Cost-of-Service Study, which included the proposed concept of incorporating three components into the District's agricultural water rate: a base rate, a drought reserve, and a short-term capital fund. Adam illustrated two potential structures being considered: a flat rate or modified sliding scale. Adam reviewed preliminary numbers from the draft Cost-of-Service Study based on the two structures, and he announced that the final Study and proposed agricultural water rate would be presented for the Board's consideration at the March 14, 2023 Special Board meeting.

The drought reserve component of the water rate would develop a drought contingency fund for the District to utilize in dry years, and the short-term capital fund component would repay infrastructure funds (loaned monies) used to keep the District operational during the 2020-2022 drought period.

Chair Barth announced that the May 2, 2023 Board of Directors meeting would include the water rate setting process and adoption of the District's Fiscal Year 2023/2024 Budget.

Director Tucker emphasized that the uncertainty in the order in which drought years occur has made the rate setting process complicated, but the intention is to create the layers of charges so that ideally once the drought reserve and short-term capital reserve limits are met, the lower flat rate (base rate) will be the realized water rate.

Director Mayer noted the District would have more predictability around the flat rate and that a formal reserve policy would provide accountability to the water customers.

11. GENERAL DISCUSSION

There was no general discussion.

12. CONSIDERATION: Payment of Bills

M/S/C approved the following claims for payment – Yolo County Flood Control & Water Conservation District Checks # 62068-62078.

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

Noes: None

Absent: None

Abstain: None

13. ADJOURNMENT

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

Tom Barth, Chair

ATTEST:

Kristin Sicke, Secretary



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

SPECIAL BOARD MEETING MINUTES
Tuesday, March 14, 2023, 7:00 PM

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

The special 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, March 14, 2023 at its regular place of business, 34274 State Highway 16, Woodland, California. Chair Barth convened the meeting. The following people were in attendance:

District Board

Tom Barth
Mary Kimball
Jim Mayer
Shane Tucker
Erik Vink

District Staff

Kristin Sicke, General Manager
Andrew Ramos, Legal Counsel
Sal Espinoza, Operations and Maintenance Supervisor

Members of the Public

Ken Breckenridge
Scott Brown
Duane Chamberlain
Sal Espinoza
Blake Harlan
Adam Riley
Rod Scheaffer
Lee Smith

1. OPEN FORUM

There were no comments.

2. CONSIDERATION: Accept and Approve the Preliminary Cost-of-Service Study and Set Public Hearing for Adopting Water Rates

Adam Riley of Larsen, Wurzel & Associates provided a presentation on the District's Preliminary Cost-of-Service Study, which assumed base water sales of 110 AF and proposed an agricultural water rate with a flat rate structure comprised of the following components:

1. Base rate = \$39/AF
2. Drought reserve = \$15.50/AF
3. Short-term capital fund = \$1/80/AF

Director Kimball asked whether the pro-forma and financials used for developing the water rate considered the need for additional staffing. Director Kimball stressed the importance to consider hiring of staff when developing the water rate, and ensuring there is transparency at this time regarding the need for additional capacity.

Adam Riley suggested that the Board's annual budget setting process and reserve policies will help determine the best approach for staffing changes.

Director Barth suggested that it may be pre-mature to build something into the rates that hasn't been approved by the Board into the rate setting process. The flat rate structure allows for flexibility and in the event that sales are more than 110 AF, the District can build up the reserve fund at a faster rate. The Drought Reserve Policy will be tied to this to properly govern the water rate, the costs, and the budget process.

Director Mayer commented that the Cost-of-Service Study isn't about what we need, it's about what we spent. We're addressing the current structural issues related to long-term sustainability and this is an amazing improvement that's requiring farmers to step up and help us in ensuring future, reliable surface water deliveries.

Director Tucker suggested that we start to learn more about why we aren't selling more water; how can we make it easier or the water better to use. The District needs to make serious investments in capital improvements to fix things and enhance automations for ensuring an on-demand system. He also stressed the importance for the District to build capacity and lean in to staffing, while expanding technology to find efficiencies and economies of scale.

Blake Harlan commented on the impact of commodity prices and his concerns over the growing rate of water.

Lee Smith stated that the Water Rate Notice should be very clear about what the Drought Reserve limit will be and how the policy will be implemented.

Director Barth mentioned the Drought Reserve Policy would be an upcoming discussion item at the District’s April 4, 2023 Board meeting.

Rod Scheaffer commented on staff’s institutional knowledge and the importance of retaining quality staff to ensure deliveries are consistent.

M/S/C accepted and approved the Preliminary Cost-of-Service Study and Set a Public Hearing for Adopting Water Rates on May 2, 2023.

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

Noes: None

Absent: None

Abstain: None

3. ADJOURNMENT

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

Tom Barth, Chair

ATTEST:

Kristin Sicke, Secretary

YOLO COUNTY FLOOD CONTROL & WATER CONSERVATION DISTRICT
AGENDA REPORT

MEETING DATE: April 4, 2023

ITEM #: 4

SUBJECT: Presentation: Rate Setting Framework and Guiding Principles

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 District's March 7 Regular and March 14, 2023 Special Board meeting, the District has proposed an updated water rate with a flat rate structure comprised of the following components:

1. Base rate = \$39/AF
2. Drought reserve = \$15.50/AF
3. Short-term capital fund = \$1.80/AF

The Board of Directors will be hosting a public hearing at the May 2, 2023 Regular Board meeting to consider adopting the updated water rate. Prior to the public hearing, the Board of Directors plans to consider the rate setting framework and guiding principles for developing reserve policies.

Staff will provide a presentation on potential scenarios for policy-making decisions.

RECOMMENDATION:

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