

Yolo County Flood Control & Water Conservation District

AGENDA Board Meeting 34274 State Highway 16 Woodland, CA 95695 Tuesday, April 6, 2010 7:00 P.M.

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

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

AGENDA

- 7:00 1. Board Consideration: The Board will consider adoption of the minutes of the March 2, 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 Consideration: Rescheduling the date for Regular May Board meeting .
- 7:12 5. Board Consideration: Restatement of Retirement Program In Compliance with New Regulations.
- 7:15 6. Board Consideration: Capay Dam Apron Rehabilitation Project Update.
a) Engineering and Construction
b) Permitting Issues
c) Loan Application Submittal
- 7:45 7. Staff Report: Water Allocations for the 2010 Irrigation Season.

- 8:05 8. Staff Report: Annexation Project
- 8:20 9. 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.
- 8:25 10. Attorney's Report: The District's attorney will report on the following:
a) Current legal and legislative activities.
- 8:35 11. 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
- 8:50 12. 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.
- 8:55 13. Board Consideration: The Board will consider the approval and the payments of bills.
- 9:00 14. Adjourn

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

I declare that the foregoing agenda was posted at the office of the Yolo County Flood Control and Water Conservation District, 34274 State Highway 16, Woodland, CA on April 2, 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, April 6, 2010, 7:00 PM

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

The regular meeting of the Board of Directors of the Yolo County Flood Control and Water Conservation District was held at 7:00 p.m. on Tuesday, April 6, 2010, at its regular place of business, 34274 State Highway 16, Woodland, California. Chair Brice convened the meeting. In attendance were:

District Board

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

District Staff

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

Members of the Public

Duane Chamberlain
Dave Pratt
Bob Schneider

1. BOARD CONSIDERATION: Approval of Minutes

M/S/C approved the minutes of the March 2, 2010 Regular Board Meeting as submitted.

2. OPEN FORUM

None

3. BOARD CONSIDERATION: Adding Items to the Posted Agenda

There were no changes proposed to the agenda.

4. BOARD CONSIDERATION: Rescheduling the Date for the May Regular Board Meeting.

Assistant General Manager Barton reported that both she and General Manager O'Halloran would be attending the ACWA conference at the time scheduled for the Regular May Board meeting and requested the meeting be rescheduled to the second Tuesday in May.

M/S/C rescheduled the Regular May Board meeting to the second Tuesday in May.

5. BOARD CONSIDERATION: Restatement of Retirement Program in Compliance with New Regulations

Assistant General Manager Barton reported that General Manager O'Halloran's retirement plan required similar updates to those made to the District's standard retirement plan in December 2009. Barton reported the draft resolutions provided in the agenda package had been modified per instructions received from VALIC, and reviewed the changes.

M/S/C approved Resolutions 10.02 and 10.03 as modified to amending and restating General Manager O'Halloran's retirement plan to comply with current regulations.

6. BOARD CONSIDERATION: Capay Dam Apron Rehabilitation Project Update

General Manager O'Halloran stated that this is an update item, with one required action that will be explained by Environmental Program Manager Lorenzato. O'Halloran reported that the Infrastructure Committee had been briefed on these matters. He thanked Engineer Horgan, Environmental Program Manager Lorenzato and Project Manager Reed for their on-going efforts to make the Capay Dam Apron Rehabilitation Project (Project) a reality.

Lorenzato reported the District now has received all of its necessary permits for the Project. The District will have to provide compensatory mitigation for potential impacts to open water, riparian habitat and Valley Elderberry Long-horned Beetle (VELB). He reviewed the potential added costs to

the Project and reported that the District is trying to coordinate the Federal and State mitigation requirements such that they can overlap each other. He stated that although we have all of the needed permits, there is still an outstanding issue regarding the VELB because neither of the mitigation options is currently available in our area. It is anticipated that both a mitigation bank and an in-lieu program will be available before construction and allow the District to comply with its permits.

Lorenzato reported that after reviewing the stipulations on the various permits, it became evident that the District should amend its Mitigated Negative Declaration (MND). A staff report was drafted outlining the reasons that the MND should be amended and recommending that action.

M/S/C adopted Resolution 10.04 amending the final Mitigated Negative Declaration for the Capay Dam Apron Replacement Project.

Reed provided the Board an update on the financial issues related to the Project. A preliminary State Revolving Fund loan review was completed and the District received a favorable response from the State. The actual loan application was submitted last week and will be reviewed by the state

regarding its merits, and environmental and legal issues. Reed reviewed the potential schedule of events if the loan is approved and a loan package sent back to the District for review and action. At that time the Board will need to consider whether to accept the loan package. Reed reported that the interest rate for this program is one-half of the interest rate on the most recent state bond issue. At this time a program loan rate would be 2.835 %.

The District is also looking at alternatives funding sources that could be used instead of or in combination to provide the necessary funding including, but not limited to, commercial loans, grants and the use of District reserves. The state loan works as a line of credit, which may be an option with commercial institutions.

Horgan provided an overview of the Project legal documents and construction activities. Stantec has provided draft bid documents for review, which should be completed soon. The draft Rights-of-Way documents have been created and will be reviewed and discussed with appropriate landowners this week. A construction management agreement has been prepared for Stantec and is in the process being reviewed. It is planned to have these documents ready for Board consideration at the Regular May Board meeting.

Mr. Horgan reviewed the proposed construction schedule from letting the contract for bid to completion of construction. He also reviewed potential contingencies for small creek flows and an unexpected storm event.

7. STAFF REPORT: Water Allocations For The 2010 Irrigation Season

General Manager O'Halloran provided a handout that included the District's February 19, 2010 application letter to the water customers, the water rate schedule adopted by the Board, and a

spreadsheet showing potential revenue provided by various scenarios using the rate schedule. He reviewed the 2010 acreage sign-ups, the normal water sign-ups, how drought policy encourages additional acreage sign-ups, the proposed shortened season, and the potential impacts of no allocations. At this time he is planning to provide water customers with a letter setting the allocation, with a notation it may be waived in the event of additional storm events and increased storage. He noted that the well program can be utilized to extend the District water supply by approximately 800 acre feet per month per well, if needed.

O'Halloran reviewed the February 19, 2010 letter to water customers and the water rate schedule that was approved last year. Based on the April 1 water supply, as noted in the February 19, 2010 letter, the maximum water rate for 2010 is \$26 an acre foot. However, due to storm events after April 1, 2010, O'Halloran suggested the Board consider reducing the 2010 agricultural water rate.

M/S/C by a 5/5 vote determined that the need to take action arose subsequent being posted because of weather conditions, and approved adding Board consideration of 2010 agricultural water rate to the agenda.

7A. BOARD CONSIDERATION: 2010 Agricultural Water Rate

General Manager O'Halloran reported he had met with the Financial Committee to review the District's current water supply and potential the impact on the District's reserves if the District reduced its 2010 agricultural water rate. He reviewed the Prop 218 rate restrictions, which allow reduction but not increase of rates, and the potential impact of a \$22 per acre-foot agricultural rate

on the District's reserves. A \$22 per acre-foot rate will provide a small amount for reserves to start replenishing the significant withdrawals of the prior year.

M/S/C the Board approved reducing the 2010 agricultural water rate from \$26 an acre-foot, as provided on the rate schedule, to \$22 an acre-foot.

8. STAFF REPORT: Annexation Project

Legal Counsel Bartkiewicz reported that due to a conflict of interest, Director Rominger needs to recuse himself from this item. Director Rominger has interest in some of the properties proposed for annexation.

General Manager O'Halloran reported the District had received numerous requests for annexation for the last several years, but has withheld action to develop a larger more complete base over which to spread the costs for annexation. Those costs include not only the District's cost but also fees for the Local Agency Formation Commission (LAFCO) and the State Board of Equalization. He noted that most properties being proposed for annexation already utilize District water during unallocated years. He reported on preliminary discussions with LAFCO and how the District will address the property tax exchange issue.

O'Halloran reviewed the potential impact of the proposed annexation on current District customers, and changes in cropping patterns, irrigation methods, and conversion of agricultural lands to nonagricultural uses within the District. He noted that during the 2009 drought year, the inclusion of the properties would have reduced the allocation from 0.27 acre-feet per acre 0.26 acre-feet per acre.

O'Halloran reported the next step will be to meet with the landowners regarding fees. The Board requested O'Halloran consider the costs of the Indian Valley bonds and infrastructure paid for by current District customers.

Director Mayer suggested the District consider the use of annexation fees and standby fees to bolster the District's reliability.

9. DIRECTORS' REPORTS

Director Tadlock reported on a recent Northern California Water Association (NCWA) meeting which focused on budget and increasing membership. He noted that the proposed water bond may be taken off of the November ballot. He reported that the Glenn Colusa Irrigation District has withdrawn from NCWA to allow itself more flexibility in its positions, but will continue to work with the NCWA, member agencies and others on items of mutual interest.

10. ATTORNEY'S REPORT

Legal Counsel Bartkiewicz reported on the Delta Stewardship Council's first meeting, including the election of Phil Isenberg as Chair. He reported on various water rights legislation being proposed including a bill regarding water rights fees. He also report that the process for determining the Delta flow criteria has been concluded in a report is expected relatively soon.

Bartkiewicz reported that NCWA President Zea stated that polling indicates the Water Bond will fail, and that the legislature may pull consideration pulling the bond from the November 2010 ballot and moving it into 2011. Bartkiewicz also reported that NCWA is very engaged with the state

legislative process and is very effective in coordinating positions for its members.

General Manager O'Halloran reported that the Water Resources Association of Yolo County (WRA) had scheduled a Special Board meeting on May 17, 2010 to hear information regarding the water bond.

11. GENERAL MANAGER'S REPORT

a) General Activities

General Manager O'Halloran reported on a meeting with MBK Engineers Kienlen and VanCamp, Legal Counsel Bartkiewicz and Assistant General Manager Barton to review water rights issues related to the District, recent water rights related legislative actions and changes in reporting of water diversions. O'Halloran had recently met with VanCamp regarding water rights and demonstrated the District's SCADA capabilities and discussed how they may be used to protect the District.

Project Manager Reed reported the District' scale model of the Cache Creek dam was recently refurbished and returned to the Lower Lake Historical Museum, where it is kept on display. She also reported O'Halloran had made a presentation at the museum that included discussion of the Solano Decree and was followed by a tour of the Cache Creek Dam. The presentation and tour were advertised in Lake County papers and the tour of the dam limited to the first 25 people who signed up for it.

b) Operations, Maintenance and Water Conditions

O'Halloran reported the irrigation system is being prepared for the 2010 season and that Operation and Maintenance Supervisor Espinoza has returned to work after surgery. He reported an automatic gate will be installed on the West Adams Canal tomorrow, April 7, 2010, and will be tested this season as a prototype for further improvements on the water system.

12. GENERAL DISCUSSION

General Manager O'Halloran noted that he will have a Finance Committee meeting prior to the Regular May Board meeting to discuss budget issues.

13. BOARD CONSIDERATION: Payment of Bills

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

Yolo County Flood Control Checks: # 43917-43927

14. 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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