

# Yolo County Flood Control & Water Conservation District

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**Board Meeting**  
**34274 State Highway 16**  
**Woodland, CA 95695**  
**Tuesday, September 5, 2017**  
**7:00 P.M.**

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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 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.

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## AGENDA

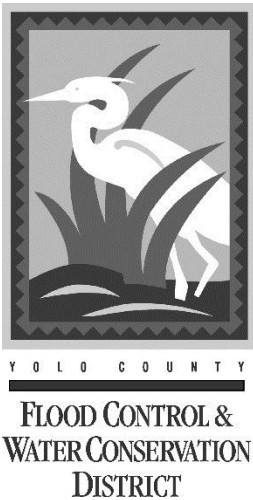
- 7:00      1.      Consideration: Adoption of the August 1, 2017 Regular Board Meeting Minutes
- 7:02      2.      Open forum (Limited to five minutes): Guest introductions, unscheduled appearances, opportunity for public comment on non-agenda items
- 7:07      3.      Consideration: Adding Items to 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.      Presentation: Northern California Water Association (NCWA) Issues Update
- 7:30      5.      Consideration: January and February Storm Events Damages Repair Update
- 7:35      6.      Consideration: Adoption of Revised Investment Policy
- 7:40      7.      Consideration: Draft Joint Development Agreement with Natel Energy to Construct an In-Canal Hydroelectric Power Plant

- 8:00 8. Directors' Reports: Report on meetings and conferences attended during the prior month on behalf of the District
- 8:05 9. Attorney's Report: Report on legal matters of concern to the District
- 8:10 10. General Manager's Report: Report regarding current general activities and projects of the District
- a) Operations, Maintenance, and Water Conditions
  - b) Financial Report
  - c) General Activities
  - d) Upcoming Events
- 8:25 11. General Discussion: Opportunity for clarification or additional information request
- 8:27 12. Consideration: Consider the approval and the payment of bills
- 8:30 13. Adjourn

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

I declare that the foregoing agenda was posted at the office of the Yolo County Flood Control and Water Conservation District, 34274 State Highway 16, Woodland, CA on September 1, 2017.

By: \_\_\_\_\_  
Kristin Sicke, Assistant General Manager




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**BOARD MEETING MINUTES**  
**Tuesday, September 5, 2017, 7:00 PM**

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

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The regular meeting of the Board of Directors of the Yolo County Flood Control and Water Conservation District (District) was held at 7:00 p.m. on Tuesday, September 5, 2017, 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  
 Tom Barth  
 Ann Brice  
 Mary Kimball  
 Bruce Rominger

District Staff

Tim O'Halloran, General Manager  
 Max Stevenson, Assistant General Manager  
 Kristin Sicke, Assistant General Manager  
 Ryan Bezerra, Legal Counsel

Members of the Public

Jim Barrett  
 Duane Chamberlain  
 David Guy  
 John McKean  
 Fanny Ye

**1. CONSIDERATION: Approval of Minutes**

M/S/C approved the minutes of the August 1, 2017 regular Board meeting as submitted.

Ayes: Directors Barth, Brice, Kimball, Rominger, 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: Northern California Water Association (NCWA) Issues Update**

David Guy, President of the Northern California Water Association (NCWA), updated the Board on legislative, regulatory, and water management activities that NCWA and its member agencies are engaged in. Guy gave an update on the implementation of the Sustainable Groundwater Management Act (SGMA) and reported that the entire Sacramento Valley floor is covered by local Groundwater Sustainability Agencies (GSAs) that are pursuing active and sustainable groundwater management. Guy also mentioned that the Sacramento Valley has no overdraft areas so Groundwater Sustainability Plans (GSPs) are not due until 2022.

Guy discussed the need to promote groundwater recharge and an increase in groundwater storage, as called for in the California Water Action Plan. He reported that the California Department of Food and Agricultural (CDFA) will be taking on an active role in the groundwater recharge issue over the next few years to promote increasing groundwater supply.

Guy reported on the State Water Resources Control Board's (State Water Board) Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta Estuary (Bay-Delta Plan), and the intention to change the hydrologic regime to an unimpaired flow in the Sacramento River. The Water Quality Update Phase II is currently underway and it seems the expectation is for Northern California water to contribute more to the Delta in the future. Guy reported that Governor Brown hired Bruce Babbit to facilitate the discussions in developing meaningful, voluntary agreements, as opposed to continuing with the regulatory process. General Manager O'Halloran and Guy elaborated on NCWA's effort to encourage the State Water Board to shift their conventional paradigm and to consider "functional flows". "Functional flows" is an innovative approach to improve food and habitat for fish along with providing additional flows in the appropriate floodplains and channels. Chair Vink inquired of the likelihood of the voluntary agreements to cooperatively occur, and Guy reported that the agreements will come together because it's the only way to do business.

Guy discussed the California WaterFix's release of the California Environmental Quality Act (CEQA) Notice of Determination on July 21, 2017, which included a 30-day public comment period. He reported that two critical components were missing: An Operations Plan and assurances that Northern California water will not be affected by the project.

Guy reported on two recent items of legislation, SB 252 (Dodd) and SB 623 (Monning). SB 252 will require a county conditional use permit for new groundwater wells, but will only apply to overdrafted basins. SB 252 sets an undesirable precedent and unfortunately, will be a distraction to counties as SGMA implementation begins. SB 623 was written to 1) improve access to safe water, 2) implement a liability protection program for participating growers, and 3) employ an urban water tax. SB 623 will likely be a 2-year bill.

Lastly, Guy reported on the two proposed water bond measures being considered, the initiative through Jerry Meral and the initiative through The Nature Conservancy (TNC), which is primarily considered a park bond. NCWA has decided to partner with Meral and is currently raising funds for the water bond measure. Director Rominger inquired whether there would be an effort to combine the Meral/NCWA and TNC bonds into one water bond. Guy informed the Board that they've been trying to collaborate, but it's not working as well as they'd hoped. Guy also noted that the Meral/NCWA water bond has more in it for fish and birds than the TNC water bond.

##### **5. CONSIDERATION: January and February Storm Events Damages Repair Update**

Assistant General Manager Sicke reported on the January and February storm events that impacted the District's infrastructure. Sicke provided the Board with an update on recovery, and reported that the remaining projects to initiate were the Capay Dam Energy Dissipators Project and the Access Road Slide and Cache Creek Access Road Repair Projects.

District staff recommended that the Board declare continuation of the emergency conditions related to the January and February storm events damage recovery. Emergency projects under the emergency declaration include the West Adams Canal Road and Cache Creek Bank Erosion Emergency Repair Project; Chapman Reservoir Inlet Repair Project; Indian Valley Access Road Slide and Cache Creek Access Road Repair Project; Canal System Sediment/Debris Removal and Road Erosion and Repairs Emergency Project, which will include the removing the tree at the Capay Dam; the Capay Dam Energy Dissipators Repair Project; and other miscellaneous erosion and road and culvert repair projects from the January and February storm events.

M/S/C declared continuation of the emergency conditions related to the January and February storm events damage recovery and recognized all the emergency projects listed as part of the emergency declaration.

Ayes: Directors Barth, Brice, Kimball, Rominger, and Vink

Noes: None

Absent: None

Abstain: None

**6. CONSIDERATION: Adoption of Revised Investment Policy**

General Manager O'Halloran reported that a review of the District's Investment Policy is required by state law to be performed annually by the Board. There were no changes in the law requiring modification to the existing policy; however, the District's Auditors requested the property tax revenues from the Yolo County Auditor be recognized as an investment.

District staff recommended that the Board adopt the revised Investment Policy as provided.

M/S/C adopted the revised Investment Policy as provided.

Ayes: Directors Barth, Brice, Kimball, Rominger, and Vink

Noes: None

Absent: None

Abstain: None

**7. CONSIDERATION: Draft Joint Development Agreement with Natel Energy to Construct an In-Canal Hydroelectric Power Plant**

Assistant General Manager Stevenson reported on the history of the In-Canal Hydroelectric Power Plant Project (Project), collaboration with Natel Energy, Inc. (Natel), and the California Energy Commission (CEC) grant. The District and Natel had originally identified three sites in the District's canal system for potential installation of Natel's Hydro-Engine (a novel, low-head, over-the-canal hydroelectric power plant). On March 7, 2017, the District Board adopted a CEQA Mitigated Negative Declaration for the Project, to allow CEC to award the grant to Natel. After completion of the CEQA process, the District and Natel began negotiations on a Joint Development Agreement (JDA), which originally was risky with no financial incentive for the District.

Stevenson reported that since March, the JDA has morphed into a site lease arrangement, which provides the District full oversight and veto power and establishes the Project as Natel's, not the District's. The draft JDA was presented to the Board for review. Stevenson provided a summary of the draft JDA; in exchange for the right to construct up to two power plants at the West Adams and Alder Drop locations, Natel agrees to pay the District \$5,000 annually during planning and construction, and after Project startup, will pay the District 10% of gross electrical power sales, or

\$7,000 annually per site, whichever is greater. Once the 20-year contract term expires, the District has the option to own the power plant property.

Director Rominger inquired whether Natel had shared the total power production for each site, and if that was commensurate with the \$7,000 payment. Stevenson reported that Natel's estimated power production for the West Adams and Alder Drop locations were \$16,000 and a little less than \$7,000 per year, respectively. Natel considers this Project to be a prototype to prove a concept for a future large-scale design. Director Rominger also questioned if the District would serve the auditor role, in which Stevenson reported the District would serve as the auditor.

Director Barth commented on the lack of site lease language within the draft JDA, and recommended reviewing other site lease agreements to assist in incorporating the appropriate language, such as prevailing wage and other necessary provisions.

District staff requested the Board approve the concept of the Joint Development Agreement and approve the District's execution of the Agreement with Kinet Inc. for Natel Energy to construct an in-canal hydroelectric power plant subject to final staff and counsel review and approval.

Due to a potential conflict of interest, Director Brice recused herself from any participation in the Board of Directors' consideration of the contract.

**M/S/C** authorized the General Manager to execute a Hydropower Joint Development Agreement with Kinet, Inc., on the terms and conditions presented to the Board of Directors, subject to completion of that contract in a form acceptable to the General Manager and District counsel.

Ayes: Directors Barth, Kimball, Rominger, and Vink

Noes: None

Absent: None

Abstain: None

Recuse: Director Brice

## **8. DIRECTORS' REPORTS**

Director Brice reported that she attended the Northern California Water Association (NCWA) Executive Committee meeting at Biggs-West Gridley Water District. Directors Kimball and Rominger reported that they attended the Infrastructure Committee meeting on September 1, 2017. All of the Directors reported that they had attended the Yolo County Fair's Opening Night Gala.

## **9. ATTORNEY'S REPORT**

Legal Counsel Bezerra reported that David Guy covered everything he wanted to report on.

## **10. GENERAL MANAGER'S REPORT**

General Manager O'Halloran provided reports on the following:

- a) Operations, Maintenance, and Water Conditions – The Water Conditions Report and hydrographs of real-time groundwater monitoring wells were reviewed.
- b) Financial Report Summary – Highlights from the unaudited July 31, 2017 financial statements report were reviewed and the actual FY 2017/2018 Budget was compared to the projected FY 2017/2018 Budget.
- c) General Activities – A list of outreach activities and projects both in-house and coordinating with other agencies was reviewed.
- d) The following upcoming events were announced:
  1. September 5-8: Floodplain Management Association Annual Conference, Long Beach
  2. September 10: Yolo Land Trust's A Day in the Country, The Maples Ranch in Woodland
  3. September 11: Yolo Subbasin Groundwater Agency Working Group Meeting, District Boardroom
  4. September 13: Yolo County Farm Bureau Irrigated Lands Program, Woodland
  5. September 16: Yolo County Farm Bureau's 2017 Harvest Celebration Farm to Table Feast, Lea Ranch
  6. September 18: Water Resources Association of Yolo County and Yolo Subbasin Groundwater Agency Board Meetings, Woodland Community Center
  7. October 24-27: USCID 2017 Conference, Sacramento
  8. November 28-December 1: ACWA Fall Conference, Anaheim

## **11. GENERAL DISCUSSION**

There was no discussion.

## **12. CONSIDERATION: Payment of Bills**

M/S/C approved the following claims for payment – Yolo County Flood Control and Water Conservation District Checks #054485– 054494.

Ayes: Directors Barth, Brice, Kimball, Rominger, and Vink

Noes: None

Absent: None

Abstain: None



**13. ADJOURNMENT**

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

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Erik Vink, Chair

ATTEST:

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Tim O'Halloran, Secretary

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