

Minutes of Water Advisory Committee- FINAL
For Meeting of February 28, 2005

Attendees: Chris DeGabriele, North Marin Water District
Mike Bierman, City of Petaluma
Pam Torliatt, City of Petaluma
Steve Simmons, City of Petaluma
Al Bandur, City of Sonoma
Mike Fuson, City of Sonoma
Randy Poole, Sonoma County Water Agency
Spencer Bader, Sonoma County Water Agency
Miles Ferris, City of Santa Rosa
Virginia Porter, City of Santa Rosa
Greg Scoles, City of Santa Rosa
Paul Helliker, MMWD
Jon Mandell, MMWD
Dana Roxon, MMWD
Krishna Kumar, Valley of the Moon Water District
Sanford Smith, Valley of the Moon Water District
Armando Flores, City of Rohnert Park
Jake Mackenzie, City of Rohnert Park
Matt Mullan, Town of Windsor
Paul Berlant, Town of Windsor
Toni Bertolero, City of Cotati
Janet Orchard, City of Cotati
John Nelson, JONWRM

Public Attendees:
Don McEnhill, League of Women Voters
Brenda Adelman, RRWPC
David Keller, FOER
Fred Soares, Southwest Neighborhood Alliance
Bob Anderson, United Wine Growers
Paul Stutrud, OWL Foundation
Tom Yarish, Friends of the Esteros

1. Call to Order

Miles Ferris, City of Santa Rosa, called the meeting to order at 9:00 a.m.

2. Introductions

The attendees made introductions.

3. Approval of January 24, 2005 Minutes

Pam Torliatt, City of Petaluma, made a motion to approve the minutes and Armando Flores, City of Rohnert Park, seconded. All approved.

4. Public Comment

None.

5. Water Efficiency vs. Growth

Pam Torliatt noted that Items 4 and 8 on the Agenda were the same and indicated her staff was still working on this item. She asked that the item be put on the next negotiation agenda.

6. SCWA Applicability to 75,000 Acre-foot Permit Limitations

Randy Poole, Sonoma County Water Agency, stated the 75,000 acre-foot per year is related to SCWA customer demands under the State Water Resources Control Board's (SWRCB) permits. Mr. Poole distributed a letter from SWRCB, dated February 2, 2005, seeking information for a spring workshop. The information requested is a detailed plan of water conservation efforts that will offset future increases in demand on the Russian River using 2003 as a base year and including the following:

- Increases in demand projected to the year 2020 and broken down by source.
- Proposed conservation methods to offset projected demand during the same period.
- Estimated water savings from proposed conservation methods.
- Estimated monetary costs of water conservation activities.
- Source of financing for the conservation activities.

Chris DeGabriele, North Marin Water District, suggested that a meeting be arranged between Water Contractor staff, SCWA staff, Brown and Caldwell personnel currently working on the Urban Water Management Plan, and State Water Resources Control staff. A motion was made to hold this meeting by Jake Mackenzie, City of Rohnert Park, and seconded by Janet Orchard, City of Cotati. All approved.

7. MMWD's Offer Concerning 5,000 Acre-foot Contract Options

Paul Helliker, Marin Municipal Water District, presented two alternatives to implement an extension of their June 30, 2005 deadline option to purchase 5,000 acre-feet of water from the Sonoma County Water Agency.

In the first alternative, MMWD offered to pay SCWA \$1,000,000 prior to July 1, 2005 for extending their option to purchase additional "firm water supply" until July 1, 2014. The second alternative involved paying \$2,000,000 for delaying the option deadline to July 1, 2014, but with payment at such time as MMWD elects to exercise the option. Mr. Helliker

stated that MMWD was not interested in losing the option and noted the sums in the offer were negotiable. MMWD voluntarily departed the meeting in order for the WAC to consider their offer.

8. Subcommittee's Recommended Contractor's Proposal on MMWD's Option

The L/R/T2 Subcommittee chair, Chris DeGabriele, distributed their recommendation for the WAC to consider. The recommendation is for SCWA to make an offer to MMWD in the amount of \$1,600,000 to be paid to MMWD as a contribution to their desalination project and as an inducement to not exercise their option to purchase 5,000 acre-feet of Russian River water supply. Mr. DeGabriele noted the payment was equivalent to a one-time surcharge of approximately \$26/acre-foot. Miles Ferris and Randy Poole both noted the payment could be spread out over time and funded by transfers.

Discussion noted that delivery of all water to MMWD was subject to transmission system capacity over and above the delivery needs of water contractors as limited only by the flow rates and annual caps contained in the Eleventh Amended Agreement.

A motion was made by Jake Mackenzie, and seconded by Chris DeGabriele, to request SCWA to initiate negotiations with MMWD and present the offer recommended by the L/R/T2 Subcommittee. The motion was carried by the following vote: 6 (Y) / 1 (N) / 1 (A), with Petaluma voting no, and Forestville absent.

9. New Draft of Restructured Water Supply Agreement

Randy Poole distributed a new draft of the Restructured Water Supply Agreement, dated February 28, 2005, showing changes relative to the Eleventh Amended Agreement. He will distribute an electronic version to the WAC members and hold meetings before the next negotiation session. A review of the revisions will be on the next negotiation meeting agenda.

10. Check Out

Jake Mackenzie indicated that there will be a meeting of the North Coast Committee of the IRWMP Review Panel on March 3, 2005 in Fortuna. If you have any questions regarding the Bay Area IRWMP Prop 50 funding, you should meet with Bill Keene of SCWA.

11. Public Comment

None.