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Two Mendocino County Water Districts Closer to Merger

Redwood Valley County Water District & RRFCD Agree to File Application With LAFCo

By *JUSTINE FREDERIKSEN*

Amid lingering concerns and questions, the Redwood Valley County Water District Wednesday moved slightly closer to becoming a part of the Russian River Flood Control and Water Conservation Improvement District.

"At a certain point, we're going to have to take a leap of faith and file the paperwork," said Sean White, general manager of the RRFCD & WCID, referring to the application that needs to be sent to Mendocino County's Local Agency Formation Commission before the organizations can merge. "Otherwise, we'll just be spinning our wheels. There are still multiple points along the way where we could exit."

White said the application will not technically be for a merger, but an "annexation dissolution," meaning the RVCWD will be dissolved "and become part of the flood control district." That dissolution would mean Redwood Valley's board would disappear, which was just one of the topics of concern addressed at the May 28 meeting of both agencies' boards, held at Barra Winery.

The item that spurred the most discussion was the \$7.2 million the federal government (Bureau of Reclamation), loaned the RVCWD in the late 1960s to build the district's infrastructure, which includes the treatment plant, the distribution office and miles of pipe. The loan is now in default and the district lobbied to put it on ice of sorts, meaning it does not have to make payments and it is not accruing interest or racking up penalties for non-payment.

There are concerns that joining the flood control district would trigger the need to pay off the loan, which Redwood Valley County Water District General Manager Bill Koehler said would require his district to "generate another \$400,000 to \$500,000 a year," likely from its ratepayers.

White said lawyers for both districts are exploring whether the debt can be handled as a "zone debt," which would "marry it to a zone (Redwood Valley) and not the district as a whole. It would be relegated to the (Redwood Valley) footprint."

White also suggested that the groups look at what paying off the debt "would look like to the average ratepayer to see if it is not a terrible situation. Hard, but doable."

Koehler said a payout would be "painful but doable for domestic customers, but it's not going to be doable for agricultural customers."

Granville Pool, president of the RVCWD's board of directors, suggested that if the moratorium on new water connections were lifted, an influx of "300 or more customers would help spread the debt payments out."

However, White said at least in the beginning, the amount of water allocated to Redwood Valley would have to stay "fairly close to what is being used now. We don't have enough water to serve Redwood Valley and open the doors to any development. The first step is just getting Redwood Valley into the district.

"And that may not seem like a lot," he continued, "but in terms of this year, it would have been a monstrous improvement. We're not going to fix everyone's everything -- we're looking at making incremental improvements. The first step is getting you reliable water, and that's a heck of a first step."

Redwood Valley does have water rights, but they depend on there being a certain amount of water in Lake Mendocino and the Russian River, conditions that Koehler said have only existed for "60 days out of the six years I've been here. And this is the second drought we've had in six years."

When a member of the audience asked how it would benefit the flood control district to have RVCWD join it, White said it was definitely not financial.

"Taking on additional infrastructure with a pile of debt is not what I would call an economic windfall," he said, explaining that securing water sources for the Ukiah Valley and having a more unified voice was the impetus. "Keeping our water rights perfected and having everyone on solid ground is good for the entire community. The benefit for the flood control district is the more people that are dependent on our water supply (8,000 acre feet of Lake Mendocino), the more secure that right will be."

When White asked the board to vote on "a greenlight to file the LAFCo application," the motion passed both boards with only one "no" vote between them, cast by Lee Howard, a RRFC & WCID board member.

Koehler said he and White will "polish up the application and send it to LAFCo, probably sometime next week. They'll likely send it back for more work, and then we'll find out how much it will cost to apply."

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