

AGENDA
Regular Meeting

Place: County Admin building, Conference Room A
501 Low Gap Rd, Ukiah
Date: October 8, 2026 Thursday
Time: 5:00 pm—Hybrid meeting Zoom Link
Join Zoom Meeting at— <https://us02web.zoom.us/j/86234364937>
Meeting ID: 862 3436 4937
Dial in by phone: 669 900-6833

Open Session

1. **Roll Call**
2. **Public Expression** - The Commission meeting will be held in person and by video/teleconference. The public may observe and comment in person or by Zoom. See end of agenda for additional information on public expression
3. **Consent Calendar** (Discussion and/or Action)
 - a. Approve meeting minutes for September 10, 2026
 - b. Approve expenses on billing statement for September 2026
 - c. Update on financial accounts
4. **Eel River Water Importation (Potter Valley Project/New Eel-Russian Facility)** (Discussion and/or Action)
 - a. Potter Valley Project—General
 1. Report/potential action regarding Chair Pauli's D.C. visit
 - b. Potter Valley Project—Transfer negotiations with PG&E
 - c. NERF (New Eel-Russian Facility) development
 - d. ERPA (Eel-Russian Project Authority) update
5. **Ad Hoc Committees** (Discussion and/or Action)
 - a. IWPC Ad Hoc Committee reports—
 1. Executive Director Recruitment (staff report attached)
 2. Marketing and public education program; website
 3. PVP Asset transfer
 4. Finance/Budget—
 - a. Audit update and possible approval of auditor for FY 2025/26 (staff report attached)
 - b. Report on Budget planning meeting

- b. Discussion of principles for an “Amended and Restated Joint Exercise of Powers Agreement” reforming IWPC
6. **Water Storage Development** (Discussion and/or Action)
 - a. Update on the USACE Feasibility Study for Coyote Valley Dam—(staff report attached)
 - b. Update on Potter Valley Storage Development
 - c. Update on Other Storage Development
7. **Commissioner Reports** — Reports by Commissioners/Staff on meetings attended or actions taken by their agencies as well as informational items. Each Commissioner will be given an opportunity to speak on any activities of interest that are relevant to the IWPC members.
8. **Closed Session:**
 - Conference with Real Property Negotiators (Gov’t Code §54956.8)
 - Property: Acquisition of PG&E’s Potter Valley Project
 - Agency Negotiators: Scott Shapiro, Janet Pauli, Tom Johnson
 - Negotiating Parties: MCIWPC, ERPA, SCWA, and PG&E
 - Under Negotiation: Price and Terms

Adjournment

PUBLIC EXPRESSION

The Commission welcomes participation in their meetings. Comments shall be limited so that everyone may be heard. This item is limited to matters under the jurisdiction of the Commission which are not on the posted agenda and items which have not already been considered by the Commission. The Commission limits testimony on matters not on the agenda to three (3) minutes per person. No action will be taken. Individuals wishing to address the Commission under Public Expression are welcome to do so throughout the meeting day. To best facilitate these items, please notify either the Chairman of the Commission or the Secretary of the Commission.

CLOSED SESSION

If agendized, the Commission may adjourn to a closed session to consider litigation, personnel matters, or real estate negotiations. Discussion of real estate negotiations may be held in closed session - Authority: Government Code Section 54956.8. Discussion of litigation or pending litigation may be held in closed session -- Authority: Government Code Section 54956.9. Discussion of personnel matters may be held in closed session -- Authority: Government Code Section 54957.

ADDITION TO THE AGENDA

(If any) in accordance with Section 54954.2 (b)(2) of the Government Code (Brown Act) Two-thirds Vote Required for Action Items. (Upon determination by a two-thirds vote of the legislative body, or, if less than two-thirds of the members are present, unanimous vote of those members present, that the need to take action arose after the Agenda was posted.)

draft
MINUTES
Regular Meeting
September 10, 2026

Open Session

The meeting was called to order at 5:05 p.m. in county conference room A by Chair Janet Pauli.

The following Commissioners were present:

Janet Pauli—Chair (Potter Valley Irrigation District)
John Reardan—Commissioner (Russian River Flood Control District)
Mo Mulheren—Alternate Commissioner (County of Mendocino Water Agency)
Tom Schoeneman —Commissioner (Redwood Valley County Water District)
Mari Rodin—Commissioner (City of Ukiah)

The following individuals were participants:

Present: Jared Walker, Sean White, Buffy Bourassa, David Koball, Phil Williams, Andres Marquez, Kyle Farmer, Paul Paulin

Online: Scott Shapiro, Jeanne Zolezzi, Tom Johnson, Nancy Horton, Bree Klotter, Beth Salomone, Alison MacLeod, Susanne, Adam Gaska

Public Expression

Chair Pauli explained that anything not currently on the agenda may be discussed at this time, however, no action could be taken. She further advised that comments would be welcome throughout the meeting.

Schoeneman relayed that RVWD will be stepping down from IWPC and then the Water Authority will join in November. The Authority will cover the annual dues.

White reported that the Regional Water Board is investigating the Corps operations and possible violations at Lake Mendocino. White had filed a lawsuit claiming that the excess turbidity from the Corps procedural released water at the dam is killing endangered species of fish.

Consent Calendar

Motion by Mulheren, seconded by Schoeneman, to approve the Consent Calendar items, was unanimously approved.

Eel River Water Importation

- a. Potter Valley Project: General—Shapiro stated that PG&E is working on their risk management plan. FERC has denied the intervention of Lake Elsinore Water District due to a late filing. They have appealed the decision.
- b. Potter Valley Project: Transfer negotiations with PG&E—At the last Ad Hoc meeting, the group talked about how to share information with the Commissioners as so much of it is confidential. In response, Johnson gave an overview of how these negotiations work and gave specifics from another project. The Purchase and Sale agreements are usually

hundreds of pages. Our project is even more complex as the PVP is being decommissioned and we need to coordinate with PG&E's timeline to be able to build the NERF at the same time. It will be a long and complicated process to develop the Purchase and Sale agreement and exhibits from scratch. He presented a diagram of the area that ERPA will need for operations and the need for easements in some of the areas to be negotiated. That is just one of the 15 or more of the schedules and exhibits that need to be developed. There is a small core of people from ERPA and PG&E to develop these documents. Right now, they are in the process of due diligence which includes investigation of any hazardous materials and transfer of liabilities. He is hoping that they will be able to fine tune the PSA by the end of next year.

- c. NERF development—The next meeting will be in Mendocino County in November. Johnson is continuing to provide technical support to the SW team.
- d. Eel-Russian Project Authority JPA update—Shapiro reported that an agreement for reimbursement of expenses from ERPA to IWPC for work done for the NERF will be covered by the DFW grant. The agreement is being developed and will be presented to the Commissioners.

Ad Hoc Committees (Discussion and/or Action)

- a. Executive Director Recruitment—Shapiro went over his staff report and relayed that the position has been posted in appropriate places and they are hoping to start receiving applications this month.
- b. Marketing and public education program—Alison reported that the Ad Hoc is continuing to push out information to the public. The latest is an Op Ed piece that will be sent out in the near future.
- c. PVP Asset transfer—Report given by Johnson above.
- d. Finance/Budget—Auditor proposal information will be coming back in October.

Water Storage Development

a. Update on the USACE Feasibility Study for Coyote Valley Dam—Koball went through a slide presentation regarding the selection of a lobbyist and went over the Ad Hoc's review of a several candidates. The Ad Hoc interviewed two lobbyists and will negotiate a proposed scope and fee with the preferred firm. They chose Julie Minerva who has experience with the Corps of Engineers and over 20 years of federal infrastructure and government relations experience. Rodin asked how Minerva will be communicating regularly with the Commissioners and Ad Hoc. Shapiro listed the various ways she will be speaking with us depending on what is happening but added that we need to be considerate of her time. **Rodin moved, Reardan seconded to authorize Chair Pauli to execute a contract with Minerva within the amount authorized in the approved budget. The motion was unanimously approved.**

b. Update on Potter Valley Storage Development—Pauli reported that the DFW grant funds will be available once the agreement with SW for reimbursement is completed. Shapiro reported that SW will be administering the agreement between IWPC and ERPA that will allow the grant funding to reimburse IWPC for services. SW will be submitting a request for payment to DFW on a quarterly basis. IWPC will be sending receipts and proof of payment regarding our time spent on ERPA business for payment to SW who will then send it to DFW.

c. Update on Other Storage Development—No report.

Commissioner Reports

- Pauli reported that two PVID board members are not reapplying for this coming election so there will be two new board members after the election. She introduced Paul Paulin as one of the new PVID board members that will take office in January.
- Rodin asked about the Lake Elsinore Water District who had filed a motion to intervene, and it had been rejected by FERC due to being extremely late. Williams responded that they have now appealed that decision.
- Mulheren reported that they had a Russian River Water Association meeting today. They will be asking for grant funds to combine several competing committees and boards into one committee and try to connect Mendocino and Sonoma counties as Russian River entities.
- Salomone reported that the RRFCD filed an application to annex the remainder of the RVCWD service area. LAFCo public meeting on this issue will be on October 5. It would allow RVCWD to use its RRFCD contract water in its entire area rather than just under a surplus only contract.

Closed Session

The Commissioners went into Closed Session at 7:00 p.m.

The following Commissioners were present:

Janet Pauli—Chair (Potter Valley Irrigation District)
John Reardan—Commissioner (Russian River Flood Control District)
Mo Mulheren—Alternate Commissioner (County of Mendocino Water Agency)
Tom Schoeneman —Commissioner (Redwood Valley County Water District)
Mari Rodin—Commissioner (City of Ukiah)

The following individuals were participants:

Present: Jared Walker, Sean White, Phil Williams, David Koball
Online: Scott Shapiro, Jeanne Zolezzi, Beth Salomone

The Commissioners came out of Closed Session at 7:15 p.m. No reportable action under the Brown Act was taken.

Adjournment at 7:16 p.m.

Candace Horsley, IWPC Staff

IWPC Financial Accounts

October 2026

Savings Bank: IWPC account \$ 948* As of 10/4/2026

Mendocino County Auditor's Office \$79,184 Balance, April 2026

After September 2026 bills are paid, we will have \$284,601 in the PVP account and \$21,712 in the Operations account.

*PayPal payments —	
GSuite	\$ 25.20
<u>Zoom</u>	<u>\$ 16.99</u>
Total	\$ 42.19

Agency Payments invoiced June 2026

\$125,000 for PVID and RVCWD

\$215,000 for RRFC, City of Ukiah and Mendocino County Water Agency

Agency Payments

City of Ukiah—\$53,750 Aug;

County Water Agency—Pd \$215,000 July

PVID— Pd \$125,000 July

RRFCD—Pd \$84,000 June;

RVCWD

MENDOCINO COUNTY INLAND WATER AND POWER COMMISSION

Billing Statement

September 2026

1. Staff Charges:

<u>Date</u>	<u>Description</u>	<u>Hrs @ \$35/hr</u>	<u>Amount</u>
9/10	Meetings IWPC, mins.	4.00	\$ 140
9/11	Accounting & meeting follow-up	12.00	\$ 420
September	Website maint. & updates	6.00	\$ 210
September	Exec. Dir; Audit; Misc, 6 meetings	15.00	\$ 525
September	Public requests/media/PR	7.00	\$ 245
Oct. 10	Agenda pkt, Co. forms, spreadsheet	10.00	<u>\$ 350</u>
	Subtotal		\$1,890

2. Miscellaneous:

Downey Brand for August 2026	\$21,330.00
Tom Johnson for September 2026	\$ 7,817.50
Eric Nagy for August 2026	\$ 7,036.18
CPS HR Consulting (Exec. Dir recruitment)	<u>\$10,000.00</u>
Subtotal	\$46,183.68

TOTAL	\$48,073.68
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IWPC BUDGET TO ACTUAL SUMMARY
FY 2026-27
As of 9/30/2026

Budget Category	IWPC Expenses Month Ended 9/30/2026	IWPC Expenses Year to Date Total	IWPC Expenses FY 26-27 Budget	YTD Variance \$ Under/(Over) Budget	YTD Variance % of Budget Used
Operations					
Staff / Consultants	23,560	55,805	\$ 395,000	\$ 339,195	14.1%
Basic Operations	-	371	7,000	6,629	5.3%
Operations Subtotal	23,560	56,176	402,000	345,824	14.0%
Projects / Studies					
New Eel Russian Facility (NERF)	13,288	41,538	180,000	138,463	23.1%
Lake Mendocino Increased Storage Capacity	10,181	30,328	500,000	469,672	6.1%
Potter Valley Storage	1,045	1,310	418,000	416,690	0.3%
Projects Subtotal	24,514	73,175	1,098,000	1,024,825	6.7%
TOTALS	\$ 48,074	\$ 129,351	\$ 1,500,000	\$ 1,370,649	8.6%

IWPC OPERATIONS BUDGET TO ACTUAL DETAIL
FY 2026-27
As of 9/30/2026

Budget Line Item	IWPC Expenses Month Ended 9/30/2026	IWPC Expenses Year to Date Total	IWPC Expenses FY 26-27 Budget	YTD Variance \$ Under/(Over) Budget	YTD Variance % of Budget Used
STAFF/CONSULTANTS					
Administration (60 hrs/mo x \$35/hr)	1,890	5,443	\$ 25,200	\$ 19,758	21.6%
Exec. Director (0.6 FTE; incl expenses)	10,000	10,000	150,000	140,000	6.7%
MCIWPC General Counsel (Scott Shapiro)	10,290	37,703	71,500	33,798	52.7%
ERPA General Counsel (Scott Shapiro)	1,380	2,054	25,000	22,946	8.2%
Agency Engineer (Tom Johnson)	-	-	46,500	46,500	0.0%
Financial Planning (LWA)	-	606	46,800	46,194	1.3%
Grant writing	-	-	30,000	30,000	0.0%
Subtotals	\$ 23,560	\$ 55,805	\$ 395,000	\$ 339,195	14.1%
BASIC OPERATIONS					
Insurance	-	-	3,500	3,500	0.0%
CA Special District Assoc. (CSDA) membership	-	-	500	500	0.0%
Website	-	-	1,000	1,000	0.0%
Post office fees	-	202	200	(2)	101.0%
Google Suite/Zoom	-	84	510	426	16.5%
Office supplies	-	84	500	416	16.8%
Misc./contingency	-	-	790	790	0.0%
Subtotals	\$ -	\$ 371	\$ 7,000	\$ 6,629	5.3%
TOTALS	\$ 23,560	\$ 56,176	\$ 402,000	\$ 345,824	14.0%

IWPC PROJECTS BUDGET TO ACTUAL DETAIL
FY 2026-27
As of 9/30/2026

Budget Line Item	IWPC Expenses Month Ended 9/30/2026	IWPC Expenses Year to Date Total	IWPC Expenses FY 26-27 Budget	YTD Variance \$ Under/(Over) Budget	YTD Variance % of Budget Used
NEW EEL RUSSIAN FACILITY (NERF)					
Consultants (hired through ERPA/SCWA)	-	-	\$ -	\$ -	0.0%
Legal (Scott Shapiro)	6,000	24,180	50,000	25,820	48.4%
Project Management (Tom Johnson)	7,288	17,358	70,000	52,643	24.8%
Lobbying - State (grants, SWRCB, PUC)	-	-	60,000	60,000	0.0%
Subtotals	13,288	41,538	180,000	138,463	23.1%
LAKE MENDOCINO INCREASED STORAGE CAPACITY					
Legal (Scott Shapiro)	-	-	50,000	50,000	0.0%
Project Management (LWA-Nagy / Tom Johnson)	7,036	7,699	80,000	72,301	9.6%
USACE led General Investigation (feasibility study)	3,145	22,629	250,000	227,371	9.1%
Lobbying - Federal (CVD, USBR, Permitting)	-	-	120,000	120,000	0.0%
Subtotals	10,181	30,328	500,000	469,672	6.1%
POTTER VALLEY STORAGE					
Project Management (Tom Johnson)	265	265	50,000	49,735	0.5%
Legal/Strategy (Scott Shapiro)	780	780	50,000	49,220	1.6%
PV Water Reliability Study by Jacobs	-	-	68,000	68,000	0.0%
(Grant Management reimbursement to SCWA)	-	-	250,000	249,735	0.1%
Consultants for PV Storage Studies (TBD)	-	265	250,000	249,735	0.1%
Subtotals	1,045	1,310	418,000	416,690	0.3%
TOTALS	\$ 24,514	\$ 73,175	\$ 1,098,000	\$ 1,024,825	6.7%

Mendocino County

Inland Water & Power Commission

P.O. Box 1247 • Ukiah, CA 95482

Phone (707) 391-7574 • Email: IWPC@mendoiwpc.com



Staff Report

To: MCIWPC Commissioners
From: Executive Director Recruitment Ad Hoc Committee
Date: October 8, 2026
Re: Agenda Item 5a1: Executive Director Recruitment Ad Hoc Committee

Summary: This is an informational update on the status of the Executive Director recruitment.

Background: The Executive Director Recruitment Ad Hoc Committee selected a recruiter and has worked with the recruiter on a job description and posting. The posting is live and available for viewing at <https://cpshr.us/recruitment/2658/>. The posting is also on LinkedIn and governmentjobs.com. Board Members are encouraged to share the link below with their LinkedIn networks: <https://www.linkedin.com/jobs/view/4458317406/>

Discussion: The Ad Hoc Committee met and received an update from the Recruiter. Some qualified applicants have submitted applications with additional applications expected. Applications are being accepted in the first phase through Friday October 9, 2026, after which the Recruiter will provide a complete candidate report to the Ad Hoc. The Ad Hoc Committee will meet and review the first phase of applications the week of October 26, 2026.

Mendocino County

Inland Water & Power Commission

P.O. Box 1247 • Ukiah, CA 95482

Phone (707) 391-7574 • Email: IWPC@mendoiwpc.com



Staff Report

To: MCIWPC Commissioners

From:

Date: October 8, 2026

Re: Agenda Item 4a: Possible approval of auditor for FY 2025/26

An auditor is required to perform an annual financial statement audit on all special districts under Government Code section 26909. Because the Mendocino County Auditor is no longer performing such audits for IWPC, the agency will need to retain an auditor to perform an annual audit. The objectives of an audit are to express the CPA's opinion as to whether the financial statements of IWPC are fairly presented in all material respects and are in conformity with CA Generally Accepted Auditing Standards and principles.

Staff contacted seven accounting firms that specialize in special districts and local government agencies to perform an audit on the recently concluded 2025/26 fiscal year activities. The range of proposals came in from \$5,000 to \$12,500.

Staff recommends the firm of Zach Pehling which has audited many local special districts and JPA's including the Fort Bragg Fire Protection Authority JPA. The County of Mendocino reported the Pehling firm as one that does many of the audits in our area and we received very positive feedback from the contacted agencies.

The firm will examine transactions approved by the Commission and that the amounts posted to the General Ledger agree with invoices and cancelled checks. They will be coordinating with the County of Mendocino's Auditor/Controllers office to review the monthly reporting for IWPC.

Recommendation: Approve Zach Pehling's firm to complete the FY 2025/26 audit for IWPC not to exceed \$5,000.

Proposal for Annual Independent Audit Services

For Fiscal Years Ending June 30, 2026

From: Pehling PNPCPAs
An Accountancy Corporation
Zach Pehling, CPA, MBA
1 E Liberty St, 600
Reno, NV 89051
(707) 279-4259
Zach@PehlingCPA.com
September 18, 2026

Proposal for Financial Audit Services

For Fiscal Years Ending June 30, 2026

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Letter of Transmittal

For Fiscal Years Ending June 30, 20256

Audit Services to be Performed

The objective of our audit services to be performed is the expression of our opinion as to whether the financial statements of your activities and the aggregate remaining fund information, which collectively comprise the Mendocino County Inland & Water Commission's basic financial statements , are fairly presented in all material respects: the respective financial position at year end and respective changes in the financial position for the year then ended are in conformity with accounting principles generally accepted in the United States of America; as well as reporting on the fairness of the additional information when considered in relation to the basic financial statements taken as a whole.

We will conduct our audit in accordance with Generally Accepted Auditing Standards. Those standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit will include examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. Our Audit will also include assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation.

Our approach to auditing starts with gaining an intricate understanding of the internal controls, policies and procedures of the District. This is done with interviews of District staff and observations of the various financial functions of the District. Once a thorough understanding is achieved we can tailor our audit program to support our opinion and look for areas where improvements can be found.

We maximize both efficiency and security using technology. We use the CCH Pro System paperless auditing system to cut processing time and costs. Pro System allows import of the Trial Balance for integration into the financial statements.

Positive Commitment to Perform

Throughout our practice, we have earned a reputation of providing client centered service. We consistently exceed our client's expectations. We are willing to go the extra mile to ensure that our clients are satisfied and well represented. We have the experience and commitment to perform the requested services in a timely fashion. We are independent in regards to the District.

History and District

PnPCPA, CPA, is located in Reno, Nevada. Our firm has liability insurance in the amount of \$500,000/\$1,000,000. We have been providing services since 2010.

Proposal for Financial Audit Services

For Fiscal Years Ending June 30, 2026

Profile of the Independent Auditor

Many firms showcase the qualifications of their most experienced partners, but few have the onsite presence of the firm owners. We are small local firm that is dedicated to helping Districts like yours. We always strive to provide the highest level of service to our clients. We provide unparalleled flexibility in meeting your needs and expectations. We are proud of the responsive service we provide to our clientele. As a client, you will benefit from our concern, dedication, timeliness and consistency.

Pehling PNPCPA's is focused on providing audit services to non-profits and local government agencies in Northern California. Our clientele is comprised solely of these agencies. Here at Pehling & Pehling we have dedicated 100% of our time to assisting non-profits and local government with their auditing needs. We feel with this kind of focus we are better able to serve our clients needs.

We invest heavily in training and education. We focus our training on government, non-profit, and fraud CPE that is comprised of seminars and classes given by the California Society of CPA's and other qualified continuing professional education Districts.

The firm is comprised of two licensed Certified Public Accountants in the State of California. Our small practice offers several advantages to you:

- You will have year-round access to the principle partner who will be your primary contact point.
- You receive a high level of personal service.
- We do not charge our clients for contacting us throughout the year with questions regarding accounting or financial matters. We do this to show our commitment to building a strong and beneficial relationship with our clients.
- Working with the same auditors from year to year greatly reduces the time your staff spends familiarizing us with your business.

Specific Audit Approach

Our approach is designed to avoid disruption of the smooth functioning of your offices. To provide your District with the quality professional services it deserves, it is imperative that we thoroughly understand your District. Our previous experience with governmental and not-for-profit Districts provides us with a sound foundation from which to plan our audit procedures. However, we must acquaint ourselves with specific aspects of your operations to ensure that our procedures are both comprehensive and efficient.

The planning phase of the engagement will lay the foundation for the direction of our audit and is key to cost-effective completion. Our planning will focus on preliminary analysis, information gathering, identifying significant issues and evaluating internal controls.

Proposal for Financial Audit Services

For Fiscal Years Ending June 30, 2026

During the fieldwork stage we will test asset and liability accounts based on our understanding of your financials that was obtained during the planning stage. We will test revenues and disbursements using sampling. Our disbursements sampling has two purposes. We see whether the amounts posted to the General Ledger agree with invoices and cancelled checks. Furthermore, we examine to make sure the transactions was approved by management and follows proper internal control procedures. Our sample is chosen by a random number generator and by scanning the detailed ledger utilizing our experience and knowledge.

We will assist the District with preparation of the financial statements, including all new and past GASB pronouncements. We have helped numerous small Districts implement various GASB pronouncements.

We are able to present the report to the Board of Directors at a meeting. Our aim is to create an open line of communication between our firm and your District, so that the Board feels comfortable asking for help with any questions or issues that may arise during the year.

References available upon request.

Bid for Audit Services

Our fee for audit services for the Fiscal-Year are based on our standard hourly rate of \$165 per for Zach Pehling and Carlie Pehling, plus out-of-pocket costs (such as report reproduction, work processing, postage, copies, telephone, etc.) Based on the information provided to us, the fee will not exceed \$5,000. Subsequent years will be adjusted to reflect current activity and an inflation adjustment. This is an all inclusive fee that includes performing the audit, and all associated incidentals.

Proposal for Financial Audit Services

For Fiscal Years Ending June 30, 2026

If we elect to terminate our services for non-payment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur additional costs.

Very truly yours,

A handwritten signature in black ink that reads "PnPCPA". The letters are cursive and fluidly connected.

PnPCPA

Zachary Pehling

1 E Liberty St, 600, Reno, NV 89051 • (707) 279-4259 • zach@PehlingCPA.com

CAREER HISTORY AND ACCOMPLISHMENTS:

2009-current: *Audit Partner*, PnP CPA's

- Received 2013 and 2014 Best of Kelseyville award for CPA's
- Consulted as Internal Auditor for the City of Lakeport
- Have a proven record of helping small agencies
- Specializes in non-profit and government accounting
- Lead auditor on most of firm's audits
- Run an established firm focused solely on auditing non-profits and local government
- Manage 40+ audits throughout the year,
- Serves as treasurer for local AYSO.

2006-2009: *Audit Manager*, Joan Sturges, CPA

- Took over as audit manager
- Initiated a paperless audit program
- Designed an audit program to ensure compliance
- Audited 30+ clients per year

EDUCATION:

City University, Seattle, WA - Master of Business Administration, Financial Management

University of Washington, Seattle, WA - Bachelor of Science, Cellular and Molecular Biology

Olympic Community College, Bremerton, WA - Associate of Arts and Sciences received concurrently with high school diploma

PROFESSIONAL CERTIFICATION:

California Certified Public Accountant, License Number 104983

Nevada Certified Public Accountant License Number CPA-6531R

Mendocino County

Inland Water & Power Commission

P.O. Box 1247 • Ukiah, CA 95482

Phone (707) 391-7574 • Email: IWPC@mendoiwpc.com

Staff Report

To: MCIWPC Commissioners

From: Coyote Valley Dam Ad Hoc Committee

Date: October 08, 2026

Re: Agenda Item #6a: Update on the USACE Feasibility Study for Coyote Valley Dam

Background

The Coyote Valley Dam General Investigation (GI) Study was initiated in partnership with the Lytton Rancheria of California to evaluate alternatives to modernize and expand the storage capacity of Coyote Valley Dam. The Study was initiated in March 2025 and paused by the U.S. Army Corps of Engineers (USACE) in October 2025, due to a lack of federal funding. Funding was received in FY24 to initiate the study. No funding was received in FY25 or FY26 for the Study. The FY27 President's Budget also did not include funding to continue the Study.

Over the past several months, IWPC has evaluated potential pathways for continuing to advance the Coyote Valley Dam raise and identified a need for additional federal policy and advocacy support. At its September meeting, IWPC announced the selection of Julie Minerva of Carpi & Clay to provide federal advocacy support and authorized Chair Janet Pauli to execute a contract within the amount authorized in the current fiscal year budget. The federal advocacy effort is intended to strengthen IWPC's engagement with USACE and other federal decision-makers and support continued advancement of additional water supply storage at Coyote Valley Dam.

Federal Advocacy Support

Julie Minerva has more than 20 years of federal government relations and infrastructure advocacy experience. Her work includes representing water districts, flood control agencies, local governments, ports, and other infrastructure interests before Congress and federal agencies, including USACE, Bureau of Reclamation, and the Office of Management

and Budget (OMB). She has experience advancing water supply, dam, levee, environmental restoration, and other infrastructure projects and currently serves as Chair of the National Waterways Conference. Julie will work with the Ad Hoc Committee and project team to support federal policy engagement, strengthen relationships with key decision-makers, and help identify opportunities to continue advancing the Coyote Valley Dam Study and future project implementation.

Near-Term Federal Engagement

Over the next several months, IWPC will focus on building the relationships and coordination needed to support continued advancement of the Coyote Valley Dam Study. This will include introducing Julie to existing Study partners, supporting and expanding outreach to USACE leadership, and advocating for FY27 funding for the Study. These efforts will also lay the groundwork for an early 2027 Washington, D.C. visit to meet directly with federal decision-makers.

FY27 Funding Opportunity

IWPC continues to monitor the FY27 appropriations process as a potential opportunity to secure additional federal funding for the Coyote Valley Dam Study. If funding is provided, IWPC's near-term federal engagement will focus on positioning the project to efficiently restart the Study and maintain momentum toward completion.

Next Steps

The Ad Hoc Committee, project team, and Julie will begin implementing the federal engagement strategy by:

- Coordinating with IWPC's existing partners and aligning federal messaging;
- Scheduling meetings with USACE leadership;
- Continuing to monitor and support the FY27 appropriations process and preparing for potential reinitiation of the Study; and
- Developing priorities, briefing materials, and a meeting strategy for an early 2027 Washington, D.C. visit.

IWPC will continue to receive updates from the Ad Hoc Committee as federal funding, policy, and engagement opportunities develop.