

An aerial photograph of a mountainous valley. A river winds through the center of the valley, surrounded by green fields and small settlements. The mountains are covered in dense green forest, with some rocky outcrops visible. The overall scene is a lush, mountainous landscape.

Proposed Alexander Valley Water District

Presented to:

Mendocino County Inland
Water and Power
Commission

Presented by:

Brad Petersen, President,
Russian River Property
Owners Association

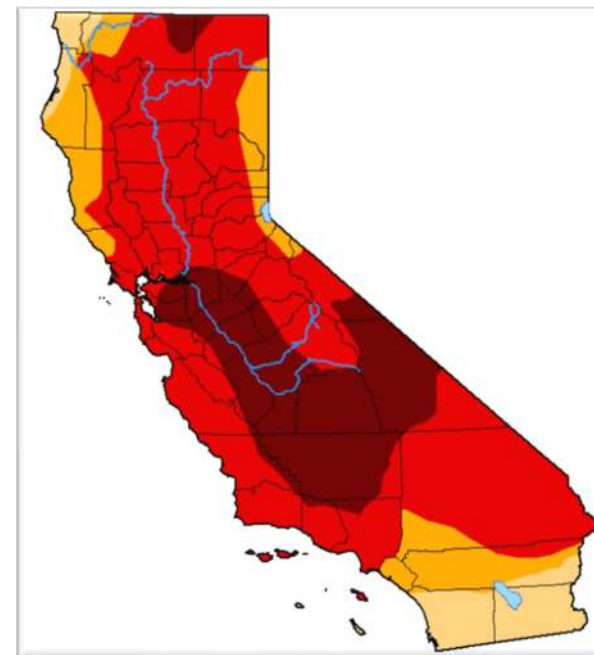
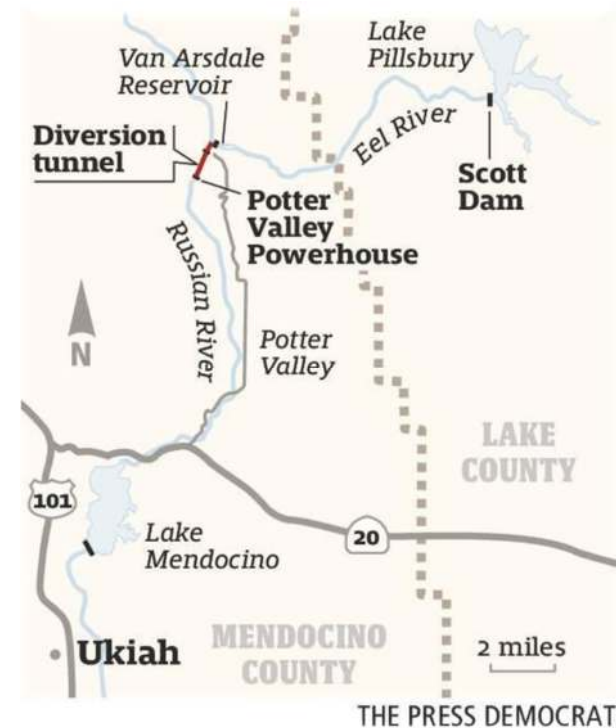
May 9, 2024

Background & Introduction

- Over the past three years representatives of agricultural water users in the Alexander Valley have been engaged to secure water supply and improve water resilience
- The Sonoma Alliance for Vineyards and the Environment and Russian River Property Owner's Association have led this effort supported by technical and legal advisors and in consultation with other water users including the cities of Healdsburg and Cloverdale, the Dry Creek and Lytton Rancherias, Sonoma Water, State regulatory agencies, and conservation organizations.
- In addition to responding to regulatory requirements and participating in regional water supply efforts, agricultural landowners pursued formation of a new special district, a California Water District, to provide services currently not provided and beyond the capacity or authority of any existing organizations
- A considerable effort has been undertaken to develop, specify, and evaluate the proposed new Water District, including detailed mapping of boundaries and preparation of land use data, articulation of proposed services, outreach and engagement with landowners and affected agencies, and responding to LAFCO Application requirements.

Threats to Alexander Valley Water Supply

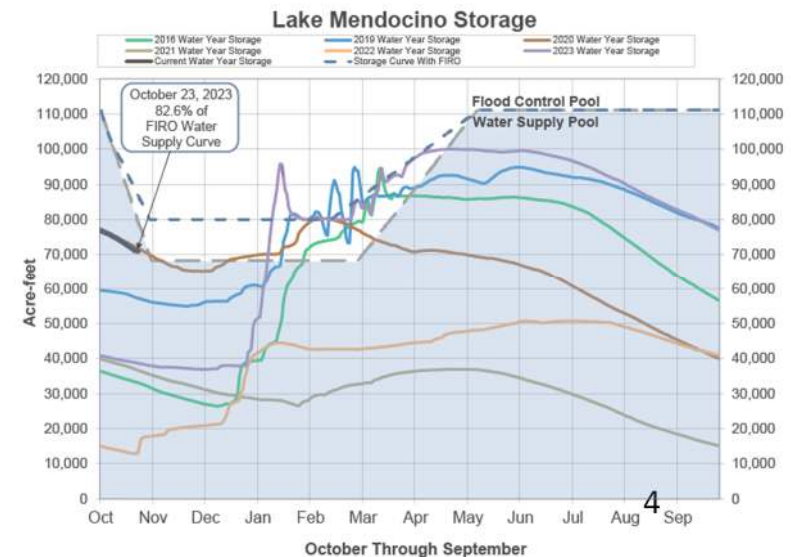
1. Measurable changes in long-term climate patterns suggest that a period of increased duration of periodic droughts and more intense storm and flood events has arrived
2. Significant reduction and possible total loss of Eel River imports
 - a. The transfer of Eel River water to the Russian River is currently reduced to a de minimis amount as a result of equipment failure at the PG&E Potter Valley hydropower project
 - b. PG&E intends to decommission and remove the Eel River diversion infrastructure, and future inter-basin transfers would occur only if a new facility is constructed
3. Russian River surface water rights are curtailed by the State Water Board in severe droughts (e.g., 2014, 2021-2022), and are likely to be curtailed in all but the wettest years (i.e., about 8 out of 10 years) due to reduction in the Eel River inter-basin transfer
 - a. Groundwater curtailments may also be imposed due to underflow connection of the aquifer to the River flows
4. Domestic use and Russian River minimum instream flows to support anadromous fish have priority over agricultural and commercial use during periods of reduced water supply



What is at Risk?

Without the continuity of 'summer flows' in the Russian River, and restrictions on groundwater usage, water supply for all beneficial uses will diminish including agricultural irrigation, minimum flows to support fish populations, domestic uses, and commercial and industrial uses:

- Loss of water supply that has been tapped for more than 100 years, if not mitigated, could cause a reduction of grape production or even acreage planted
- Loss of production or higher costs could contract the wine production sector
- Reduced summer flows on the Russian River adversely affects recreation uses
- Mandatory urban water conservation may increase household costs and adversely affect hospitality sector
- Fish populations dependent on minimum summer flows could be negatively affected



Water District Purpose & Functions

The proposed Water District would have the following specific functions and related services:

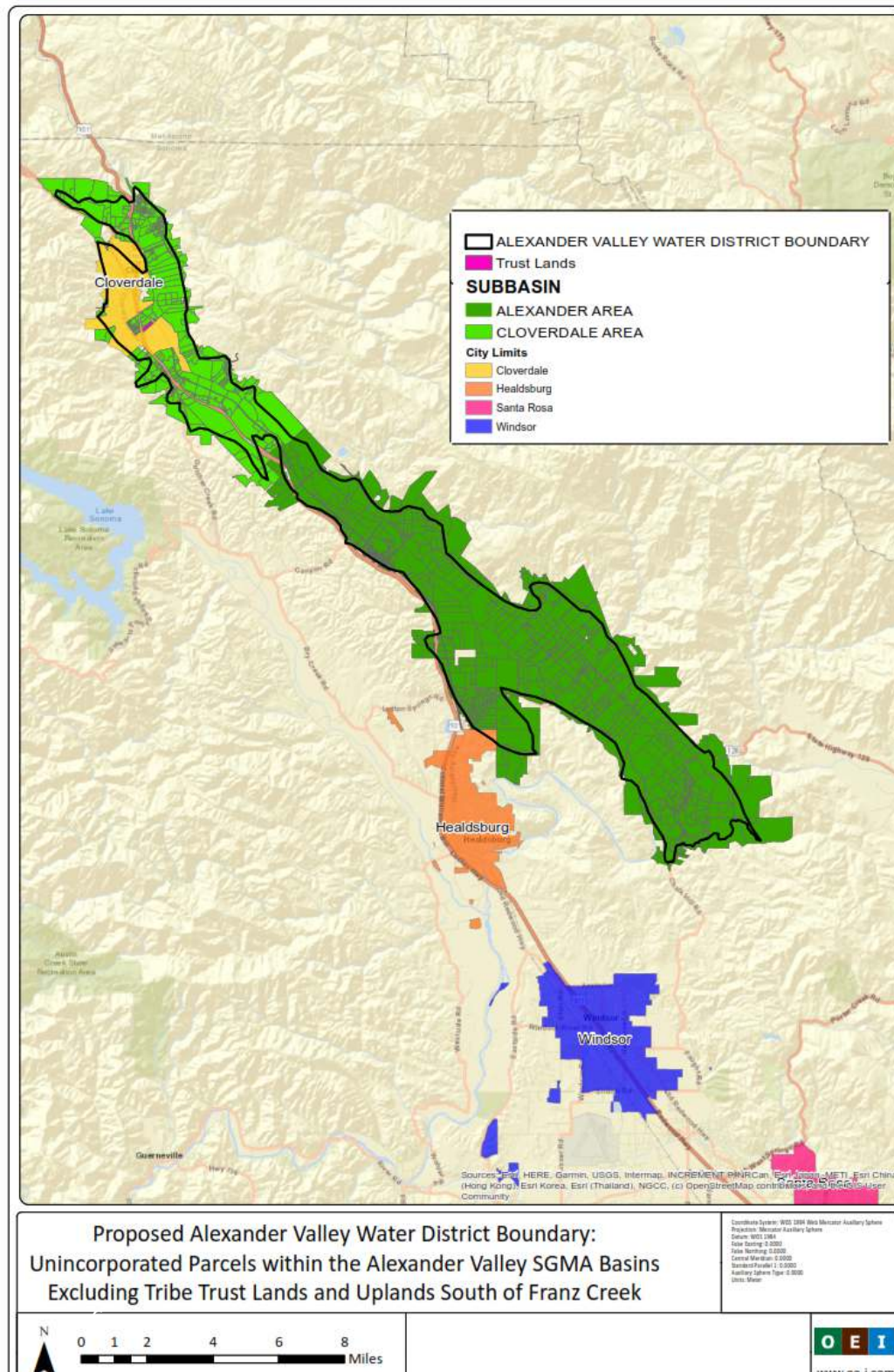
1. Water Sharing Program: establish and manage a water sharing program for the Alexander Valley in cooperation with and participation of other water agencies in the Russian River watershed.
2. New Eel River-Russian River Diversion Facility: negotiate with, and potentially be a member of, the Eel-Russian Project Authority that proposes to own, construct and operate a new water diversion facility on the Eel River; administer any new water supply acquired for Alexander Valley water users.
3. Groundwater Investigation and Management: study the relationship between groundwater pumping, groundwater recharge and streamflow and the impact of reduced Eel River imports; prepare a groundwater sustainability plan if mandated by the Department of Water Resources.
4. Groundwater Recharge Program: construct and operate new water diversion and conveyance facilities, obtain water rights and regulatory approvals, and monitor and report performance of the program on behalf of landowners participating in the on-farm groundwater recharge program.

In addition to these services, the proposed Water District would represent private water users in local and regional water supply and conservation efforts and regulatory proceedings and cooperate and enter into agreements with other local or regional water supply organizations, non-profit entities, and private sector.

District Boundary & Area Description

Figure 1 shows the proposed new District boundary:

- The proposed boundary includes an estimated 28,723 acres encompassing the two Alexander Valley Groundwater Basins.
- The boundary encompasses an estimated 1,655 parcels including 300 large (greater than five acres) agricultural land ownerships and some upland grazing and forested areas
- The boundary also includes several residential subdivisions, scattered rural residential parcels, the community of Geyserville, 43 wineries, and other commercial uses
- The proposed boundary is somewhat larger than these Basins because it includes the entire parcel that straddles the Basin's edge
- There will be exclusions from the boundary including public lands, Tribal Trust lands, and an upland portion of the Southern Basin near Franz Valley
- All landowners within the proposed boundary not so excluded will participate in the district



Water District Formation Process

The Water District can be formed in two ways (Options 6 & 7, above) subordinate to the Water Code 34000 et seq., the California Water District Act (Principal Act) as may be amended:

1. Through a petition-initiated application to the Sonoma Local Agency Formation Commission consistent with requirements of LAFCO Law (Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000); or
 2. Through a Special Act of the State Legislature that would create the District directly.
- Under either approach, the same description and details and garnering of support of Alexander Valley landowners will be needed
 - Both options continue being considered by the petitioners at this time; a decision will result following ongoing consultations with Legislative staff and LAFCO regarding the most expeditious and effective approach

Organizational Partners Engaged

Securing water supply and resiliency will require the cooperation of all water using tapping the Russian River and Alexander Valley groundwater basins including the agricultural and industrial water users, urban and rural residential and commercial users, the tribes, and key regulating agencies, including:

- Agricultural water users
- Cities of Cloverdale and Healdsburg
- California American Water Company (Geyserville)
- Mutual and private water companies serving residential and commercial uses
- Sonoma Water
- Lytton Rancheria and Dry Creek Rancheria
- State Water Resources Control Board and Department of Fish and Wildlife
- Conservation organizations

A key purpose of the new District will be to enfranchise and empower local landowners to officially participate with these agencies towards the common objective of securing Alexander Valley water supply and resiliency

AVWD Formation Process & Status

The Water District may be formed in two ways:

- 1) Through a petition-initiated application to the Sonoma Local Agency Formation Commission; or
 - 2) Through a Special Act of the State Legislature that would create the District directly.
- Under either approach, the same description and details and garnering of support of agricultural landowners will be needed
 - Both options are being pursued at this time; a final decision will result from ongoing consultations with Legislative staff and the Sonoma LAFCO
 - The LAFCO Application process has begun with initial components of the Application submitted
 - A Landowner Petition has been drafted and will be circulated in the coming months

Potential Benefits of AVWD to Mendocino County Water Users

- More efficiently use surface water and groundwater in Alexander Valley to reduce reliance on Eel River and Lake Mendocino storage
- Help clarify and administer the Lake Mendocino 10 TAF reservation for Sonoma County
 - Goal is to allow Sonoma Water and Mendocino County FC&WCD more efficiently conserve and manage Lake Mendocino storage and Russian River minimum streamflows
- Jointly establish and administer a Russian River water sharing program with Mendocino County agencies
- Provide additional funding for Eel-Russian Diversion Facility