



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 12/5/2023

To: Board of Directors, Sonoma County Water Agency
Department or Agency Name(s): Sonoma County Water Agency
Staff Name and Phone Number: Grant Davis 707-547-1911
Vote Requirement: Majority
Supervisorial District(s): Countywide

Title:

Public Policy Facilitation Services Related to Russian River Water Forum Phase II

Recommended Action:

Authorize Sonoma County Water Agency's General Manager to execute an agreement with Kearns & West, Inc., in a form approved by County Counsel, for public policy facilitation services related to the Russian River Water Forum Phase II through June 30, 2024, in the not-to-exceed amount of \$400,000.

Executive Summary:

This item is for public policy facilitation services related to Russian River Water Forum Phase II (RRWF Phase II), which will focus on advancing efforts to fully implement the co-equal objectives of Eel River fish migration and continued Eel River and Russian River water diversions as a regional response to Pacific Gas & Electric's (PG&E) planned license surrender and decommissioning of the Potter Valley Hydroelectric Project (PVP). RRWF Phase II will also include efforts for advancing Russian River water supply resilience.

Discussion:

HISTORY OF ITEM/BACKGROUND

Sonoma County Water Agency (Sonoma Water) provides wholesale water from the Russian River to cities and water districts in Sonoma and Marin counties. Collectively, these cities and districts serve a population of approximately 605,000 people.

For over 100 years, the PVP has provided inter-basin water transfer from the Eel River to the East Fork of the Russian River in Potter Valley. This transfer provides a critical source of water for people and businesses in Mendocino, Sonoma, and Marin counties and for threatened and endangered fish in the Russian River. The PVP operates under a license issued by the Federal Energy Regulatory Commission (FERC). In 2019, PG&E announced its decision not to relicense the project when it expired in April 2022, and in July 2022 submitted a plan and schedule for the license surrender to FERC.

Under this plan, PG&E is scheduled to issue an initial draft of its license surrender application and decommissioning plan in November 2023 for stakeholder review and comment. PG&E is then scheduled to submit a draft license surrender application and decommissioning plan to the FERC in May 2024, and a final application and plan to FERC in January 2025.

The Russian River Water Forum, Phases I and II

The Russian River Water Forum (RRWF) was established in 2022 to identify solutions that respond to PG&E's planned decommissioning of the PVP while protecting Tribal interests and supporting the stewardship of fisheries, water quality, and recreation in the Russian River and Eel River basins.

The first phase of RRWF consisted of public outreach and organizing services for the Water Users Forum and was funded in part through a grant from the California Department of Water Resources (DWR). The tasks of Phase I have been completed and the grant funds have been spent.

In Phase II, the RRWF envisions collaboratively identifying local solutions for maintaining water flow from the PVP into the Russian River watershed while also emphasizing Russian River water supply resilience and fisheries protection/improvements in both river basins and addressing interim PVP water diversions during the decommissioning process. Sonoma Water applied for new grant funds from DWR in January 2023 to continue the RRWF Phase II work, but that application was not funded.

Anticipated Activities for RRWF Phase II

In July 2023, Sonoma Water, Mendocino County Inland Water and Power Commission, and the Round Valley Indian Tribe (collectively "Proponents") submitted a proposal to PG&E to acquire the PVP's water diversion facilities (see Attachment 2). This proposal includes commitments to form a Joint Powers Authority, prepare a design for a new Eel-Russian facility, agree with PG&E on terms for a Purchase and Sale Agreement for the certain PVP diversion components, and obtain support for the proposal from National Marine Fisheries Service and California Department of Fish and Wildlife, and from representative governmental and non-governmental entities from the Russian and Eel River basins. This proposal seeks to meet the co-equal objectives of fish migration and continued water diversions.

There is a need to continue the RRWF to provide opportunities for outreach and input from a broad collection of stakeholders representing Eel River and Russian River interests as the work to meet the July 2023 proposal commitments progresses. The RRWF will also advance efforts to improve Russian River water supply resiliency.

Funding Sources for RRWF Phase II

On May 16, 2023, the Sonoma County Board of Supervisors approved allocation of \$350,000 of the County's 2022 discretionary Water Security Fund for the RRWF Phase II work. Additional contributions of \$50,000 will come from Sonoma Water's water contractors for a total of \$400,000 for consultant costs and staff time.

SELECTION PROCESS

Kearns & West, Inc. (Consultant) was selected from a list of qualified consultants developed from a competitive selection process. Attached is a memo that explains the competitive selection process.

Consultant was selected for the subject work because of its experience bringing together diverse groups working to address complicated issues, and their knowledge of PVP decommissioning and of the RRWF.

SERVICES TO BE PERFORMED

Under the agreement, Consultant will provide public policy facilitation services related to RRWF Phase II which will provide opportunities for outreach and input associated with the July 2023 proposal to PG&E and for efforts to improve Russian River water supply resiliency.

The cost of services will not exceed \$400,000. This agreement covers services rendered from May 18, 2023, to June 30, 2024.

The agreement includes authorization for the General Manager to make changes to lengthen time schedules or make minor modifications to the scope of work, which do not increase the amount paid under the agreement, in a form approved by County Counsel.

The agreement includes two options for Sonoma Water to extend the term for a period of one year each by providing written notice to Consultant thirty days in advance of the expiration date of the agreement and of the first extension option. The extension will be formalized in an amended agreement or amendment signed by Sonoma Water and Consultant.

County of Sonoma Strategic Plan Alignment:

N/A

Sonoma Water Strategic Plan Alignment

Water Supply and Transmission System, Goal 1: Protect drinking water supply and promote water-use efficiency.

Water Supply and Transmission System, Goal 2: Maintain and improve the reliability of the Water Transmission System.

The work of the RRWF Phase II will provide opportunities for outreach and input associated with the July 2023 proposal to PG&E and for efforts to improve Russian River water supply resiliency.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

- 05/16/2023: Approve and allocate County of Sonoma Water Security Funds for the Russian River Water Forum (\$350,000), and other actions.
- 03/21/2023: Adopt a resolution authorizing the application, acceptance, and execution of grant agreements with California Department of Water Resources for a Project under the Department of Water Resources Urban Community Relief Grant Program, and other actions.
- 02/28/2023: Receive quarterly Ad Hoc Committee update on the Potter Valley Project.
- 04/19/2022: Approve an agreement for public outreach and organization services for the establishment of the Russian River Water Forum, and other actions.
- 11/02/2021: Adopt a resolution authorizing the application, acceptance, and execution of grant agreements with California Department of Water Resources for the Russian River Watershed Water Supply Resiliency Project.

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected

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Budgeted Expenses	\$400,000		
Additional Appropriation Requested			
Total Expenditures	\$400,000		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$400,000		
Use of Fund Balance			
Contingencies			
Total Sources	\$400,000		

Narrative Explanation of Fiscal Impacts:

Budgeted amount of \$400,000 is available from FY 2023/2024 appropriations for the Russian River Projects fund. Offsetting revenue in the amount of \$350,000 will come from contributions from the County Water Security Funds. Additional contributions of \$50,000 will come from the Water Contractors via the Water Transmission Agency Fund, for a total of \$400,000 for consultant costs and staff time. No additional appropriation is required.

Staffing Impacts:			
Position Title (Payroll Classification)	Monthly Salary Range (A-I Step)	Additions (Number)	Deletions (Number)

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1: Competitive Selection Process Memo

Attachment 2: Proposal for Pacific Gas & Electric Company, Draft License Surrender Application, Potter Valley Project (P-77)

Related Items "On File" with the Clerk of the Board:

None