

Minutes of Regular Meeting
Meeting, October 12th, 2021 - 6:00 PM
NSD Conference Room 1515 Soscol Ferry Road, Napa, CA 94558

1. Roll Call: Directors Deyermond, Drayton, Jones, Lincoln, Turnipseed and Walker were present. Director Wilkinson was absent until item 6 in the agenda.
2. Public Comment: No Public Comment received
3. Approve Minutes of the Regular Meeting of July 13, 2021
4. Discussion and possible action on acceptance of the two-year audit conducted by Charles W. Pillon, CPA, for Fiscal Years ended June 30, 2020 and June 30, 2021. Presentation from Auditor-Controller Tracy Schulze.

Auditor-Controller Schulze highlighted pages 18-19 of the LCWD Audit Report to note the revised payment completion date which moved from an original estimate of 2046 up to September 2031 due to the fundraising and grant application success of the Board.

Motion to accept the findings of the report from Director Deyermond, second Director Drayton. Motion passed 6 ayes and 1 absent

5. Discussion and possible action on payment of claims as shown on Claims List 101221.
No action required as all items were already covered by an approved budget

---- Agenda Order Changed to accommodate the absence of Director Wilkinson ----

9. Report on the Recycled Waterline Project and Operations Update by Andrew Damron, NSD.
Mr. Damron updated the board that the 2021 water use was approximately 784 acre feet vs the guaranteed allocation of 450 acre feet.
A 2010 study by Napa San estimated a total production of 3700 acre feet of recycled water but various factors have changed the number since then with the total number still being calculated. It is likely that the Napa San Board will review the allocation of recycled water between the various recipients.
Chloride levels have been increasing due to the drought and there was a temporary increase during some construction work undertaken by Napa San.
A question was raised about potential for pond coverage at Napa San's facilities to reduce evaporation and increase the quantity of recycled water available. Mr. Damron replied that some ponds cannot be covered because the action of sunlight is part of the treatment process. It is possible that some of their ponds may be covered by solar generation panels in the future which would provide a dual benefit.
Director Lincoln commented that his ranch was 100% irrigated with recycled water this year and he had seen no signs of salt symptoms in his vines
6. Administrative Guidelines Subcommittee- Updates regarding recycled water in a shared pond.
Directors Drayton and Turnipseed suggested changes in the language of the existing Administrative Guidelines to cover the topic of the storage of recycled water on a parcel other than the original parcel allocation. Two additional caveats were suggested by the Board that 1) the Board needs to be informed before any storage arrangements are made and 2) that the sum of water entering the Original and Storage parcels should not exceed their combined allowance of Table A water. Directors Drayton and Turnipseed agreed to bring the amended guidelines back to the Board for adoption once the full language had been incorporated.

7. Community Outreach Subcommittee- Findings on future water needs of nonconnected assessment members and forecasted demand of Assessment District in relation to total district water allocation.

Director Wilkinson explained the findings of the Community Outreach Subcommittee. There are three components to the potential future water demand increases in the LCWD 1) expected purchases from non-connected district members 2) expected purchases from connected users who will continue to expand their usage and 3) expected averages from existing connections.

Currently 41 parcels are not connected, totaling 1096 acres. The committee reached 19/41 parcels, focusing on the larger parcels but ensuring they included a good number of small parcels at the same time. The 19 contacted represent 913 of the 1096 acres. 412 acres declined to connect because it is too expensive and they already have enough water. In this group Rombauer may reconsider but Bouchaine is unlikely to. Bouchaine would have to trench over a mile and cross over a blue-line creek to connect.

Director Wilkinson commented that having members in the district who are paying for the District but have no interest or ability to connect "feels like an opportunity".

The other approximately 501 acres of those not yet connected intend to connect in the future but their estimated future water use were hard to interpret directly (and were potentially inaccurate). If they take water at the designed rate, then they would add an additional 54.6 acre feet of demand.

The group of currently connected parcels that intend to increase usage form an additional 180 acres of plantings that will also increase water useage.

The Board conferred and decided that they should attend the next Napa San Board Meeting on November 3rd 2021 as a unified expression of interest in the importance of making more water available to the LCWD.

8. Winter Water Subcommittee- Findings on the Lack of Availability of Recycled Winter Water and Recommendation to Not Proceed with Process to Offer Winter Water for Non-Assessment District Parcels.

The Winter Water Subcommittee reported back to rest of the Board on their findings. Napa San was asked to investigate the availability of water in dry years (when sharing winter water outside of the LCWD might be most beneficial to non-members). Napa San concluded that there would not be any excess water available in those dry years, limiting the benefit of making winter water more broadly available. In addition, the subcommittee added that there would be large additional costs to the district in recalculating the assessments and water distribution because of the need to engage the project engineers, Carollo, and Auditor-Controller Ms. Schulze. In addition, it would be expected that there would be significant legal fees to assess any changes in the current arrangements.

Given the low chances of success for beneficial winter water being available in high-demand drought years, and the potential large costs of exploring and administering alternative arrangements, the Subcommittee concluded that it did not seem fair to spend the LCAD money investigating any further.

Director Wilkinson moved to disband the Winter Water Subcommittee and adopt the position that, as it is unlikely that there would be any Winter Water available in dry years, the Board should cease exploring options for using the LCWD pipeline to distribute winter water for the present time. Seconded Cass Walker, motion passed 6-0-0.

10. Future Agenda Items.

No future agenda items were raised.

11. Comments from Board Members regarding; meetings attended, discussions with Staff and Elected Officials of other Agencies, or Members of the Public; and review of any correspondence received and actions taken.

Director Wilkinson wanted to recognize the hard work of Tracy Schulze for yet another

glowing review from our Auditor

Director Drayton raised that he had received several inquiries from parties interested in joining the LCWD and expressed that he expected this to continue as long as there are drought conditions in Carneros

Director Deyermond confirmed with Mr. Damron again that there was no additional action needed against the Copper Cane parcels in the District unless the situation or evidence of wrongdoing changes

12. Adjourn to the Regular Meeting of December 14, 2021.

Submitted by Secretary William M Drayton

Approved date