



**HUMBOLDT BAY MUNICIPAL WATER DISTRICT**  
828 7<sup>th</sup> Street, Eureka



**Minutes for Meeting of Board of Directors**

**October 12, 2017**

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**A. ROLL CALL**

President Woo called the meeting to order at 9:01 am. Director Rupp conducted the roll call. Directors Fuller, Hecathorn, Latt, Rupp and Woo were present. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris and Board Secretary Sherrie Sobol were present. Maintenance Supervisor Ryan Chairez and Maintenance Worker Seth Stone were present for a portion of the meeting. Pat Kaspari, Nathan Stevens and John Winzler of GHD and Sandra Smith of JPIA were present for a portion of the meeting.

**B. FLAG SALUTE**

President Woo led the flag salute.

**C. ACCEPT AGENDA**

Mr. Friedenbach requested the addition of an item to Engineering section J1H. He stated that CalOES is requesting a Project Match Commitment Letter and a Project Maintenance Letter for the Collector Mainline Redundancy Project. This is an urgent matter and cannot wait until next month since the Hazard Mitigation Grant application cannot move forward without these. The Board concurred with the addition of the Collector Mainline Redundancy Project. On motion by Director Hecathorn, seconded by Director Rupp, the Board voted 5-0 to accept the agenda as modified.

**D. MINUTES**

On motion by Director Hecathorn, seconded by Director Latt, the Board voted 5-0 to approve the minutes of September 14, 2017.

**E. PUBLIC COMMENT**

No public comment was received.

**F. CONSENT AGENDA**

On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 to approve the Consent Agenda.

**G. CORRESPONDENCE**

District letter to Humboldt County Planning Commission re: Sundberg surface mining and conditional use permit & reclamation plan

Mr. Friedenbach stated he sent the letter to the Planning Commission to remind them of the previous concerns impacting Pump Station 6 and the status of the Yellow-Legged Frog. The letter made it clear however, that the District is unopposed to gravel mining in the Mad River as long as it is appropriately regulated and monitored. Director Hecathorn stated this was a huge issue in the late 90's and she appreciated the reminder to the County Planning Commission regarding this. The Board concurred.

Letter from DWR re: Urban Water Management Plan

Mr. Friedenbach shared the letter from DWR stating they reviewed the District's 2015 Urban Water Management Plan (UWMP). The DWR review found that the UWMP addressed the requirements of the California Water Code. Mr. Friedenbach stated this is good news. This is important because we need an approved UWMP in order to receive Prop 84 funding. The Blue Lake Fieldbrook Pipeline



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Project is being partially funded by Prop 84 money. He credited Ms. Harris and Ms. Ryan for being persistent and following up on the UWMP status with DWR.

Letter from DWR re: R.W. Matthews Dam maintenance

Mr. Friedenbach stated this is a generic letter from DWR regarding dam maintenance. The District regularly maintains the dam and complies with the regulatory requirements. Director Latt previously requested “as-builts” of the dam and inquired if Mr. Friedenbach was able to get the as-builts for the dam from the Sacramento office of DWR. Mr. Friedenbach stated he was able to get copies of “authorized to construct” plans which the Division of Safety of Dams (DSOD) accepts as “as-builts” since these were not done back when the dam was constructed. The dam is built very stout. He also received photographs and DSOD notes from the construction phase. He added that GHD, our Engineering firm also has copies of these as well. Director Latt stated he requested this since a second Oroville Dam report stated the viability of the dam could only be ascertained by reviewing the “as-builts” in addition to the visual and physical inspection process. The inspection process alone was not sufficient. He thanked Mr. Friedenbach for his efforts in getting the information.

Letter from FERC re: EAP Exercise Design Course

The District received a letter from FERC stating our Comprehensive EAP Functional Exercise Test is scheduled to be done in 2019. A course is offered to prepare this and will take place in Austin, Texas. Mr. Friedenbach stated staff has experience in conducting the EAP Functional Exercise and will not be attending the training in Texas. He stated that staff previously attended another local dam owners’ EAP Functional Exercise and may do that again in advance of our Exercise.

**H. CONTINUING BUSINESS**

Water Resource Planning

Mr. Friedenbach stated staff is still waiting to hear back from the Wildlife Conservation Board about our grant application.

Cannabis Grows

Mr. Friedenbach stated he included the cannabis news article since Scott Bauer is quoted several times. Mr. Bauer previously presented to our Board on environmental impacts of illegal cannabis grows. In enforcement news, the California Attorney General’s Office, on behalf of the North Coast Regional Water Quality Control Board, filed a civil complaint in Trinity County Superior Court related to “unpermitted and irresponsible land clearing and development activity associated with cannabis Cultivation...”. Mr. Friedenbach included the full civil complaint in the Board Packet. Director Rupp suggested staff check in with Mr. Corbett to see what can be done about this on the Mad River.

**I. NEW BUSINESS**

Presentation of employee jacket to: Seth Stone

Mr. Davidsen introduced Seth Stone and stated Mr. Stone has a T3 operator certification, is a great worker and an asset to the District. The Board welcomed him to the District and President Woo presented him with a District jacket. Mr. Stone thanked the Board and stated he was happy to be with the District.



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JPIA Benefits presentation by Sandra Smith and possible approval of incentive changes

Mr. Friedenbach introduced Sandra Smith, ACWA JPIA Benefits Manager. Director Rupp added that she is the principal staff person for the Employee Benefits Committee that he chairs. She is very capable and he looks forward to her presentation. Ms. Smith explained what ACWA JPIA does and the types of insurance coverage provided. ACWA JPIA is driven by member service, not profit and has returned over \$42 million to its members since inception. ACWA JPIA not only provides insurance coverage, but consultation, education and advocacy as well. She provided information on the Benefit plans, including medical, dental, vision and the Employee Assistance Program. She shared how ACWA JPIA is working to provide the best medical insurance and care opportunities and discussed 2018 Plan changes. She discussed in more detail the Consumer Driven Health Plan (CDHP) and the associated Health Savings Accounts (HSA). The Board asked several questions and thanked her for the presentation.

Ms. Harris discussed the CDHP in further detail. She noted that although this is the most cost-effective means of offering health insurance for employees, it is not the first choice for employees. To better understand some of the reasons for this, staff met with employees and learned their concerns. To address some of the concerns, the District provided an opportunity for education and information direct from JPIA. Ms. Smith from JPIA met with employees and provided information and responded to questions regarding the CDHP and other health plans offered to District employees. Currently the District deposits the CDHP deductible (\$1,500 - \$3,000/annually- single/family) in the employee's HSA as long as they remain in the plan. As an incentive, the District will deposit \$1,000 in the employee's HSA for the first two years they are enrolled in the plan. Other local agencies offer similar plan deposits to varying degrees. Staff discussed the JPIA incentive plan with JPIA staff. JPIA staff did not recommend our District implement a similar incentive as theirs and shared why. Based on feedback from employees and JPIA, staff recommends the District extend their current \$1,000 incentive from two-years to four-years. The District and the employee will both continue to see savings with the extended incentive. On motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 to extend the CDHP incentive from two to four years effective January 1, 2018.

Resolution 2017-11 for Quagga Zebra Mussel Infestation Prevention Fee Grant Program Application and Funding Agreement

Mr. Friedenbach stated the District applied for and was awarded grant funding in the amount of \$7,480 from the Quagga/Zebra Mussel Infestation Prevention Fee Grant Program for 2018/19. The funds will be used to cover operational costs directly associated with the District's Aquatic Invasive Species Prevention Plan. Prior to entering into the grant agreement, the District needs to adopt Resolution 2017-11 authorizing a designated representative(s) to complete the grant agreement and associated documents (amendments, claim forms, progress reports, completion, etc.). On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 by roll call vote to approve Resolution 2017-11 for Quagga Zebra Mussel Infestation Prevention Fee Grant Program Application and Funding Agreement.

AB 313

Mr. Friedenbach discussed the ACWA Outreach Alert requesting letters of support for AB 313. AB 313 is an ACWA supported bill that would improve the management and administration of water within the State Water Resources Control Board. This bill was passed by the legislature and



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sent to Governor Jerry Brown for signature. Mr. Friedenbach shared the support letter to be sent, pending Board approval. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 to the send the letter of support for AB 313.

R.W. Matthews Dam Annual Maintenance

Mr. Ryan Chairez, Maintenance Supervisor provided a presentation on the annual dam maintenance for the RW Matthews Dam. He reviewed the maintenance objectives, provided an overview of the process for inspection and repairs for the dam spillway, log boom, penstock system, hydro-plant mechanical maintenance and hydro-plant electrical maintenance. Mr. Chairez stated he and his team take maintenance of the R. W. Matthews Dam very seriously. They spend a lot of time and energy making sure all items are at their optimum. Director Latt inquired how many people are involved in the annual maintenance. Mr. Chairez stated approximately eight employees are up at Ruth for an average of five days. The Directors stated they appreciated the presentation and thanked Mr. Chairez and his staff for their attention to safety details.

**J. REPORTS (from Staff)**

**1. Engineering**

Collector 1 Lateral Replacement-Project Summary Presentation

Mr. Nathan Stevens provided a presentation on the Collector 1/1A Project. He stated the Ranney Collectors are the heart of the system. He provided background on why Collectors 1/1A were recommended for rehabilitation and shared the pre-and post-test results of the project. The project was very successful and there was marked improvement with the new laterals. Next steps for Collector 1/1A include replacing pumps and motors, some electrical work and painting. Collector 3 laterals were replaced in 2012 with a very successful outcome, including great water quality. Collector 1 should be the same based on results so far. Collector 2 is scheduled for lateral replacement in fiscal year 2023/24.

Sheriff's Cove Dredging

The District received FEMA grant funding to help with the costs associated with the dredging required at Sheriff's Cove due to the past winter storms. As required when receiving federal grant funding, the District followed its Procurement Policy for Federally Funded Contracts. The Competitive Sealed Bid option was selected to acquire construction services for the project. Mr. Kaspari stated the District received a total of three bids. The lowest bidder was GR Sundberg, Inc. with a bid of \$55,000. He recommends the contract be awarded to them. Mr. Friedenbach added that due to time constraints with the project, he requests authorization for the General Manager to enter into a contract with GR Sundberg, Inc and move forward with the project. On motion by Director Hecathorn, seconded by Director Fuller, the board voted 5-0 to award the bid to GR Sundberg, Inc and authorize the GM to enter into the contract.

Spillway Assessment

At the District's request, Voss Laboratories, Inc. conducted site testing of the spillway slab at the RW Matthews Dam. Visual and non-destructive testing of the reinforced concrete spillway was conducted. The intent of the testing was to delineate areas of delaminated concrete, characterize corrosion of reinforcing steel, scan reinforcement and determine if there is any loss of support beneath the concrete spillway. Mr. Kaspari shared the Voss report. He stated there is some



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delamination on the ogee and floor slab from when the dam was originally built. This is not a big issue but since we now know about it, it is being addressed. Mr. Davidsen provided further detail on work done around the delamination areas. He stated he feels confident about the repairs and staff will continue to do additional testing and monitoring.

Blue Lake-FG CSD Water Line Replacement over Mad River (funded by Prop 84 NCIRWMP grant and FEMA Hazard Mitigation Grant)

Mr. Kaspari stated the Geotech engineer was able get the borings done. He is awaiting the report with the results of the borings. Mr. Kaspari stated he is still hoping to be able to go out for bid by the end of the year. He is going to request an extension on the grant however and does not anticipate any problems.

1MG Reservoir Roof Replacement /Painting

Mr. Kaspari stated he included the most recent progress payment request in the board packet for informational purposes. The roof is on the tank and looks great. The painting is nearing completion. A \$3,000 change order was issued to prep an area of the tank for painting. As previously discussed the job is well past the completion date. If the Board decides to charge liquidated damages, he anticipates it to be approximately \$13,000 by the time the job is complete.

Surge Tower and 12kV Replacement

Mr. Kaspari stated there were no updates on either of the projects.

Status report re: other engineering work in progress

Mr. Kaspari discussed the Collector Mainline Redundancy Project. He stated the project is moving forward within the CalOES Hazard Mitigation Grants Program. CalOES is requesting a maintenance letter and a match commitment letter prior to moving forward. This is time sensitive and thus was added to the agenda. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 to authorize the GM to sign and send out the letters to CalOES.

2. **Financial**

Fund Balances

Ms. Harris stated there are different types of financial statements that are used depending on the entity. Government agencies follow the standards set by the Governmental Accounting Standards Board. For our District, this means a Statement of Fund Balances and Statement of Activities are used to convey the financial status. The Statement of Fund Balances shows what money is coming in and how it is spent. She explained the various sections of the Statement of Fund Balances and what to look for. Director Rupp stated her tutorial was very informative. President Woo agreed and suggested it be part of future New Director Orientation.

Financial Report

Ms. Harris provided the September financial report and discussed the need for a new accounting system. Director Woo reviewed the bills. On motion by Director Rupp, seconded by Director Fuller, the Board voted 5-0 to approve September 2017 financial statement & vendor detail report in the amount of \$828, 598.43.



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Letter from County Treasurer

Mr. Friedenbach shared the letter from the County Treasurer and summarized the interest earned report. He noted that the interest rate is climbing slow but steady.

**3. Operations**

Mr. Davidsen provided the September Operational Report. He stated maintenance crews were up at Ruth conducting spillway repair work a few times during the month. They also installed pumps 1-1 and 1-4 on Collector 1 at Essex. Training included high voltage electrical safety training. The operations crew started watering up the TRF to test and debug the new SCADA system.

**4. Management**

California Water Professionals Week

Mr. Friedenbach stated October 7-15 is the first annual California Water Professionals Appreciation Week. He requested the Humboldt County Board of Supervisors issue a Proclamation acknowledging the first annual water professionals which they did. He shared the proclamation. He stated staff prepared Resolution 2017-12 Acknowledging and Supporting the 1<sup>st</sup> Annual California Water Professionals Appreciation Week. Director Rupp read Resolution 2017-12 and the Board voted 5-0 approve the resolution.

CSDA

Mr. Friedenbach reported out on the CSDA Fall Conference. He discussed the keynote speakers and shared the various educational sessions he attended. He also shared a short video aimed at increasing understanding and awareness of California special districts. The video is part of the CSDA's public outreach campaign, "Districts Make the Difference" and featured McKinleyville CSD.

JPIA Leadership Essentials for the Water Industry

Mr. Friedenbach stated the Board allowed him to attend the Leadership Essentials training a few years ago and it was very beneficial. As part of the succession planning, he signed up two supervisors to attend the next session: Mr. Palmero and Mr. Raschein. Director Rupp inquired if the supervisors were willing to attend. Mr. Friedenbach stated yes, it was an option and they both agreed to attend and invest the time to get most out of the training. Director Rupp stated this is a good investment in our employees.

Discuss possible action by RLCSD Board to allow new RLCSD GM to reside permanently on Lease Lot 42

Mr. Friedenbach stated that Ruth Lake CSD has on their agenda an action item to consider allowing their general manager to reside on his lease lot year-round. Ruth Lake CSD has a policy that states lease lots are for recreational use and not year-round permanent residency. This is a Ruth Lake CSD policy and not a District policy. Mr. Friedenbach stated his concern is seeing a policy precedence being set. He suggested to Mr. Francesconi that this be a part of his employment contract agreement as opposed to a policy exception. If and when he is no longer the general manager, the lease will be for recreational use and not year-round permanent residency. Director Latt suggested the word permanent simply be removed.



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**K. DIRECTOR REPORTS & DISCUSSION**

**General**

Director Rupp commented that Mr. Friedenbach made a presentation to the Eureka Chamber of Commerce on SB 623 the proposed water tax bill. He suggested Mr. Friedenbach offer to make the presentation to other Chambers as well. Mr. Friedenbach stated he did this and the Arcata Chamber stated they do not take any political stance and declined his offer. McKinleyville Chamber of Commerce is discussing the option for a presentation and he has not heard back from the Fortuna Chamber of Commerce.

**ACWA – JPIA**

Director Rupp stated he has not attended any JPIA meetings since last month, however he will be attending an Employee Benefits Committee meeting soon and an Executive Committee meeting towards the end of the month.

**ACWA**

**Meet and greet with President Kathleen Tiegs**

Mr. Friedenbach reported out on the meet and greet with ACWA President Kathy Tiegs. Directors Woo, Hecathorn and Latt were there along with other staff from our District. Dennis Mayo from McKinleyville CSD was also in attendance.

**Region 1 Ballot and Regional Election Results**

Mr. Friedenbach shared the Region 1 ballot and the election results for all the regions. Brad Sherwood of Sonoma County Water Agency is now the Chair of Region 1 and Dennis Mayo of McKinleyville CSD is the Vice Chair of Region 1.

**Organizations on which HBMWD Serves: RCEA, RREDC**

President Woo reported out on the RCEA meeting. Negotiations are still going on with DG Fairhaven for renewable energy.

Director Latt reported out on the RREDC meeting. They received a presentation from Terry Sawyer of the Hog Island Oyster Company. Mr. Sawyer stated Humboldt Bay is very clean and great for oyster seedlings. The 299 Broadband Project was hoping to get funding via California IBank Program however this is no longer an option. They are looking for other funding sources.

**ADJOURNMENT**

The meeting adjourned at 4:21 p.m.

Attest:

  
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 Sheri Woo, President

  
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 J. Bruce Rupp, Secretary/Treasurer

