



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Agenda for Meeting of Board of Directors

July 13, 2016, 9:00 a.m.

Time Set Items:

11:00 a.m. Reports - Engineering Report - Item J1

A. **ROLL CALL**

B. **FLAG SALUTE**

C. **ACCEPT AGENDA**

D. **MINUTES**

Minutes of June 9, 2016 Regular Meeting – approve*

E. **PUBLIC COMMENT**

Members of the public are invited to address the Board on items *not* listed on the agenda that are within the scope and jurisdiction of the District. At the discretion of the President, comments may be limited to three minutes per person. The public will be given the opportunity to address items that are on the agenda at the time the Board takes up that item.

F. **CONSENT AGENDA**

It is recommended that these items, which are informational or routine in nature, be received and filed by the Board at the beginning of the meeting. If any Board member or interested party requests that an item be removed from the Consent Agenda, it will be considered separately.

1. Letter of Support to LAFCo for Samoa CSD formation*
2. Letters responding to Audit RFP*
3. Contract with auditing firm of R.J. Ricciardi, Inc. *
4. Newspaper articles of local/water interest (given the large number, organized by topic)*

G. **CORRESPONDENCE**

1. Letter to Board of Supervisors re: redesignation of Coastal-Dependent Industrial properties*

H. **CONTINUING BUSINESS**

1. Water Conservation Regulations –status update*
2. Water Resource Planning - status report and discussion re: water-use options under consideration (local sales, transport, and in-stream flow dedication)*
3. New Board member representative for Advisory Committee-discuss and possibly approve new
4. Cannabis activities – status update*
5. RCEA update*

I. **NEW BUSINESS**

1. Conflict of Interest Code –Review District’s Conflict of Interest Code and approve response to County’s 2016 Local Agency Biennial Notice *

J. **REPORTS (from Staff)**

1. **Engineering (11:00 a.m.)**

- a) Ranney Collector 1 Lateral Replacement Project (partially funded by Prop 84 NCIRWMP grant) – status report and possible approval of any Change Orders/Progress Payments*

* Supporting material included in Director books



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Agenda for Meeting of Board of Directors

July 13, 2016, 9:00 a.m.

- b) Blue Lake-FG CSD Water Line Replacement over Mad River (funded by Prop 84 NCIRWMP grant and FEMA Hazard Mitigation Grant) – status report*
- c) FEMA Hazard Mitigation Grant and Pre-Disaster Mitigation Grant Submittals- status report*
- d) Potential Exposure of Pipeline on New Navy Base Road-status report
- e) Coonrod development- status report*
- f) Hog Island Development-status report
- g) Status report re: other engineering work in progress

2. **Financial**

- a) Letter from County Treasurer – summarize interest earned report *
- b) OPEB –approve contract with James Marta and Co.*
- c) Financial Report – approve June 2016 financial statement & vendor detail report*
- d) FY 2016/17 Budget –approve budget *

3. **Operations**

- a) Monthly report on projects and operations*
- b) PG&E Statement of Electric Energy Purchased and hydro related summaries*

K. **DIRECTOR REPORTS & DISCUSSION**

1. **General**

- a) General comments or reports from Directors

2. **ACWA – JPIA**

- a) Report re: JPIA activities (if any)

3. **ACWA**

- a) Report on ACWA Activities *
- b) Update on Priority Issues*

4. **Organizations on which HBMWD Serves: RREDC, NCRP**

- a) Status reports*

ADJOURNMENT

ADA compliance statement: In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact the District office at (707) 443-5018. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting.

(Posted and mailed July 8, 2016)

Minutes



Minutes for Meeting of Board of Directors

June 09, 2016

A. **ROLL CALL**

President Hecathorn called the meeting to order at 9:00 am. Director Rupp conducted the roll call. Director Hecathorn, Laird, Latt, Rupp and Woo were present. General Manager Paul Helliker, Superintendent Dale Davidsen, Business Manager John Friedenbach, and Board Secretary Sherrie Sobol were present. John Winzler and Susan O’Gorman of GHD were present for a portion of the meeting. President Hecathorn left the meeting during the lunch break.

B. **FLAG SALUTE**

President Hecathorn led the flag salute.

C. **ACCEPT AGENDA**

On motion by Director Rupp, seconded by Director Woo, the Board voted 5-0 to accept the agenda.

D. **MINUTES**

On motion by Director Laird, seconded by Director Latt, the Board voted 5-0 to approve the Minutes of April 12, 2016. Director Woo requested the last sentence, of the second paragraph under ACWA of the May 12, 2016 minutes be removed. On motion by Director Woo, seconded by Director Laird, the Board voted 5-0 to approve the amended minutes of the May 12, 2016 Regular Meeting and the minutes of the May 13, 2016 Special Meeting.

E. **PUBLIC COMMENT**

No public comment was received.

F. **CONSENT AGENDA**

Director Rupp requested Item F3, Page 24 be pulled. On motion by Director Laird, seconded by Director Woo, the Board voted 5-0 to approve the Consent Agenda less Item F3.

3. **Newspaper articles of local/water interest (given the large number, organized by topic)**

Director Rupp referred to the article in High Country News and stated the paragraph about the District is deceiving. HBMWD will continue to comply with required conservation goals and requested this be clarified. Director Latt requested staff respond with the clarification. Mr. Helliker stated he would contact the writer and confirm the District will be continuing our water conservation programs, which consist of public education and outreach programs, to ensure that we meet our 2020 goal, associated with the 2009 water conservation legislation, and its target of 20% reduction in per capita urban water consumption by 2020. On motion by Director Rupp, seconded by Director Woo, the Board voted 5-0 to approve Item F3.

G. **CORRESPONDENCE**

1. **Joint letter from HBMWD and Ruth Lake CSD inviting Ruth-area parties to joint Board meeting and draft meeting agenda**

The Board reviewed the agenda and had no additional items to add.

2. **Samoa Peninsula CSD**

Last month the Board discussed a request from Troy Nicolini of the Samoa Fire District for a letter of support for their proposal to create a Community Services District. The Board had some concerns regarding the service area map. Mr. Helliker shared that he spoke with Mr. Nicolini regarding the concerns, and the Redwood Marine Terminal area may be included in the possible



Minutes for Meeting of Board of Directors

June 09, 2016

expansion. Humboldt Bay Harbor District owns the terminal and it is not currently in use. Staff recommends sending LAFCo a letter supporting the creation of the new CSD. On motion by Director Rupp, seconded by Director Laird, the Board voted 5-0 to send a letter of support for the CSD.

H. CONTINUING BUSINESS

1. Water Conservation Regulations

Mr. Helliker provided an update on the regulations. On May 18, the State Water Board adopted revisions to the emergency conservation regulations. It now allows water agencies to define the status of their water supplies and determine whether or not there is any need for emergency conservation measures in 2016. He shared the formula to determine the conservation requirement and noted the District's amount should be zero since we have more water available than demand. Director Laird stated the District should highlight that we have enough water to supply our customers, however also note that we are supplying illegal customers that are taking water from the river for their marijuana grows. It is important to bring this issue up. Mr. Helliker stated he could add a sentence noting the un-quantified illegal demand and that we still have excess supply.

Mr. Helliker attended a Public Listening Session hosted by the California Department of Water Resources, State Water Resources Control Board and the California Department of Food and Agriculture regarding the Governor's Executive Order B-37-16. The Executive Order "builds on temporary statewide water restrictions to establish longer-term water conservation measures, including permanent monthly water use reporting, new permanent water use standards in California communities and bans on clearly wasteful practices such as hosing off sidewalks, driveways, and other hardscapes." Mr. Helliker shared the highlights of the meeting and noted the new regulations will likely take into account local conditions.

2. Water Resource Planning

Local Sales

Mr. Helliker stated GHD is moving forward on the application for an SRF Loan for design and analysis of pipeline extension to the north and south of the District. They are currently awaiting the assignment of a grant officer.

Transport

Mr. Helliker shared the latest communication from Mr. Simpson. At this point, Mr. Simpson does not have a project that could utilize the District's water.

The Transport Committee met and they are continuing to seek options. The committee recommends the District broaden their contacts. It appears that a combination delivery and storage option makes our water more desirable. Another potential use could be to offset other releases for environmental benefit. A result of the Sustainable Groundwater Act is that some agencies are looking at additional source options such as surface water. Mr. Helliker stated he will put together a summary, per the committee's request, for discussion with the Board. Director Laird suggested the conversation with the Board occur sooner than later and perhaps an Advisory Committee meeting as well. The Board concurred and Director Rupp agreed it is important to keep the public informed and keep community trust. President Hecathorn agreed and stated education and communication are key. She noted at the beginning of the process, the public initially said "Don't sell our water". After a series of public educational meetings they agreed the District needs to sell



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

June 09, 2016

water in order to retain rights to the water.

Instream Flow

Mr. Helliker stated he spoke with Tony LaBanca of DFW regarding the District's efforts on streamflow enhancement. The purpose of the discussion was to clarify what needs to be done to ensure the District and DFW are in agreement so the District can move forward with a 1707 instream flow dedication. Mr. LaBanca said he would speak with his staff but suggested the District should just move forward with their 1707 application.

I. NEW BUSINESS

1. Urban Water Management Plan (UWMP)

The Public Hearing began at 10:08 a.m. Mr. Helliker provided background on UWMP. The purpose of the UWMP is to support long-term resource planning and ensure adequate water supplies are available to meet existing and future water demands. Water suppliers are required to assess the reliability of their water sources over a 20-year planning horizon considering normal, single dry years and multiple dry years. These plans are prepared every five years and submitted to the Department of Water Resources (DWR) for review. DWR reviews the plans for compliance with the requirements of the Urban Water Management Planning Act. The District worked in collaboration with its Municipal Customers on the UWMP, although each entity has its own plan. The Plan must be adopted and submitted by July 1, 2016. Mr. Helliker noted that Kennedy Jenks Consultants has reviewed the plan and made some good suggestions, including some related to groundwater. Mr. Helliker proposed submitting the UWMP by July 1 and submitting a re-write of the groundwater sections later this year. No public comment was received and the Public Hearing closed at 10:35 am. Director Rupp read Resolution 2016-06 Adopting the District's 2015 Urban Water Management Plan. On motion by Director Rupp, seconded by Director Woo, the Board voted 5-0 by roll call vote to the adopt Resolution 2016-06.

2. Agenda Review Committee

Mr. Helliker discussed the purpose of the Agenda Review Committee. The charter states the committee is composed of the Board President, Secretary/Treasurer and the General Manager and the purpose is to conduct a brief review of the agenda. Director Rupp previously inquired why the Secretary/Treasurer is involved and felt it was not necessary. Mr. Helliker concurred and stated the purpose of the meeting has value and should continue to allow whomever is presiding over the meeting to have an opportunity to become fully oriented to the agenda. He recommended however, that the Board discontinue the actual committee. As noted previously, the person presiding over the meeting will still have an opportunity to meet with the General Manger to go over the agenda. Mr. Helliker added he would be happy to meet with any Director who wanted to review the agenda. On motion by Director Rupp, seconded by Director Laird, the Board voted 5-0 to discontinue the Agenda Review Committee.

3. Ruth Fires, Landslide Investigation of Matthews Dam Vicinity

Mr. Helliker discussed the Landslide Investigation report from Six Rivers National Forest, Mad River Ranger District. After the Ruth fires this past summer, the District requested the Forest Service assist in evaluating the landslide activity, in part because it appeared that the forest road drainage might be promoting slope instability. He noted that this past winter, Mr. Davidsen successfully negotiated with the US Forest Service to have them re-grade their road on the dam side so as not to exacerbate drainage. The report states their findings agree with past finding in



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

June 09, 2016

that there is a large dormant landslide on the hillside above the left dam abutment, although there is no evidence of current movement and it likely presents no threat to the dam. The report also notes an additional area on the same hillslope that may affect the powerhouse road but poses no serious threat to facilities beyond the road grade. The report recommends continued monitoring, engineering review when activity is observed and improvement of forest road drainage. The District has and will continue to monitor the left abutment of the dam and it also inspected by engineers on a regular basis.

J. **REPORTS (from Staff)**

1. **Engineering**

Ranney Collector 1 Lateral Replacement Project (partially funded by Prop 84 NCIRWMP grant)
Mr. Davidsen provided a status report on the project. The general contractor is now scheduled to start work in July. The subcontractor doing the perc pond is also delayed and will begin work within the next few weeks. They will fence off the area of the perc pond from public access. In the meantime, staff is beginning the dewatering process and laying the pipe in preparation. The Board discussed security issues if the park were to remain open. Director Rupp suggested staff check with JPIA for suggestions to limit the District's liability.

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

Previously, the District engineers presented two options for the Blue Lake-Fieldbrook Glendale water line replacement. One was an overhead crossing and the other an under river crossing. Based on several factors, they recommended the under river crossing. Director Laird requested the decision be postponed as he was concerned that proponents of the Annie and Mary Trail would not have an opportunity to weigh in on a possible pedestrian crossing option. The Board agreed and last month, Mr. Lovelace and Mr. Wilson attended the meeting and shared their thoughts. Since then, the item also was on the agenda for discussion at the Humboldt County Board of Supervisors meeting. Mr. Hank Seemann from Humboldt County Public Works was clear that the County did not have funds to contribute to a pedestrian crossing design even if the District chose an overhead crossing. Additionally, he confirmed that the Blue Lake to Glendale portion of the Annie & Mary trail is the first priority. Director Woo stated she and Director Laird attended a trails summit last weekend and the event was well attended. She believes the District can be supportive of the Annie & Mary trail in ways other than selecting an aerial crossing. Director Laird stated the intent is for a trail to go from Arcata to Blue Lake with the trail along the river versus railroad routes. The Board discussed the matter in more detail and Director Latt clarified the District is not against trails, but the pedestrian option on overhead crossing really is not an option at this point in time given our grant funding limitations. He noted that it has been previously mentioned that the District cannot use grant funding to accommodate a pedestrian pathway and it is clear the county has no funds for that. If it is designed this way and not disclosed under CEQA, repercussions could be loss of funding. Additionally, there are liability issues that have yet to be addressed with pedestrian access to the District's pipeline. Members of the public provided input as well. Ms. Mandy Mager, Blue Lake City Manager, clarified that the City of Blue Lake is not requesting the pedestrian trail option. She also noted that the Annie & Mary trail project is a Humboldt County project. She stated Blue Lake is advocating for the best possible project. Mr. John Bartholomew, Blue Lake resident also spoke. He stated he is a trails advocate but can also see that the opportunity to include a pedestrian crossing on an aerial crossing was lost years ago when the District first engaged with the County/HCOAG. He stated he is also an advocate for good, reliable drinking water and it sounds like the under river crossing would best accommodate this for



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

June 09, 2016

communities of Blue Lake, Fieldbrook and Glendale and he is supportive of this. After additional discussion, Director Laird stated he appreciated the Board's delay in vetting the issue. On motion by Director Rupp, seconded by Director Woo, the Board voted 5-0 to adopt the engineer's recommendation to pursue the under river crossing.

FEMA Hazard Mitigation Grant and Pre-Disaster Mitigation Grant Submittals

Ms. O'Gorman stated the 12kV Switchgear and the Surge Tower project applications were submitted to the Hazard Mitigation grant program.

Potential Exposure of Pipeline on New Navy Base Road

Ms. O'Gorman said there are no updates at this time. Director Laird inquired if staff looked at applying for a living shoreline grant with the Coastal Conservancy. Mr. Helliker stated he spoke with project manager Joel Gerwein who suggested we apply in the fall.

Coonrod development

Mr. Friedenbach stated he spoke with Mr. Lazzar, who recently purchased the Moss property and is considering purchasing the Coonrod parcel. He shared the District's concerns regarding the easement with Mr. Lazzar and the limitations on the property. Mr. Lazzar then met with Mr. Davidsen on the property site and discussed the easement concerns. Mr. Lazzar said he would look at design options that did not impact the District's easement.

2. **Financial**

Limit for Appropriations from Taxes – adopt Resolution 2016-5 establishing limitation for appropriations from taxes

Mr. Friedenbach stated the California Constitution Article XIII(b) requires the adoption of an annual resolution limiting the amount of appropriations from taxes to a certain base level plus annual increases based on per capital income and population increases. Staff recommends the Board adopt Resolution 2016-05 to establish the required appropriations limit for the 2016/2017 fiscal year. Director Rupp read the resolution. On motion by Director Rupp, seconded by Director Woo, the Board voted 5-0 by roll call vote to adopt Resolution 2016-05.

FY 2015/16 Project Budget

Each year, staff conducts a mid-year project budget analysis for projects that are charged to the Municipal Customers. Mr. Friedenbach shared the process by which the budget reallocation is determined. Staff identified projects that have money left over or cannot be completed during the current fiscal year. The amount available from these projects this year is \$804,310. Staff recommends the Board consider modifying the 2015/16 year project budget and reallocation to advance charges for four specific authorized projects in the amount of \$804,310 as defined under Ordinance 16 for: 1) the Collector 1 & 1A ; 2) Ruth Bunkhouse, ; 3) 1 MG DW Reservoir Roof; and 4) Painting the Hydro Plant Roof. The net change to the budget is zero with no impact on total Municipal Customer costs. Mr. Helliker explained that the amount may seem high, however it can be attributed to a few projects such as Collector 2, the Ruth Lake Bunkhouse and the Septic System at Essex.

On motion by Director Rupp, seconded by Director Latt, the Board voted 4-0 to approve the budget reallocation as proposed by staff for the 2015/16 fiscal year. President Hecathorn was absent.



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

June 09, 2016

Under the District's Capital Improvement Plan, the next collector rehabilitation project was Collector 2. The District collected Advance Charges and applied for a grant but was not successful in getting grant funding. Given the increased yield from the Collector 3 rehabilitation project and the projected increased yield from Collector 1, staff is recommending the Collector 2 project be postponed until the actual yield from Collector 1 rehabilitation is known. Additionally, the project must be completed within three years of collecting Advance Charges. This would mean Collector 2 must be completed in the 2017/18 fiscal year. Given these factors, staff is recommending the Collector 2 Advance Charges be re-designated as Advance Charges for the Collector 1 & 1A rehabilitation project. The Municipal Customers discussed this previously and were in agreement with the process.

On motion by Director Rupp, seconded by Director Latt, the Board voted 4-0 to approve re-designating the 2014/15 Advance Charges for the Collector 2 project to Advance Charges for the Collector 1 & 1A rehabilitation project.

FY 2016/17 Budget

Mr. Friedenbach provided a budget summary for the proposed 2016/17 budget. He shared a presentation of the proposed total budget and revenue estimates which was a recap of the May meeting. As reported previously, staff is proposing a 2% Cost of Living Allowance and two support positions: six months for a full time Electrician trainee and eight months for a full time Maintenance Mechanic trainee. Health Benefit costs are expected to increase by approximately ten percent. These changes bring the total Salary & Employee Benefit budget to \$3.66 million. This is 6% greater than the FY 15/16.

The Service & Supply Budget with power is \$1,432,400. This is actually a .5% decrease over FY 15/16.

In regards to the Project Budget, carryover items will not be finalized until the close of June's accounting. This will be the only substantial item that will be revised for next month. The finalized budget will be presented for consideration and adoption at the July 13, 2016 Board meeting.

Financial Report

Director Rupp provided the May 2016 financial report. Director Latt reviewed the bills. On motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 to approve the May 2016 financial statement & vendor detail report in the amount of \$131,556.70

Audit RFP

As reported last month, the District's three-year agreement with the accounting firm of Hunter, Hunter and Hunt ended. Six request for proposals were sent out. Two firms did not respond, two declined and two submitted proposals. The proposals received were from Jackson & Eklund, a local firm and R.J. Ricciardi, Inc. in San Rafael. The Audit Committee met to review the proposals received.

Director Woo stated the committee had a significant discussion regarding the merits of a local firm however, still agreed to recommend the firm of R.J. Ricciardi (RJR). The District has several projects that are grant funded and will be required to conduct single audits. RJR has done hundreds of single audits and has numerous Special Districts as clients. Director Rupp added that in addition to their experience level, their proposal was \$8,000 less than the local firm. He noted the committee had some concerns regarding extra cost. Mr. Friedenbach contacted RJR to



Minutes for Meeting of Board of Directors

June 09, 2016

discuss this and checked in with some of their clients. Based on the information received and positive feedback from clients, Directors Rupp and Woo stated they are confident in the cost and abilities of RJR and recommends the Board offer a three contract to R.J. Ricciardi, Inc. for audit services. On motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 to approve a three-year agreement with the auditing firm R.J. Ricciardi, Inc.

3. **Operations**

Mr. Davidsen provided the June Operational Report. The Ruth bridge is being painted and should be completed by the end of the month. Training included a Hazard Communications webinar regarding the change from the old Material Data Safety Sheet (MSDS) to the new Globally Harmonized System for hazard communications and the new Safety Data Sheet (GHS/SDS). This is a required regulatory change and it is almost complete. Other training included a water symposium in Fortuna and a Traffic Control safety meeting. Mr. Davidsen attended a Water Knowledge Seminar in the Davis area. West Yost Associates and Henry Hunt of Layne put on the seminar. They showcased Sonoma County Water Agency and Humboldt Bay Municipal Water District as being Northern California systems that have well operated systems and use Ranney wells.

Mr. Davidsen and the Supervisors conducted five interviews for the Maintenance Mechanic position. They decided to hire Keith Daggs, an internal candidate. Mr. Daggs was initially hired as a Maintenance Worker and has excelled in the position. He brings a lot of underground work experience as well as mechanical/maintenance talent to the District. Since his initial hiring, he earned his T-2 and D-2 certifications.

4. **Management**

Mr. Helliker stated he, Mr. Davidsen, Mr. Friedenbach and Pat Kaspari met with FERC representatives and the Mr. Ahlgren, the Independent Consultant for the FERC Part 12 report. For the PFMA, they discussed 14 possible failure scenarios. Most are not likely to impact the dam, however there are two items that may need further analysis include water seeping around an outlet pipe on the dam and an earthquake analysis. Mr. Ahlgren is reviewing scenarios and will report back in a few months in the FERC Part 12D Report.

K. **DIRECTOR REPORTS & DISCUSSION**

1. **General**

Director Latt stated the Board has previously discussed illegal marijuana grows and their impact on the watershed. He would like the Board to consider allocating money to do something about it. He requested the item be on the agenda next month. Director Rupp added he would like to see this listed as a standing item on the agenda.

Director Rupp requested staff bring the District's Mission Statement to the next meeting. He would like the Board to consider including it on the agenda.

2. **ACWA – JPIA**

Director Rupp stated the Executive Committee will meet next month. Nothing to report out on for this month.



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

June 09, 2016

3. **ACWA**

Director Woo stated Region 1 has added pre and post meeting calls in addition to the regular meetings. She reported out on the latest meeting. She shared the draft itinerary for the August 5, Region 1 Russian River Water Supply Tour.

4. **Organizations on which HBMWD Serves: RCEA, RREDC, NCRP**

Director Rupp stated he was not able to attend the recent RREDC meeting and President Hecathorn attended in his absence.

Director Woo attended the RCEA meeting and stated the Community Choice Aggregation (CCA) was the main topic. Each RCEA Board member was asked to select someone to serve on a Citizens Advisory Committee. She chose an Engineering student at Humboldt State University who is active with the Society of Women Engineers and has an interest in the CCA. She added that Mary Gelinis is helping with CCA Public Engagement Strategy.

ADJOURNMENT

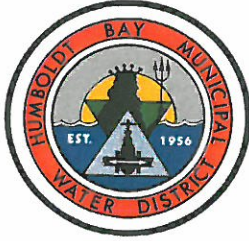
The meeting adjourned at 3:04 pm.

Attest:

Barbara Hecathorn, President

J. Bruce Rupp, Secretary/Treasurer

Consent



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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BOARD OF DIRECTORS

BARBARA HECATHORN, PRESIDENT
ALDARON LAIRD, VICE-PRESIDENT
J. BRUCE RUPP, SECRETARY-TREASURER
SHERI WOO, DIRECTOR
NEAL LATT, DIRECTOR

GENERAL MANAGER

PAUL HELLIKER

June 13, 2016

Mr. Troy Nicolini
Samoa Peninsula Fire District
1982 Gass Avenue
Samoa, CA 95564-9509

Dear Mr. Nicolini:

Thank you for your letter of April 19, 2016, concerning the creation of a Community Services District (CSD) for the Samoa Peninsula. The Board of Directors of the Humboldt Bay Municipal Water District (HBMWD) has discussed your request and has asked me to communicate their support for the proposal to create this CSD.

One issue that arose during the discussion by the HBMWD Board of Directors was the question about the future plans for the Redwood Marine Terminal, which is displayed as a "Possible Expansion Area" in the map that accompanied your April 19 letter. Our understanding is that these facilities are currently served by the distribution system that is owned and operated by Danco Builders in Samoa. As the CSD is formed and establishes an agreement with Danco for providing services to Samoa, we expect that the Redwood Marine Terminal will not be served directly by HBMWD, but will be served either by the CSD, or by the owner of the distribution system in Samoa.

We have reviewed the Plan for Services prepared for the Samoa Peninsula Fire District, dated July, 2015, and look forward to the further analysis about existing and planned water supply infrastructure and services that is being prepared by the District and the Humboldt County Local Agency Formation Commission.

Thank you again for the efforts underway to create a CSD and your request for our support. We look forward to a successful launch of the new CSD.

Sincerely,



Paul Helliker
General Manager

Cc: George Williamson, Humboldt County LAFCO



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BOARD OF DIRECTORS

BARBARA HECATHORN, PRESIDENT

ALDARON LAIRD, VICE-PRESIDENT

J. BRUCE RUPP, SECRETARY-TREASURER

SHERI WOO, DIRECTOR

NEAL LATT, DIRECTOR

GENERAL MANAGER

PAUL HELLIKER

June 14, 2016

Robert Sutter, CPA
Jackson & Eklund
1680 Sutter Road
McKinleyville, CA 95519

RE: Proposal for Auditing Services

Dear Mr. Sutter,

The Humboldt Bay Municipal Water District regrettably informs you that our Board has not accepted your proposal dated May 26, 2016 to provide auditing services for the fiscal years ending June 30, 2016, 2017 and 2018. We sincerely appreciate your time and effort in responding to our request for proposals. The Board selected a firm with more depth of experience in Single Audits and at a lower price than your proposal.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "John Friedenbach".

John Friedenbach
Business Manager



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SHERI WOO, DIRECTOR

NEAL LATT, DIRECTOR

GENERAL MANAGER

PAUL HELLIKER

June 14, 2016

Ralph J. Ricciardi, CPA
R.J. Ricciardi, Inc.
1000 4th Street, Suite 400
San Rafael, CA 94901

RE: Proposal for Auditing Services

Dear Mr. Ricciardi,

The Humboldt Bay Municipal Water District is pleased to inform you that our Board has accepted your proposal dated May 27, 2016 to provide auditing services for the fiscal years ending June 30, 2016, 2017 and 2018.

Kindly submit an engagement letter / agreement to us. Typically, we have conducted a face to face meeting with our auditor and District Audit Committee at the initiation of the audit. Attached is the agenda from our last year's meeting. Given your office location, I would like to explore the possibility of having this meeting via Skype or some other means of video conferencing to save on your travel time and costs. Kindly contact me to discuss this possibility. We will also need to schedule a date for the meeting.

We are looking forward to working with your firm. Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "John Friedenbach".
John Friedenbach
Business Manager

R. J. RICCIARDI, INC.
CERTIFIED PUBLIC ACCOUNTANTS

June 14, 2016

Mr. John Friedenbach
Business Manager
Humboldt Bay Municipal Water District
828 Seventh Street
Eureka, CA 95502-0095

Dear Mr. Friedenbach:

We are pleased to confirm our understanding of the services we are to provide Humboldt Bay Municipal Water District for the year ended June 30, 2016. We will audit the financial statements of the business-type activities, the major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of Humboldt Bay Municipal Water District as of and for the year ended June 30, 2016. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Humboldt Bay Municipal Water District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Humboldt Bay Municipal Water District's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.

Audit Objectives

The objective of our audit is the expression of opinions as to whether your basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Humboldt Bay Municipal Water District and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our audit of Humboldt Bay Municipal Water District's financial statements. Our report will be addressed to Board of Directors of Humboldt Bay Municipal Water District.

We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions on the financial statements are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The reports on internal control and compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control over financial reporting and compliance, and the

Humboldt Bay Municipal Water District
June 14, 2016 - Page 2

result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Humboldt Bay Municipal Water District is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors, is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements, federal award programs, compliance with laws, regulations, contracts, and grant agreements, and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to you and those charged with governance internal

Humboldt Bay Municipal Water District
June 14, 2016 - Page 3

control related matters that are required to be communicated under AICPA professional standards, and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Humboldt Bay Municipal Water District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Humboldt Bay Municipal Water District in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary

R. J. RICCIARDI, INC.

Humboldt Bay Municipal Water District
June 14, 2016 - Page 4

information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We may from time to time, and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers, but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to the Humboldt Bay Municipal Water District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of R. J. Ricciardi, Inc. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purpose of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of R. J. Ricciardi, Inc. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. The parties may intend or decide to distribute the copies or information contained therein to others, including other government agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

R. J. RICCIARDI, INC.

Humboldt Bay Municipal Water District
June 14, 2016 - Page 5

Michael O'Connor is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our estimated fees for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our estimated fee, including expenses will be \$11,800 for the audit, \$3,995 for a Single Audit one major program (if required), and \$805 for the preparation of the State Controller's Report for the year ended June 30, 2016.

Estimated fees for future years are as follows:

June 30, 2017	District Audit	\$11,800
	Single Audit, one major program (if required)	\$3,995
	State Controller's Office Report preparation	\$805
June 30, 2018	District Audit	\$11,800
	Single Audit, one major program (if required)	\$3,995
	State Controller's Office Report preparation	\$805

Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, 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 fees are 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 the additional costs. If additional time is needed for us to assist the Humboldt Bay Municipal Water District in the resolution or investigation of accounting errors, discrepancies, or reconciliation issues, assistance in the preparation of schedules, or to reflect in our workpapers corrections to the Humboldt Bay Municipal Water District's accounting records made after the start of the engagement, we will perform such additional work at our standard hourly rates indicated below:

Director \$180
Manager \$130
Senior accountant \$115
Staff accountant \$75

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

In addition to the estimated fees noted above, we reserve the right to invoice Humboldt Bay Municipal Water District at our standard hourly rates time incurred providing information to successor auditors in compliance with SAS. No. 84. Our invoices and related fees for this service will be payable upon presentation.

We reserve the right to suspend or terminate our work if you have failed to fulfill your responsibilities set forth in this engagement letter, and such failure materially interferes with our work. If our work is suspended or terminated because of your failure to fulfill your responsibilities set forth in this engagement letter, you agree that we will not be

R. J. RICCIARDI, INC.

responsible for your failure to meet government and other deadlines, for any penalties or interest that may be assessed against you resulting from your failure to meet such deadlines, and for any damages (including consequential damages) incurred as a result of the suspension or termination of our work.

We appreciate the opportunity to be of service to Humboldt Bay Municipal Water District, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

R.J. Ricciardi, Inc.

R.J. Ricciardi, Inc.
Certified Public Accountants

RESPONSE:

This letter correctly sets forth the understanding of Humboldt Bay Municipal Water District:

Officer signature: _____

Title: _____

Date: _____

Local water suppliers expect no more conservation targets

Local suppliers expect no more water savings targets

By Will Houston, Eureka Times-Standard

Monday, June 6, 2016



As of this month, water suppliers throughout California are allowed to set their own water conservation targets, which Humboldt County suppliers predict will be no target at all.

However, state water regulators said on Monday that suppliers must prove they have an adequate supply and will still be held to other water savings mandates that Gov. Jerry Brown has ordered to become permanent by the beginning of 2017.

“The drought is not over,” State Water Resources Control Board Climate and Conservation Manager Max Gomberg said. “The need for conservation is not over.”

The state’s emergency drought regulations first went into effect in June 2015 and called for a 25 percent reduction in water use statewide. To achieve this, municipal water suppliers were given conservation targets based on how much water they used in 2013. Those who used more water were called to conserve more.

Most of Humboldt County’s large suppliers had a low conservation target due to the bountiful supply at Ruth Lake reservoir, but Fortuna was told to conserve by 24 percent. The city’s Utilities Superintendent Doug Culbert said this mandate didn’t accurately account for their groundwater supply.

“We didn’t see the effects of the drought on our water table in an extreme way,” he said.

As a result of the high conservation target, Culbert said the city lost nearly \$100,000 in water sales revenue, but Culbert said that was not enough to warrant the city raising rates.

A wet winter in 2015 and early 2016 helped alleviate some of the drought conditions that communities were feeling for the past three years by replenishing reservoirs and increasing snowpack to near average levels.

The most recent report from the U.S. Drought Report for May 31 shows [Humboldt County displaying no drought conditions](#), with only a small sliver in the southeast categorized as “abnormally dry.”

Taking this into account, the State Water Resources Control Board voted in May to allow water suppliers to set their own conservation targets, which will remain in effect until January 2017.

“We wanted water suppliers to demonstrate their ability to manage their supplies during extended drought,” State Water Board Chairwoman Felicia Marcus said. “This is a serious requirement which we expect them to take seriously.”

Water suppliers that can prove they are able to withstand another three drought years and still have enough water to meet demands won't be held to a conservation target at all. Those that don't prove this must conserve by enough to ensure they don't overdraw.

Marcus said the state still retains the ability to revert back to the conservation targets if the new process doesn't work or if drought conditions worsen.

Fortuna's groundwater supply shows they have 12 percent more water than they use on average after three years, Culbert said, but he is still recommending the Fortuna City Council retain a drought-conscious approach.

"We still need to be mindful that we need to conserve water so we don't get back into this position again," he said.

Water wholesalers, such as the Humboldt Bay Municipal Water District, are being required to submit data on how much water municipal customers used in 2013 and 2014 and compare that to how much water was able to be supplied to them.

The Humboldt Bay Municipal Water District — which sells water to Eureka, Arcata, McKinleyville, and the Humboldt Community Services District, as well as to residents and businesses in Samoa — uses about 11,000 acre-feet or 3.6 billion gallons per year, district General Manager Paul Helliker said. The district is able to supply about 20,000 acre-feet or 6.5 billion gallons of filtered water per year if running in full operation.

"We have more than enough water," Helliker said.

The State Water Board will review all the proposed conservation targets after the June 22 submission deadline.

Even if local suppliers don't have to meet conservation targets, they must still comply with restrictions such as not over watering, a prohibition on median watering, and required use of hose nozzles while washing cars.

More information on the drought regulations and water savings tips can be found on the State Water Board's website at http://www.waterboards.ca.gov/water_issues/programs/conservation_portal/

Will Houston can be reached at 707-441-0504.

URL: <http://www.times-standard.com/general-news/20160606/local-water-suppliers-expect-no-more-conservation-targets>

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Elk River estuary and salt marsh to be expanded and enhanced

Project to be complete in 2018

By Hunter Cresswell, hcresswell@times-standard.com

Wednesday, June 8, 2016



The city of Eureka is looking to expand and enhance the Elk River estuary and intertidal zone running between U.S. Highway 101 and Humboldt Bay from the beginning of the Hikshari' Trail near the Herrick Avenue overpass down to King Salmon.

The project goal is to create about 220 acres of habitat for native juvenile marine life and eelgrass by removing dikes and flood gates to make a salt marsh in the area, which supporters said will also protect the highway from flood, waves and sea level rise while providing recreational and access opportunities.

Around 90 percent of salt marshes in Humboldt County were lost due to dikes and flood gates and there are 900 acres remaining in the Humboldt Bay area, Humboldt Baykeeper Director Jennifer Kalt said.

Phase 1 of the project was funded by a \$350,000 grant from the California Coastal Conservancy and involves designing the project and running those designs by a stakeholder group for their approval.

"The proposal there is to take the dikes down and lower the flood gates so sediments from Humboldt Bay get in ... so the salt marsh doesn't disappear," Trinity Associates Environmental Planner and Vice President of Humboldt Bay Municipal Water District Aldaron Laird said.

Phase 1 should finish sometime this year, phase 2 will consist of drafting final engineering and design plans, as well as putting out a construction bid that will be done next year, and phase 3 will be construction that starts in 2018 and wraps up in several months, Laird said.

Phases 2 and 3 will require more grants from the coastal conservancy.

"At this point, we're only looking at construction on city property," he said.

The project is split up into four areas: the first two are city-owned properties that run from Herrick Avenue to the Humboldt Hill overpass while the latter are owned or used by multiple people and agencies.

"There's plenty of good areas in areas 1 and 2," Eureka Development Services Department Project Manager Riley Topolewski said. "Areas 3 and 4 are all up in the air but there's a lot of potential there."

California Coastal Conservancy project manager Joel Gerwein said the Elk River is an important habitat for endangered chinook and threatened coho salmon.

"They don't have enough space where juveniles can hang out," he said.

Not only would salmon use the low current area, but native Olympia oysters, other species of fish, juvenile Dungeness crab and eelgrass could also flourish under the project.

“There’s also great benefits for people like flood control,” Gerwein said.

The marsh would store flood or tidal waters, break up waves before they reach the highway and help mitigate climate change, he added.

“It’s good at taking the carbon out of the air and putting it into the soil,” Gerwein said.

Hunter Cresswell can be reached at 707-441-0506.

URL: <http://www.times-standard.com/general-news/20160608/elk-river-estuary-and-salt-marsh-to-be-expanded-and-enhanced>

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June 22, 2016 Sacramento Bee

New water rules make good sense

Mandatory, one-size-fits-all reductions were needed during depths of drought

But now rules should reflect local supplies and conservation efforts

No local agency is getting free pass, and bans on wasteful practices will continue

BY KATHLEEN TIEGS AND BRENT HASTEY

Special to The Bee

After a year of heroic water conservation under state-mandated emergency rules, Californians will shift this summer to ongoing water-saving practices guided by local conditions.

Under new rules adopted by the State Water Resources Control Board, California is transitioning from last year's one-size-fits-all mandatory reductions in water use to a locally driven approach better suited to where we are today. It reflects improved water supplies in many areas and recognizes substantial investments that local communities have made in drought-resilient supplies.

Californians have done a tremendous job of saving water in response to the state's historic drought, with extraordinary measures including brown lawns, shower buckets and turf removal.

Now, urban Californians will continue their water-efficient practices under locally managed programs designed to ensure adequate supplies through three additional dry years. This does not mean conservation is going away, only that emergency measures will be replaced in many areas.

No one is ready to declare the drought over, especially not local water managers, who know the next dry year is always just around the corner. So while we may be enjoying a reprieve this year, we are not about to let down our guard.

No one is getting a free pass. Californians are much more efficient water users today than even a few years ago, and that is not going to change. Local water agencies will continue that momentum with ongoing conservation and permanent prohibitions on wasteful practices such as hosing down driveways and irrigating landscapes within 48 hours of measurable rainfall.

As a recent Field Poll revealed, the drought has changed the way most Californians view water. Three-fourths of respondents said it is important to continue saving water both inside and outside their homes, and nearly nine in 10 said they plan to do so permanently.

Californians get it. Last year, they understood we were in a drought that required extraordinary action. But they rely on their water supplier to tell them when heroic conservation is needed. To maintain credibility with their customers, we must be able to tailor the level of conservation to actual water supplies.

Kathleen Tiegs, a director of the Cucamonga Valley Water District, is president of the Association of California Water Agencies and can be contacted at KathyT@cvwdwater.com. Brent Hastey, a director of the Yuba County Water Agency, is vice president of ACWA and can be contacted at bhastey@gmail.com.

Mad River Union

ES ❖ WEDNESDAY, JUNE 29, 2016 ❖ EST. 2013 ❖ \$1

Drought recovery may take until 2020

Paul Mann

MAD RIVER UNION

HUMBOLDT - Although Ruth Lake is sparing Humboldt County the worst of the historic drought, the recovery of the rest of the North Coast and the state as a whole may take until 2020, UCLA scientists say.

The fiendish dry spell, now in its

fifth year, is the worst since 800 AD. Currently Ruth Lake in southern Trinity County is at a reassuring 94 percent of capacity. It is fully capable of serving Arcata, Eureka, McKinleyville and the greater Humboldt Bay area in the regional water district.

But the UCLA findings highlight that the rest of the North Coast and

much of the state are considerably less fortunate than Humboldt.

Trinity Lake is at only 53 percent of capacity when historically it is at 62 percent, according to the latest data gathered by the California Department of Water Resources.

As of late June, the Trinity's average

DROUGHT ❖ A2

Drought | Ruth Lake at 94 percent of capacity

❖ FROM A1

age snow water equivalent was a skimpy half inch when it should be two inches. Snow water equivalent means the volume of water that would be released if the snow melted all at once.

"For sure the drought is not over," said water resources spokesperson Doug Carlson in an interview late last week.

The new UCLA analysis explicitly warns against reports "in the popular media" about El Niño easing the drought, "if not being a 'drought buster.'" The predictability of snow water equivalents in the Sierra Nevada based on El Niño analyses is limited, the study cautions.

This year's El Niño, which refers to the warming temperatures and heightened rainfall from cyclical ocean-atmosphere interaction, certainly was a help, Carlson said. "The good rain in the north gave us a lot of runoff into the reservoirs."

Yet with the drought's fifth year in process, the ground is so dry that the runoff from the snowpack was definitely less than normal, he underscored. "It wasn't a bonanza."

The UCLA research analyzes the extreme 2015 snowpack deficit in the Sierra Nevada. There is less than a seven percent probability that last year's extreme shortfall will be fully remedied this year, the study forecasts.

The 2015 conditions, occurring on top of three previ-

ous drought years, inflicted the worst multiyear snowpack shortfall spanning the 65 years surveyed. University scientists based their conclusions on state-of-the-art snow re-analysis of middle elevations, supported by decades of NASA (Landsat) satellite imagery and historical snowpack data collected since 1951 by the California Cooperative Snow Survey.

Another crucial point is that although most drought outbreaks during the last 65 years ended in one year, more longer-term recoveries may be in store. If ongoing climate change harbors more frequent droughts that coincide with higher temperatures, "there is potential for increased likelihood of large drought deficits that will lead to multiyear recoveries," the UCLA scientists wrote.

Snowmelt provides more than 70 percent of total stream flow. The record drought has caused not only critically reduced flow, but also acute water shortages in some regions, groundwater overdrafts and enhanced wildfire risks. (Lightning caused the Klamath National Forest Pony Fire near Happy Camp that broke out June 7, not drought conditions, said Ian Shackelford of the U.S. Forestry Service office in Yreka. Nor did the drought worsen the fire.)

The return to pre-drought levels may take four years or more, despite the historically strong El Niño cycle. The National Weather Service declared on June 9 that the current

cycle had dissipated.

The UCLA analysis calculated the probabilities of snowpack recuperation going out two, three, four and five years beyond 2015:

- Year two - 24.9 percent
- Year three - 44.1 percent
- Year four - 61.3 percent
- Year five - 73.9 percent

Recoveries could stretch out if the current drought is part of a yet longer-term phenomenon.

Notably, however, the recovery times might shrink if snow water equivalents are shored up and if more positive underlying trends turn up.

Either way, Business Manager John Friedenbach of the Humboldt Bay Municipal Water District is optimistic about the near term locally. Ruth Lake's current level of 94 percent of capacity is normal for water releases, and the lake has filled every year since 1976, he said late last week.

"We keep a watch on it and if history is an indicator, we're confident the lake will fill again and we have an adequate supply not only for now, but for the next few years," he said.

The UCLA research is posted online in the journal of the American Geophysical Union, the *Geographical Research Letters*. Six researchers contributed to the analysis, which can be downloaded from onlinelibrary.wiley.com/doi/10.1002/2016GL068520/full.

Friday 7/8/2016

DROUGHT

Local water conservation ramps up

By Will Houston

whouston@times-standard.com
@Will_S_Houston on Twitter

Despite drought conditions having dispelled from the North Coast, Humboldt County residents had one of their best months of water conservation since the California's mandatory drought program took effect over a

year ago. All six large water suppliers in Humboldt County — Eureka, Arcata, Fortuna, McKinleyville Community Services District, Humboldt Community Services District, and the Humboldt Bay Municipal Water District — well exceeded their water saving expectations. In McKinleyville, local resi-

dents conserved their mandate six times over. "My office is right next to where the people come in to pay their bills," McKinleyville Community Services District General Manager Gregory Orsini said. "Our customers are always interested in knowing how they're doing relating to the conservation measures. I'd

have to say 60 to 70 percent of our customers are cognizant of that and are very willing to participate in conservation. It helps out a lot." The state as a whole followed a similar trend, conserving 28 percent more water — about 58 billion gallons — in May than it did during the same month in

WATER » PAGE 3

TIMES-

Water

FROM PAGE 1

2013. The State Water Resources Control Board uses 2013 water use data as a baseline for its water savings comparisons.

"Rain or shine, drought or no drought, state mandated target or not, Californians should keep conserving," State Water Board Chairwoman Felicia Marcus said in a statement this week. "While conditions improved for urban California's water supply with the rain and snow we got last year, we are still largely in drought and saving water can extend urban water supplies off into the future if this next winter is dry again."

But many local water suppliers may not be held to some of the state's water savings mandates by next month.

At the order of Gov. Jerry Brown, the State Water Board implemented mandatory drought regulations in June 2015 that required large water suppliers throughout the state to cut by certain percentages based on their prior water use. The more water used, the more these suppliers and their customers had to conserve.

The goal is to reduce water statewide by 25 percent. The conservation regulations are set to expire in 2017, but the State Water Board is currently developing what could become permanent drought rules.

Responding to sev-

DROUGHT REGULATIONS

Water savings percentages for May 2016 and cumulative savings for June 2015 through May 2016. All conservation percentages comparative to the same time period in 2013.

- Arcata:**
 - Mandate: 4 percent
 - Cumulative: 6 percent
 - May: 12.9 percent
 - May daily per capita use: 52.7 gallons
 - Population served: 18,392
- Eureka:**
 - Mandate: 4 percent
 - Cumulative: 12 percent
 - May: 17.1 percent

eral water agencies who claimed the program did not represent their available water supplies, the state modified its program last month to allow water suppliers to set their own conservation targets.

To do this, the water suppliers compared how much water their customers actually use to the available water supply. Five of the six large water suppliers in Humboldt County, excluding Fortuna, are served by Ruth Lake reservoir, which has filled to capacity this year, according to Humboldt Bay Municipal Water District General Manager Paul Helliker. The Humboldt Bay Municipal Water District is the local water wholesaler and holds water rights to Ruth Lake reservoir in western Trinity County.

"The calculation was that, in general for us and our municipal customers, that we showed we have

- May daily per capita use: 59 gallons
- Population served: 27,052
- Fortuna:**
 - Mandate: 20 percent
 - Cumulative: 15.8 percent
 - May: 35.2 percent
 - May daily per capita use: 66.4 gallons
 - Population served: 12,032
- McKinleyville Community Services District:**
 - Mandate: 4 percent
 - Cumulative: 15.5 percent
 - May: 25.9 percent
 - May daily per capita use: 53.1 gallons
 - Population served: 16,900
- Humboldt Community**

twice as much water as we need," Helliker said. "Our potable system has capacity to deliver 24,900 acre-feet per year. We have been averaging 10,000 to 11,000 acre-feet per year in deliveries recently."

These calculations still must be approved by the State Water Board, but could mean that many local suppliers will no longer be held to meet these conservation percentages.

However, local residents will still have to comply with other drought regulations laid down by the state, which include not over-watering to the point where water runs off into the street, a prohibition on median watering, a 48-hour prohibition of watering lawns after substantial rainfall, and required use of hose nozzles while washing cars.

Helliker said the district will still continue to advance water savings

- Services District:**
 - Mandate: 12 percent
 - Cumulative: 8.7 percent
 - May: 15.9 percent
 - May daily per capita use: 58 gallons
 - Population served: 20,032
- Humboldt Bay Municipal Water District:**
 - Mandate: Not being held to percentage due to large industrial users
 - Cumulative: 12 percent
 - May: 42.3 percent
 - May daily per capita use: 63.9 gallons
 - Population served: 602

Source: State Water Resources Control Board measures in order to comply with the state's mandate to reduce water use by 20 percent by 2020. In McKinleyville, Orsini said his district will continue public outreach on conservation measures.

The North Coast and Humboldt County in particular have been well out of drought conditions for the last several months.

The U.S. Drought Monitor at the National Drought Mitigation Center in Nebraska shows Humboldt County to have abnormally dry conditions — the lowest ranking available. The North Coast appears to be a haven compared to the rest of the state, especially central and southern California where they are still in extreme or exceptional drought, according to the monitor.

The drought is currently in its fifth year. Eureka has recorded

"Rain or shine, drought or no drought, state mandated target or not, Californians should keep conserving. While conditions improved for urban California's water supply with the rain and snow we got last year, we are still largely in drought and saving water can extend urban water supplies off into the future if this next winter is dry again."

— State Water Board Chairwoman Felicia Marcus

more than 120 percent of its average rainfall as of July 6, according to National Weather Service Eureka meteorologist Richard Lam.

Since the water year began on Oct. 1, 2015, through July 6, Eureka has recorded nearly 47.5 inches of rain, which is about 8 inches above the average of 39 inches of rain.

Will Houston can be reached at 707-441-0504.

Supes advance tax measures; coastal business expansion receives public support

Public voices support for opening up coastal lands for business

By Will Houston, Eureka Times-Standard

Tuesday, July 5, 2016



At its first meeting of the new fiscal year, the Humboldt County Board of Supervisors advanced two tax measures that are proposed to go before voters in the upcoming general election in November.

The board also heard testimony from business owners, government officials and local residents on its proposal to open up coastal industrial areas around Humboldt Bay to new businesses. Most speakers were in favor of the change.

“It’s a clear choice between continuing stagnation and blight or moving forward with jobs and environmental cleanup around Humboldt Bay,” Humboldt Bay Harbor, Recreation and Conservation Commissioner Mike Wilson said after the meeting.

A new supervisory position was also created by the board on Tuesday which would head the county Planning and Building Department’s new Cannabis Services Division.

Tax proposals

Come November, Fortuna residents could see two local tax measures on their ballots.

After the board’s unanimous approval on Tuesday, a three-quarter percent sales tax proposed by the Fortuna City Council to fund provide police, roads, parks and youth and senior services will be decided by city voters later this year. The tax is estimated to generate \$1.2 million annually and would last for eight years.

A separate tax measure may also appear before all county voters.

Crafted by the inter-governmental transportation agency the Humboldt County Association of Governments, this second tax measure proposes to collect a half-percent special sales tax over the next 20 years in order to fund transportation services such as road repairs, public transit, and attracting new airline services. The tax is estimated to bring in \$10 million per year.

In order for the tax to appear on the ballot, the Board of Supervisors had to designate HCAOG as the Local Transportation Authority, which the board voted unanimously to do on Tuesday. The tax must also get majority support from the all governments in the association, which includes the county and its seven incorporated cities.

HCAOG’s Fortuna representative, Fortuna City Councilman Doug Strehl, was outspoken at HCAOG’s June meeting about the city’s lack of enthusiasm for having two taxes on the same ballot.

“You’re not going to get a lot of support out of the Fortuna City Council,” Strehl said.

Fortuna’s last attempt to pass a sales tax in November 2014 through Measure V was struck down by 63 percent

of city voters. During that election, Fortuna voters were also asked whether they would support a countywide half-percent sales tax known as Measure Z to fund public safety services. Measure Z passed with majority support.

Blue Lake resident Kent Sawatzky was the only person who commented on the transportation tax at the board's meeting.

"I think we should save our minimum amount of taxation that people will put up with for other matters," he said.

The tax initiatives must be submitted to the county Elections Office no later than Aug. 12 in order to qualify for the November ballot.

Coastal uses

A proposal to temporarily expand business opportunities on lands surrounding Humboldt Bay currently reserved for coastal-dependent industries was mostly well-received by local businesses and members of the public on Tuesday.

The proposal would allow other businesses, such as retail outlets, to use the land for up to seven years and would apply to 1,200 acres of land near Fields Landing, King Salmon, Fairhaven, Manila and Samoa.

Coastal dependent industries would still have priority to use the land. Temporary businesses would also be required to jump through several regulatory hoops, such as obtaining a conditional use permit, creating a site restoration plan, and be able to relocate or be removed in a timely manner.

In order for the proposal to take effect, the board must modify its Local Coastal Plan for Humboldt Bay through an ordinance.

Around 100 acres of this coastal dependent land is currently being used, according to county planning staff, thus prompting the proposal to allow more businesses to utilize it.

Green Diamond Resource Company spokesman Gary Rynearson said that the company owns about 80 acres of coastal dependent industrial land that the company would like to see put to use.

"What we'd like to see is maximum flexibility for that," Rynearson said, while calling for the board to reduce permitting requirements for forest manufacturing industries.

The Greater Eureka Chamber of Commerce has also filed a letter of support for the proposal.

As much as he'd like to see a booming shipping market in Humboldt Bay, Leroy Zerlang of Zerlang & Zerlang Marine Services in Fairhaven said that more shipping will likely not come and the unused infrastructure on the coast is wasting away while they wait for it to return.

"Let us go back to work. Let us do something with the land," he said.

However, others like local attorney William Bertain said that the change would essentially advertise that the county does not want a shipping industry.

With Caltrans awarding a \$276,000 grant to Trinity County last month for a feasibility study on a railroad to connect Humboldt Bay with Tehama County, local resident Monte Provolt said the board's proposal "shows a lack of will for the study."

With 5th District Supervisor Ryan Sundberg absent due to a planned family vacation, the board voted 4-0 to delay voting on the ordinance until its July 19 meeting.

B4

MAD RIVER UNION ❖ ECO



LAIRD'S PHOTOGRAPHS AT THE ARCATA MARSH During the months of July and August, environmental planner Aldaron Laird will display photos he took of Humboldt Bay during more than a year spent walking and kayaking its perimeter. Shows at the Arcata Marsh Interpretive Center featuring local art and photography are sponsored by Friends of the Arcata Marsh (FOAM). The Interpretive Center is located at 569 South G St. in Arcata and is open to the public Tuesday through Friday from 9 a.m. to 5 p.m., Saturday and Sunday from 9 a.m. to 5 p.m., and Monday between 1 and 5 p.m. FOAM is a nonprofit organization whose mission is "to stimulate understanding of the Arcata Marsh and Wildlife Sanctuary, its relationship with Arcata's integrated wastewater treatment system, the surrounding watersheds and bay, and their link with the earth's water cycle. FOAM is always seeking volunteers to help out staffing the Interpretive Center or to participate in workdays. For more information, find Friends of the Arcata Marsh on Facebook or call (707) 826-2359.

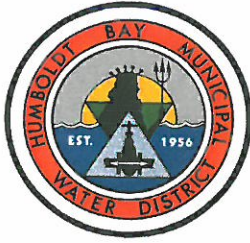


SAND SCULPTURE FESTIVAL Celebrate the Sand Sculpture Festival this Saturday. It's not too late to grab some friends and sharpen your sand sculpting skills at this popular event. Prizes will be awarded for Best of Show, Best of Age Group, and Best of Dunes Staff Pick. Business sponsors will be awarded for Best of Show. Teams can register at the Community Center, 1611 Peninsula Blvd. and \$20 for teams of 7 or more. Contact dunes.org and receive a \$5 discount. A sliding scale donation is encouraged to support dune and conservation programs. The festival includes snacks and drinks for sale. Proceeds will go to the Satori School. Parking is limited, so a shuttle will be available from the Manila Pavilion. For more information and a parking shuttle

BIRD THE MARSH Redwood Region Audubon Society sponsors a free public field trip at the Arcata Marsh and Wildlife Sanctuary on **Saturday, July 9**. Bring your binoculars and have a great morning birding. Meet leader Jude Power in the parking lot at the end of South I Street (Klopp) in Arcata at 8:30 a.m., rain or shine. The trip ends around 11 a.m.

MARSH WORKDAY Everyone is welcome to come to the Arcata Marsh and Wildlife Sanctuary on **Saturday, July 9** to help pull out aggressively invasive spartina. Spartina has a nasty habit of crowd

Correspondence



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO BOX 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

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EMAIL OFFICE@HBMWD.COM

BOARD OF DIRECTORS

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PAUL HELLIKER

July 1, 2016

Honorable Mark Lovelace, Chair
Humboldt County Board of Supervisors
825 5th Street, Room 111
Eureka, CA 95501

RE: Proposed LCP Amendment: Non-Coastal Dependent Uses in the Industrial/Coastal Dependent Zone District

Dear Chair Lovelace and Members of the Board:

On behalf of the Board of Directors of the Humboldt Bay Municipal Water District, I would like to express our support for the proposed Local Coastal Plan amendment being considered by the Board of Supervisors. This amendment would allow for noncoastal-dependent interim uses in the Industrial/Coastal-Dependent Zone District.

As noted in the report to the Planning Commission on April 21, 2016, there are 1,178 acres of land (some of which is water and mudflat) zoned as Coastal Dependent Industrial (MC) under jurisdiction of Humboldt County around Humboldt Bay. Of this acreage, approximately 50 acres are currently being utilized by CDI uses. The report includes summaries of a number of studies that have been conducted over the past thirty years, which have analyzed the evolution of coastal-dependent activities around Humboldt Bay. The staff report notes that demand for CDI uses in Humboldt County has been declining for decades, resulting in a substantial amount of vacant or underutilized land zoned for CDI use around Humboldt Bay.

Our organization has been directly affected by this evolution, with the closure of the Samoa Peninsula pulp mills in the 1990's and 2000's. Ironically, the pulp mills, constructed in the late 1950's and early 1960's, would not have qualified as Coastal-Dependent Industrial uses and would have been precluded from being located on the peninsula, were the CDI designation in place at that time. The properties formerly occupied by the pulp mills, which are served by a substantial water supply infrastructure, are currently underutilized due to their CDI zoning. Both we and the Humboldt Bay Harbor, Recreation and Conservation District (the current owner of one of the former pulp mill properties) believe that a redesignation of these properties to allow other industrial and commercial uses is necessary, to make better use of existing infrastructure. At a minimum, we urge the County to adopt the proposed ordinance, which would allow for interim uses of these properties by non-coastal dependent activities.

Thank you for the opportunity to provide our perspective on this topic.

Sincerely,

Barbara Hecathorn

Barbara Hecathorn
President, Board of Directors

Continuing Business

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

From: Paul Helliker

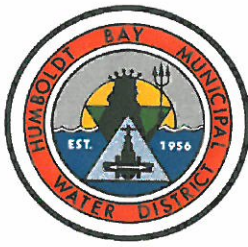
Date: July 8, 2016

Subject: Water Conservation Regulations

.....

On May 18, the State Water Board adopted revisions to the emergency conservation regulations, to allow water agencies to define the status of their water supplies and determine whether or not there is any need for emergency conservation measures in 2016. The changes require agencies to consider the impacts on their existing supplies of three additional years of drought, similar to the hydrologies in 2013-15. Agencies are to compare the average of their demands in 2013 and 2014 to this hydrologic sequence, and if there is any shortage of supply in the third year (2019), the percentage below the supply available that this demand level represents will serve as the conservation requirement the agency will have to meet in 2016.

Wholesale water agencies were required to report to their retail agencies customers by June 15 the amount of supply that is projected for each customer during the next three years. HBMWD's report is attached. Retail agencies were then required to conduct this analysis and report to the State Water Board by June 22 the status of their supplies and demands, and any conservation level that may be necessary. HBMWD did so, via an online form. The response from the State Water Board, which includes the data in that form, is also attached.



**Humboldt Bay Municipal Water District
Water Supply Notification to Municipal Retail Water Customers
June 15, 2016**

Pursuant to the modifications made to the Emergency Water Conservation Regulations adopted by the State Water Resources Control Board on May 18, 2016, Humboldt Bay Municipal Water District is providing the following water supply information to its Municipal Retail Water Customers for their purposes to certify water supply availability in 2016.

Background

The Mad River and supplies impounded in Ruth Reservoir are the source for potable water supply for HBMWD and its municipal customers. As reported in HBMWD's 2015 Urban Water Management Plan (<http://www.hbmwd.com/district-regulatory-plans> - see p. 15), HBMWD has rights to divert up to 84,000 acre feet per year of water from the Mad River at its Essex facilities. Also noted in HBMWD's UWMP (p. 27) is the safe yield of HBMWD's water supply sources, which is 67 MGD, or 75,000 AF/yr. Ruth Reservoir has filled every year except 1976-77, which is the drought of record for HBMWD, and was the timeframe of the minimum supply that serves as the basis for this safe yield calculation. Of this 75,000 AF/yr of safe yield, HBMWD has the capacity to treat to potable standards 24,900 AF/yr, via its Ranney collectors, Turbidity Reduction Facility and storage and transmission system.

Water Supply Availability with Three Additional Dry Years

In 2015-16, Ruth Reservoir filled on December 21 and continued to spill until May 10, as shown in Figure 1. From that point forward, the reservoir drawdown curve has followed the normal pattern. Ruth Reservoir also filled in water years 2012-13, 2013-14, and 2014-15, thus providing the full complement of HBMWD's water right in those years.

Assuming these three years of hydrology were to reoccur in 2017-2019, HBMWD projects that the following potable water supply would be available to its municipal retail customers during the next three years:

Year	2017 (AF)	2018 (AF)	2019 (AF)
Potable water available - total	24,900	24,900	24,900
City of Arcata	2,526	2,526	2,526
City of Eureka	10,699	10,699	10,699
Humboldt CSD	2,768	2,768	2,768
McKinleyville CSD	3,705	3,705	3,705
HBMWD	1,357	1,357	1,357

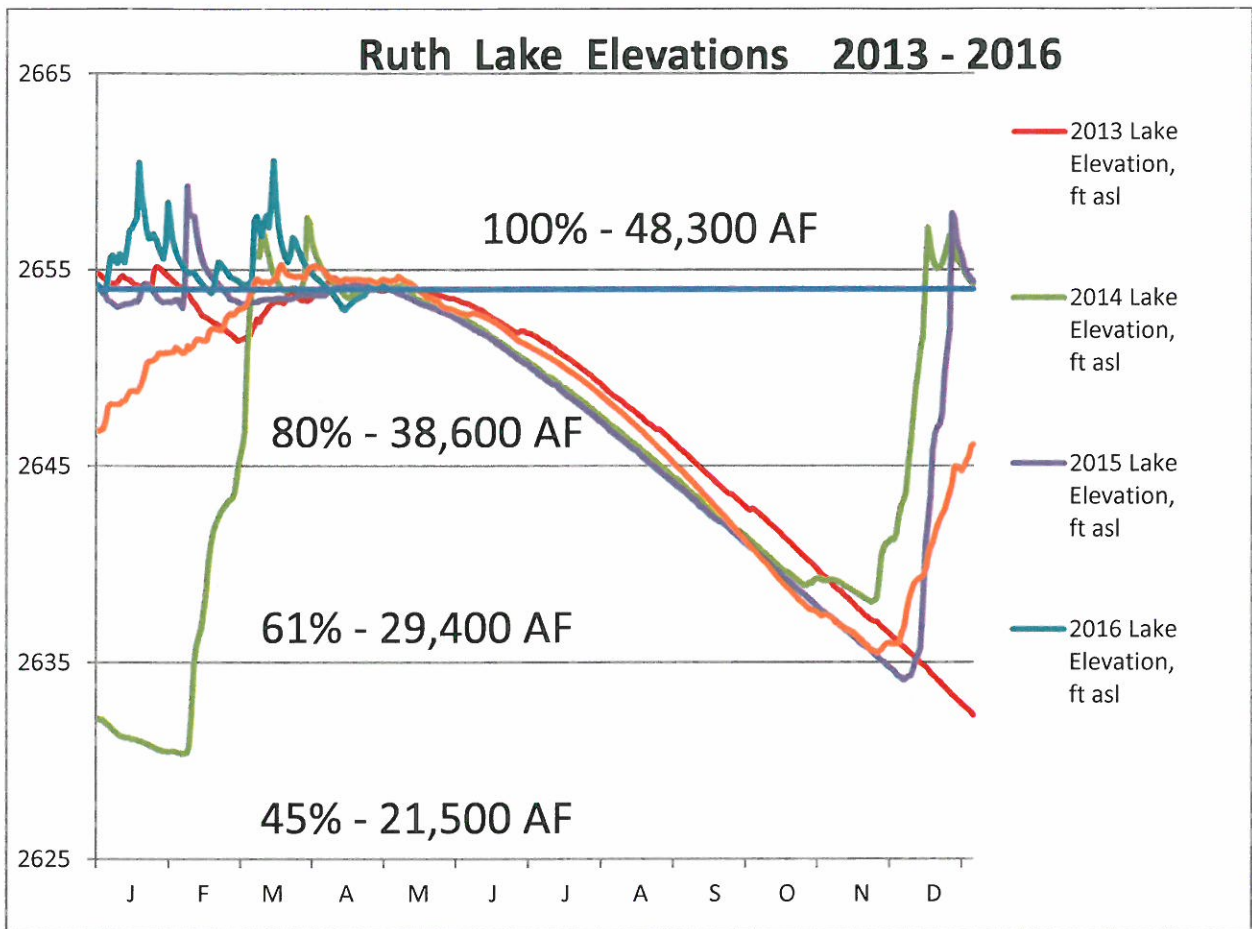


Figure 1. Orange line represents 10-year average

Sherrie Sobol

From: SWRCB Office Research, Planning & Performance [drinc@waterboards.ca.gov]
Sent: Thursday, June 16, 2016 8:40 AM
To: Paul Helliker; Paul Helliker; Paul Helliker; kathy.frevert@waterboards.ca.gov
Subject: Water Supply Reliability Self-certification Acknowledgement -

Hello Paul Helliker:

This is an acknowledgement of your Water Supply Reliability Self-certification submission. Should any of this information be incorrect, please re-submit your application **in its entirety** including all worksheets, legal document, certification form, and supporting documents.

Urban Water Supplier	Humboldt Bay Municipal Water District (377)
Management Contact Name	Paul Helliker
Title	General Manager
Email	helliker@hbmwd.com
Telephone	(707) 443-5018
Technical Contact Name	Paul Helliker
Title	General Manager
Email	helliker@hbmwd.com
Telephone	(707) 443-5018
2013 Production (in units selected)	554
2014 Production (in units selected)	583
Calculated Annual Potable Water Demand in Acre-feet (AF)	568.500 AF
Demand Notes and Comments	
WY 2017 Total Available Water Supply	1357 AF
WY 2018 Total Available Water Supply	1357 AF
WY 2019 Total Available Water Supply	1357 AF
Supply Notes and Comments	
Individual or Aggregate	Individual
Conservation Standard *	-139 %
Higher Conservation Standard	No
Step 3.1 Notes and Comments	
Step 3.2 Entity submitting Aggregated Self-certification form, if applicable	
Contact	
Title	
Email	helliker@hbmwd.com
Telephone	

Aggregate Demand	
Aggregate Supply	
Aggregate Conservation Standard *	
Step 3.2 Notes and Comments	
Uploaded Worksheet #1	https://drinc.ca.gov/DNN/Portals/0/SelfCert/ce5f72eb-2799-42cb-8de0-aaacc2aed43a.xlsx
Uploaded Worksheet #2	
Uploaded Legal Document	
Uploaded Certification	https://drinc.ca.gov/DNN/Portals/0/SelfCert/cddcf463-3760-40ec-ad45-73fe8c0b257f.pdf
Uploaded Supporting Analysis & Calculations	https://drinc.ca.gov/DNN/Portals/0/SelfCert/bf5fe246-c24c-49db-bba0-95dde2106b9f.docx

* A negative number indicates a surplus and the Conservation Standard is zero.

State Water Resources Control Board
Office of Research, Planning & Performance



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors
From: Paul Helliker
Date: July 8, 2016
Subject: Water Resource Planning (WRP) – Status Report

.....

The purpose of this memo is to summarize recent activities and introduce next steps for discussion.

1) Top-Tier Water Use Options**a) Local Sales**

GHD prepared a grant application for State Revolving Loan funds for further design and analysis of pipeline extensions to the north and south. They have submitted some parts of the application, but are still awaiting assignment of a grant officer to whom to pose questions before they complete the financial sections of the application.

Security National contacted us in June to ask for information about water supply and water quality, to respond to questions from an organization that has expressed interest in potentially locating a water bottling plant at their property. We provided them with our annual consumer confidence report (for domestic supplies), and have offered them turbidity data from the industrial system.

b) Transport

A meeting of the Transport Committee was held on June 7, and a wide-ranging discussion about the present and future condition of California's water supplies transpired. A summary of that discussion is attached.

c) Instream Flow Dedication

As reported at the June meeting, I met with Tony LaBanca and Mark Wheatley from CDFW, to discuss the response from the Wildlife Conservation Board to HBMWD's streamflow enhancement planning grant application, and CDFW's review of the document.

Unfortunately, their group (fisheries biology) were not involved in the review. It was the other divisions (water rights/hydrology/enforcement) that participated in the review.

LaBanca agreed to follow up and organize a discussion with representatives of the other group, to discuss not only the grant application, but instream flow dedication procedures in general, to ensure that we all agree on the scope of information necessary for a successful streamflow enhancement water right application.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors
From: Paul Helliker
Date: July 8, 2016
Subject: Transport Committee meeting summary

.....

The Transport Committee of the Water Resources Planning project met on June 7, to discuss the status of the effort to find parties interested in water transfers from HBMWD. The Committee had invested significant time and energy between 2013 and 2016 to evaluate delivery alternatives and secure interest from potential buyers. The Committee had met with Bay Area agencies in 2013 and again in 2015, to brief them on the availability of water supplies from the Mad River and on the potential costs of delivering the water to them. The GHD pipeline reconnaissance study had estimated the cost of delivering water to the upper reaches of either the Sacramento River or Russian River watersheds as between \$1,800 and \$3,200 per acre-foot, which did not include the cost impacts of carriage water in the Delta or interruptions to deliveries during times when transfers cannot be effected through the Delta.

One mechanism for addressing the intermittent nature of either demand for transferred water in the Russian River basin or the ability to transfer water south of the Delta in the Sacramento River basin would be to couple the delivery of water from HBMWD with storage capacity. In the Russian River basin, the alternative of delivering Mad River water to Lake Mendocino would increase the cost of the water delivered to between \$2,200 and \$3,800 per acre-foot. This cost would be an additional cost beyond the current approximate \$800 per acre-foot that Sonoma County Water Agency charges its municipal retail agency customers.

In the Sacramento River basin, water suppliers such as the Yuba County Water Agency use both their own reservoir storage, as well as agreements with the Department of Water Resources to "store" YCWA supplies in Lake Oroville. The process for achieving this latter approach is that YCWA will release water from its own reservoirs to provide the Delta outflows that are mandated of DWR and the Bureau of Reclamation, which is then credited as water "stored" in Oroville by DWR (which they would have otherwise been required to release. There is a risk with this approach that Oroville will fill and spill, in which case the storage amount credited to YCWA is canceled.

One development on the horizon which would provide more storage in the Sacramento River basin is the proposed Sites Reservoir. This reservoir would be an off-stream storage reservoir (water would be pumped to it during high flows in the Sacramento River), similar to San Luis Reservoir in the San Joaquin River basin. Sites is proposed to be between 1.2 and 1.8 million acre-feet in size, and would provide an average of 500,000 acre-feet per year in deliveries. It is one of the top priority projects for DWR and the Bureau of Reclamation, and is expected to receive some of the \$2.7 billion authorized for storage projects by Proposition 1. Sites would provide additional storage space for water transferred from the Mad River.

Another issue that could drive the water supply and demand equation is the Sustainable Groundwater Management Act. Under this legislation, passed in 2014, groundwater basins are required to be managed sustainably by 2040. Local agencies must collaborate to form groundwater management entities for medium and high priority basins by 2017, and plans must be adopted for groundwater management (to bring the basins into balance) by 2020. While many of the state's groundwater basins are adjudicated and sustainably managed (such as those in the Santa Clara, San Fernando and San

Gabriel Valleys, and in Orange County), groundwater levels in the San Joaquin and Tulare Lake basins have been declining for decades. Those areas will either need to dramatically reduce pumping and/or find additional surface water supplies to supplement the water that currently recharges these basins. With the predicted impacts of climate change (less precipitation overall in Southern California), basins in that area that are currently in balance may also need additional surface water supplies to keep up with pumping demand.

All of these factors will continue to evolve over the next 10-15 years, as HBMWD continues to work to identify ways to beneficially use the water supplies that are available in the Mad River under HBMWD's water rights. The committee recommended that staff continue to monitor and report on these factors, and also to expand the universe of agencies that are contacted to provide information on potential water transfers from HBMWD.

Humboldt Bay Municipal Water District

To: Board of Directors
From: Sherrie Sobol
Date: July 7, 2016
Subject: Board Representative for WRP Advisory Committee

The Water Resource Planning Advisory Committee is comprised of 12 members. Eight are stakeholder representatives (environmental, economic, tribal etc.), two are Municipal Customer representatives, and two are HBMWD Board members. The Board reps were Kaitlin Sopoci-Belknap and Bruce Rupp. With Kaitlin no longer on the Board, a new representative is needed for the Advisory Committee (AC).

The AC meets on average twice a year. The next meeting is scheduled for September 20 from 2-5 pm.

Staff recommends the Board select a new representative for the AC.

At the June Board meeting, there was some discussion about how many and which Board members should participate in the Advisory Committee meetings. When it was originally established, there was a desire to make sure that the Committee could deliberate without distractions, so the meetings were not configured to be open to the public (and thus not noticed as Board meetings, thereby only allowing a maximum of two Board members to participate.) The Board may want to revisit this approach.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors
 From: Paul Helliker
 Date: July 8, 2016
 Subject: Cannabis Activities

.....

The following data from the North Coast Regional Water Quality Control Board provides a summary of the enrollment requests they have received and processed for their cannabis waste discharge regulatory program. In both Humboldt and Trinity Counties, most of the enrollments are in Tier 2 (greater than 5,000 sq. ft. of cultivation), which require the implementation of water resources protection plans.

Cannabis Program Enrollment Numbers as of May 31, 2016

COUNTY/TIER	ENROLLMENTS
Humboldt	276
1	27
2	248
3	1
Mendocino	68
1	24
2	44
Siskiyou	1
2	1
Sonoma	5
1	3
2	2

Trinity	57
1	10
2	47
GRAND TOTAL	407*

*There are an additional 140 applications that are in the process of enrollment.



With respect to the two bills that we have been following, Assemblymember Wood's bill (AB 2243, the Medical Cannabis Tax Law) is currently in the Senate Appropriations Committee, and is continuing to move through the legislative process. This bill establishes taxes on plants and flowers, which are then used to provide funding for environmental cleanup and regulatory enforcement (2/3 of the funds are dedicated to these programs). SB 987, Senator McGuire's Marijuana Value Tax Act, failed to pass the Assembly Revenue and Taxation Committee, and is dead for this session.

The 2016-17 state budget includes additional staffing and funding for medical marijuana environmental compliance programs. For the State and Regional Water Boards, and additional \$5.7 million and 35 positions have been provided, to implement cannabis regulatory schemes such as the cannabis waste discharge program mentioned above, as well as additional water rights processing and enforcement. In the Department of Fish and Wildlife, an additional \$7.7 million and 31 positions have been provided for the medical marijuana environmental programs. Both organizations are in the process of defining the locations and responsibilities of these positions, but it is likely that a number of them will be located in, or focused on the north coast region.



Redwood Coast Energy Authority

SECTION: H5, PAGE NO. 1

633 3rd Street, Eureka, CA 95501

Phone: (707) 269-1700 Toll-Free (800) 931-RCEA Fax: (707) 269-1777

E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

MEETING AGENDA

Redwood Coast Energy Resource Center
633 3rd Street, Eureka, CA 95501

June 20, 2016
Monday, 3:15 p.m.

Redwood Coast Energy Authority will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Katie Koscielak at 269-1700 by noon the day of the meeting.

I. ROLL CALL

II. REPORTS FROM MEMBER ENTITIES

III. ORAL COMMUNICATIONS

This time is provided for people to address the Board or submit written communications on matters not on the agenda. At the conclusion of all oral & written communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

IV. CONSENT CALENDAR

All matters on the Consent Calendar are considered to be routine by the Board and are enacted on one motion. There is no separate discussion of any of these items. If discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, Board members or members of the public can request that an item be removed for separate discussion.

- A. Approve Minutes of May 16, 2016 Board Meeting.
- B. Approve attached Warrants.
- C. Accept attached Financial Reports.
- D. Approve 2 new Program Assistant positions.

V. REMOVED FROM CONSENT CALENDAR ITEMS

Items removed from the Consent Calendar will be heard under this section.

VI. NEW BUSINESS

A. Community Choice Aggregation

- Community engagement

Approve RCEA Board Special Meetings for the evenings of July 28 and September 12.

Approve Citizen's Advisory Committee Charter.

Appoint Citizen's Advisory Committee members.

- Technical study progress update
- Local utility-scale solar exploration
- CCA Program Launch-year Line of Credit

Authorize application to the Headwaters Community Investment Fund for \$700,000, 5-year line of credit for CCA launch-period working capital.

- B. Proposition 39 update
- C. Organization Chart Update
 - Hiring updates
 - Auditing and Financial Support Services
- D. RCEA Fiscal Year 2016-17 Annual Budget
Adopt RCEA FY16-17 Annual Budget.

VII. ADJOURNMENT

New Business

To: Board of Directors
From: John Friedenbach
Date: July 7, 2016
Subject: Ordinance 12 (Amended August 2014) - District's Conflict of Interest Code

Background

Humboldt County Elections Office and the Political Reform Act requires local government agencies to review their conflict of interest code biennially during even numbered years to determine if their code is accurate or, alternately, that their code must be amended.

Current

The District was recently notified that it is time to complete its "2016 Local Agency Biennial Notice". It is due to the Elections Office by September 2, 2016. This is a one page form that reports whether or not an amendment to the District's Conflict of Interest Code is required.

Staff reviewed the website www.fppc.ca.gov for new releases or changes to our code as amended on August 2014. At this time, no recommendations for amendment are pending and Humboldt Bay Municipal's Ordinance 12 Conflict of Interest Code is up to date.

Recommendations and Board Actions

Staff recommends that the Board approve the District's "2016 Local Agency Biennial Notice" stating that no amendment is required.

Attachments

2016 Local Agency Biennial Notice
Ordinance 12 (amended August 2014)

2016 Local Agency Biennial Notice

Name of Agency: _____

Mailing Address: _____

Contact Person: _____ Phone No. _____

Email: _____ Alternate Email: _____

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (*check one BOX*):

An amendment is required. The following amendments are necessary:

(*Check all that apply.*)

- Include new positions
- Revise disclosure categories
- Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- Other (*describe*) _____

The code is currently under review by the code reviewing body.

No amendment is required. (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 3, 2016**, or by the date specified by your agency, if earlier, to:

(PLACE RETURN ADDRESS OF CODE REVIEWING BODY HERE)

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.

ORDINANCE 12 (AMENDED August 2014)**CONFLICT OF INTEREST CODE FOR
THE HUMBOLDT BAY MUNICIPAL WATER DISTRICT****Section 1. Introduction.****(a) Incorporation of California Fair Political Practices
Regulation 18730**

This Conflict of Interest Code incorporates by reference those portions of California Fair Political Practices Commission regulation No. 18730 that apply to local entities, officials and employees and any future amendments to those regulations. To the extent that other provisions of this Conflict of Interest Code are inconsistent with CA FPPC Regulation 18730, the provisions of the State regulation will control.

(b) In compliance with the Political Reform Act of 1974, California Government Code Section 81000, et seq., and specifically with Section 87300 et seq., the Humboldt Bay Municipal Water District hereby adopts this Conflict of Interest Code which shall be applicable to all designated employees of the agency. The requirements of this Code are in addition to other requirements of the Act such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to any other state or local laws pertaining to conflicts of interest.

Section 2. Definition of Terms.

The definitions contained in the Political Reform Act of 1974, the regulations of the Fair Political Practices Commission (2 Cal. Adm. Code Sections 18100 et seq.), and any amendments to the Act or regulations, are incorporated by reference into this Conflict of Interest Code.

Section 3. Designated Employees.

The persons holding positions listed in Section 12 are designated employees. It has been determined that these officers and employees make or participate in the making of decisions which may foreseeably have a material effect on financial interests.

Section 4. Disclosure Statements.

A designated employee shall report interests in the disclosure categories set forth in Section 13. It has been determined that the financial interests set forth in a designated employee's disclosure category are the types of financial interests which he or she foreseeably can affect materially through the conduct of his or her office. Each designated employee shall file statements of economic interests disclosing his or her financial interests as required by the applicable disclosure category.

Section 5. Place of Filing.

All designated employees required to submit a statement of economic interests shall file the original with the general manager who shall be the filing officer for all designated employees other than the members of the Board of Directors.

Upon receipt of the statement of economic interests of the members of the Board of Directors, the agency shall make and retain a copy and forward the originals of these statements to the Humboldt County Board of Supervisors, through the County Elections Office, who shall be the filing officer, within five days after the filing deadline, or five days after receipt in the case of statements filed late.

Section 6. Time of Filing.

(a) Initial Statements. All designated employees employed by the agency on the effective date of this Code shall file initial statements within thirty days after the effective date of this code.

(b) Assuming Office Statements. All persons appointed, promoted or transferred to designated positions after the effective date of the Code, shall file initial statements within ten days after assuming office.

(c) Annual Statements. Effective in 1981, all designated employees shall file annual statements no later than April 1 of each year.

(d) Leaving Office Statements. All person who leave designated positions shall file leaving office statements within thirty days after leaving office.

Section 7. Contents of Statements.

(a) Contents of Initial Statements. Initial statements shall disclose any reportable investments and interests in real property held on the effective date of the Code.

(b) Assuming Office Statements. Assuming office statements shall disclose any reportable investments and interests in real property held on the date of assuming office.

(c) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, and income held or received during the previous calendar year provided; however, that the period covered by an employee's first annual statement shall begin on the effective date of the Code or the date of assuming office whichever is later.

(d) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, and income held or received during the period between the closing date of the last statement filed and the date of leaving office.

Section 8. Manner of Reporting.

Disclosure statements shall be made on forms supplied by the Humboldt Bay Municipal Water District, and shall contain the following information:

(a) Contents of Investment and Real Property Reports.

When an investment or interest in real property is required to be reported, the statement shall contain the following: (Note: For the purpose of disclosure only (not disqualification), an interest in real property does not include the principal residence of the filer.):

- (1) A statement of the nature of the investment or interest;
- (2) The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;
- (3) The address or other precise location of the real property;
- (4) A statement whether the fair market value of the investment or interest in real property exceeds two thousand dollars (\$2,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(b) Contents of Personal Income Reports.

When personal income is required to be reported, the statement shall contain:

- (1) The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source.
- (2) A statement whether the aggregate value of income from each source or in the case of a loan, the highest amount owed to each source, was one thousand dollars (\$1,000) or less, greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000);
- (3) A description of the consideration, if any, for which the income was received;

(4) In the case of a gift, the name and address of the donor and any intermediary through which the gift was made, a description of the gift, the amount or value of the gift, and the date on which the gift was received.

(5) In the case of a loan, the annual interest rate and the security, if any, given for the loan and the term of the loan.

(c) Contents of Business Entity Income Reports.

When income of a business entity, including income of a sole proprietorship, is required to be reported, the statement shall contain:

(1) The name, address, and a general description of the business activity of the business entity;

(2) The name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(d) Business Position Disclosure.

When business positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(e) Acquisition or Disposal During Reporting Period.

In the case of an annual or leaving office statement, if an investment or interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

Section 9. Prohibition on Receipt of Honoraria.

(a) No designated employee shall accept any honorarium from any source, if the employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

Subdivisions (a), (b) and (c) of Government Code Section 89501 shall apply to the prohibitions in this section.

This section shall not limit or prohibit payments, advances, or reimbursements for travel and related lodging and subsistence authorized by Government Code section 89506.

Section 9.1. Prohibition on Receipt of Gifts.

(a) gifts may not exceed those permitted by Govt Code section 89503 and related administrative regulations in a calendar year from any single source, if the employee would be required to report the receipt of income or gifts from that source on his or her statement of economic interests.

(b) Subdivisions (e), (f) and (g) of Government Code section 89503 shall apply to the prohibitions in this section.

Section 9.2. Loans to Public Officials.

(a) No elected officer of the District shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any officer, employee, member, or consultant of the District.

(b) No non-elected designated employee shall, while he or she is employed, receive a personal loan from any officer, employee, member, or consultant of the District.

(c) No elected officer of the District shall, from the date of his or her election to office through the date that he or she vacates office, receive a personal loan from any person who has a contract with the District.

(d) No non-elected designated employee shall, while he or she is employed, receive a personal loan from any person who has a contract with the District.

(e) This Section 9 shall not apply to the following:

1. Loans made to the campaign committee of an elected officer or candidate for elective office.

2. Loans made by a public official's spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such persons, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

3. Loans from a person which, in the aggregate, do not exceed five-hundred dollars (\$500) at any given time.

4. Loans made, or offered in writing, before January 1, 1998.

Section 9.3. Loan Terms.

(a) Except as set forth in subdivision (b), no elected officer of the District shall, from the date of his or her election to office through the date he or she vacates office, receive a personal loan of five hundred dollars (\$500) or more, except when the loan is in writing and clearly states the terms of the loan, including the parties to the loan agreement, date of the loan, amount of the loan, term of the loan, date or dates when payments shall be due on the loan and the amount of the payments, and the rate of interest paid on the loan.

(b) This section 9 shall not apply to the following types of loans:

(1) Loans made to the campaign committee of the elected officer.

(2) Loans made to the elected officer by his or her spouse, child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law, sister-in-law, nephew, niece, aunt, uncle, or first cousin, or the spouse of any such person, provided that the person making the loan is not acting as an agent or intermediary for any person not otherwise exempted under this section.

(3) Loans made, or offered in writing, before January 1, 1998.

(c) Nothing in this section shall exempt any person from any other provision of Title 9 of the Government Code.

Section 9.4. Personal Loans.

(a) Except as set forth in subdivision (b), a personal loan received by any designated employee shall become a gift to the designated employee for the purposes of this section in the following circumstances:

(1) If the loan has a defined date or dates for repayment, when the statute of limitations for filing an action for default has expired.

(2) If the loan has no defined date or dates for repayment, when one year has elapsed from the later of the following:

(a) The date the loan was made.

(b) The date the last payment of one hundred dollars (\$100) or more was made on the loan.

(c) The date upon which the debtor has made payments on the loan aggregating to less than two hundred fifty dollars (\$250) during the previous 12 months.

(b) This section 9 shall not apply to the following types of loans:

1. A loan made to the campaign committee of an elected officer or a candidate for elective office.

2. A loan that would otherwise not be a gift as defined in this title.

3. A loan that would otherwise be a gift as set forth under subdivision (a), but on which the creditor has taken reasonable action to collect the balance due.

4. A loan that would otherwise be a gift as set forth under subdivision (a), but on which the creditor, based on reasonable business

considerations, has not undertaken collection action. Except in a criminal action, a creditor who claims that a loan is not a gift on the basis of this paragraph has the burden of proving that the decision for not taking collection was based on reasonable business considerations.

5. A loan made to a debtor who has filed for bankruptcy and the loan is ultimately discharged in bankruptcy.

(c) Nothing in this section shall exempt any person from any other provisions of Title 9 of the Government Code.

Section 10. Disqualification.

Designated employees must disqualify themselves from making, participating in the making or using their official positions to influence the making of any governmental decision which will foreseeably have a material financial effect, distinguishable from its effect on the public generally, on:

(a) Any business entity in which the designated employee has a direct or indirect investment worth more than two thousand dollars (\$2,000);

(b) Any real property in which the designated employee has a direct or indirect interest worth more than two thousand dollars (\$2,000);

(c) Any source of income, other than loans by a commercial lending institution in the regular course of business, aggregating five hundred dollars (\$500) or more in value received by or promised to the designated employee within twelve months prior to the time when the decision is made; or

(d) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management.

(e) Any donor of, or any intermediary or agent for a donor of, a gift or gifts aggregating the applicable amount pursuant to Government Code Section 89503 or more provided to, received by, or promised to the designated employee within 12 months prior to the time when the decision was made.

(f) No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made. The fact that a director's vote is needed to break a tie does not make his or her participation legally required for purposes of this section.

Section 11. Manner of Disqualification.

A designated employee, other than a member of the Board of Directors, required to disqualify himself or herself shall notify the general manager, in writing, who shall record the employee's disqualification. Upon receipt of such statement, the general manager or the board shall reassign the matter to another employee.

In the case of a designated employee who is a member of the Board of Directors, notice of disqualification shall be given at the meeting during which consideration of the decision takes place and shall be made part of the official record of the board or commission.

Section 12. Who Must File.

Those persons required to file the statements under this Code are members of the Board of Directors, the general manager, superintendent, and the business manager for the district, the district's legal consultant, and the district's consulting engineer.

Section 13. Business Interests.

In addition to the requirements set forth herein, those persons listed in Section 12 must disclose investments in business entities and sources of income from business entities or persons who manufacture, distribute, sell or supply the following goods or services: Motor vehicles and specialty vehicles and parts therefore; construction and building materials; office equipment and supplies; petroleum products; electrical or electrical generating equipment and supplies; irrigation equipment and supplies--pipes, valves, fittings, tanks, pumps, meters, etc.; agricultural equipment and supplies; well

drilling equipment and supplies; safety equipment, facilities, and instructional material; real property and farming interests located within the district boundaries or within five miles of the district boundaries or its property lines; real estate firms and appraisals; engineering services; printing or reproduction services, publications, and distribution; educational and medical services and materials; preparation of actions leading to taking in eminent domain; soil test, compaction and other agreements on grading requirements; banks and savings and loans; EPA agreements and research; insurance companies, public utilities; and audit agreements and contracts.

Section 14. Filing Suit.

No person shall commence any suit challenging the sufficiency of any designated employee's disclosure statement without first furnishing the district and the employee whose statement is challenged a written notice stating as follows:

(a) The specific item or items alleged to be insufficiently described in the employee's disclosure statement on file;

(b) That unless the statement on file is amended so as to provide the information requested in subparagraph (a) hereof within the time limit specified herein, suit will be commenced to compel compliance with the disclosure law.

The designated employee whose disclosure statement is questioned as described herein shall have twenty days from the date notice is furnished as set forth above to amend the disclosure statement so as to comply with the requirements of this code. No action shall be commenced until the expiration of said twenty day period.

All notices, including the notice to the designated employee, shall be delivered or mailed to the district office in Eureka, California.

Section 15. Assistance of the Commission and Counsel.

Any designated employee who is unsure of his or her duties under this code may request assistance from the Fair Political Practices Commission pursuant to Government Code section 83114 and 2 Cal. Code Regs. Sections 18329 and 19329.5 or from the attorney for his or her agency, provided that nothing in this section requires the attorney for the agency to issue any formal or informal opinion.

Section 16: Violations.

This code has the force and effect of law. Designated employees violating any provision of this code are subject to the administrative, criminal and civil sanctions provided in the Political Reform Act, Government Code sections 81000-91014. In addition, a decision in relation to which a violation of the disqualification provisions of this code or of Government Code section 87100 or 87450 has occurred may be set aside as void pursuant to Government Code section 91003.

Engineering

**CHANGE ORDER**PROJECT: Humboldt Bay Municipal Water District
Collector 1&1A Rehabilitation ProjectChange Order No.: 2
Date: 05/13/16
Page No.: 1 of 1

CONTRACTOR: Layne Christensen Company

DESCRIPTION OF CHANGE:

This Change Order covers changes to the contract completion date based on Contractor's Schedule. The Contract Completion Date has been extended to December 31, 2016. All other regulatory dates related to work on Mad River bar, as outlined in the Contract Specifications, are still in effect.

Adjustment of contract sum		Adjustment of contract completion dates	
Original Contract Sum	\$2,024,500.00	Original Contract Completion Date	Oct .07, 2016
Prior Adjustments	(\$124,500.00)	Prior Adjustments in Calendar Days	0
Contract Sum Prior to this Change	\$1,900,000.00	Adjustment in Calendar Days for this Change Order	85
Adjustment for this Change	\$0	Revised Contract Completion Date	Dec.31, 2016
Revised Contract Sum	\$1,900,000.00		

NOTE: CONTRACTOR WAIVES ANY CLAIM FOR FURTHER ADJUSTMENTS FOR THE CONTRACT SUM RELATED TO THE ABOVE-DESCRIBED CHANGE IN THE WORK.

RECOMMENDED BY:

zk
Engineer

DATE: 05/13/2016

APPROVED BY:

Paul Harkin
Owner

DATE: 7/1/2016

ACCEPTED BY:

[Signature]
Contractor

DATE: 6/30/2016



FIELD WORK DIRECTIVE

PROJECT: HBMWD COLLECTORS 1&1A REHABILITATION PROJECT

FIELD WORK DIRECTIVE NO.: 1

GHD# 11110031

DATE: 06/30/2016

CONTRACTOR: LAYNE HEAVY CIVIL, INC.

PAGE NO.: 1 OF 1

CC:

DESCRIPTION OF DIRECTIVE:

Please replace the "(N) Temporary 4-ft high orange safety fence" around perimeter of the percolation pond, as shown on Drawing C105 of the Contract Construction Drawings, with a temporary 6-ft high chain link fence. Temporary fence to go around the entire perimeter of the percolation pond generally as shown for the "orange safety fence" detailed on Drawing C105. Gate to be provided on the west side of the pond near the northwest corner.

A change order will be required prior to the start of this work. Please provide a cost estimate with cost breakdown shown for the performance of this work including the anticipated credit for the elimination of the orange safety fence.

CHANGES TO CONTRACT SUM OR TIME: No Change Change order required.
Contractor to submit cost breakdown

COST BASIS: Lump Sum Time and Material

ESTIMATED COST: _____

DIRECTED BY:

Engineer

DATE: 06/30/2016

Humboldt Bay Municipal Water District
Collector 1 & 1A Rehabilitation Project
June 30, 2016

Layne Invoice #39759-01
PAYMENT REQUEST #1

INVOICE TO:
Humboldt Bay Municipal Water District
828 Seventh Street, PO Box 95
Eureka, California 95502-4095

From:
Layne Christensen Company, Inc.
6360 Huntley Rd.
Columbus, Ohio 43229
Phone: (614) 888-6263
E-mail: Mike.Hartman@layne.com

Mailing Address:
(Regular U.S.
Postal Service Mail)

Layne Christensen Company
P.O. Box 677801
Dallas, Texas 75267-7801

Wire Transfer/
ACH Info:

Bank: PNC Bank, N.A.
ABA: 031 207 607
Swift: PNCUS33
Account Name: Layne Christensen
Account Number: 8026317547

Shipping Address:
(Courier, UPS, FedEx)
Layne Christensen Company
C/O Layne Christensen Company
Lockbox #677801
1200 East Campbell, Suite 108
Richardson, Texas 75081

Item	ORIGINAL CONTRACT		THIS PERIOD		PREVIOUS PERIODS		TOTAL COMPLETED	
	Quantity	Unit Cost	Total Cost	%	AMOUNT	%	AMOUNT	%
Mobilization & Demobilization	1	LS	160,000.00	12%	\$ 19,200.00			12% \$ 19,200.00
Caisson Dewatering	1	LS	131,000.00	60%	\$ 78,600.00			60% \$ 78,600.00
Site set up, Well 1A	1	LS	142,000.00					
Site set up, Well 1	1	LS	172,500.00					
Installation of ports	5	LS	110,000.00					
F&I, Develop laterals	750	FT	1,350.00					
Install SS Gate Valves	5	Ea	9,600.00					
Final performance test, Well 1	1	EA	49,000.00					
Initial & Final perf tests, well 1A	1	LS	75,000.00	30%	\$ 22,500.00			30% \$ 22,500.00
Additive Bid Items								
Installation of port and 10' blank		EA	40,000.00					
F&I, Develop laterals		LF	1,300.00					
F&I, 12" SS gate valves, with tags		EA	17,500.00					
Remove and Reinstall support flooring at		EA	74,000.00					
Remove old valve stems, actuator lines, etc		Hr	650.00					
TOTAL PROJECT COST			\$ 1,900,000.00		\$ 120,300.00		\$ -	\$ 120,300.00
				Retainage (5%)	(\$6,015.00)		Retainage (5%)	(\$6,015.00)
					114,285.00		Net Due to Date	\$114,285.00
							Previously Invoiced	\$0.00
							Due This Period	\$114,285.00

Respectfully Submitted:

Layne Christensen, Ranney Collector Wells

Reviewed by:
Patrick Kasparis PE
GHD Engineering

Approved:
Humboldt Bay Municipal Water District



Memorandum

July 7, 2016

To	Joe Petersen, Senior Emergency Services Coordinator		
Copy to	Paul Helliker, John Friedenbach, Dale Davidsen		
From	Patrick Kaspari, PE	Tel	(707) 443-8326
Subject	HBMWD Blue Lake/Fieldbrook-Glendale CSD Pipeline Support Retrofit - Additional Phase One Requirements - HMGP #1911-09-09	Job no.	84/11162/02

1 Introduction

This Memorandum (Memo) is being provided in response to a letter from Jeffrey Lusk, Director of the Mitigation Division of FEMA Region IX to Charles Rabamad, CalOES dated May 23, 2016 (Attachment A). The FEMA letter acknowledges receipt of the Feasibility Study prepared by GHD for the Humboldt Bay Municipal Water District (HBMWD or District) Blue Lake/Fieldbrook-Glendale CSD Pipeline Crossing Project (Project). The letter also extended the Phase One completion date for the Project to September 30, 2016 and listed the following additional Phase One requirements:

- Request for a Scope of Work (SOW) modification from a suspended waterline crossing over the Mad River to an installation under the river
- Engineering design at 30% completion
- New total project cost estimate with non-federal cost share
- Updated project schedule
- Revised Benefit-Cost Analysis (BCA) or narrative

The additional Phase One requirements are addressed in the following sections of this Memo.

2 Request for Scope of Work Modification

The District currently supplies domestic water to the City of Blue Lake and the Fieldbrook-Glendale Community Services District (FGCSD). The Blue Lake/FGCSD pipeline crosses the Mad River via a 14-inch ductile iron pipeline attached to a North Coast Railroad Authority (NCRA) bridge that has not been used or maintained for many years. The bridge has been found to be in substandard condition and near the end of its functional life. If the bridge fails, it will likely damage the District's pipeline and interrupt the sole domestic water service to these communities.

The District plans on installing a secondary pipeline across the river to mitigate the risk of water service interruption for Blue Lake and FGCSD. The SOW in the original grant application provided to FEMA included

the construction of a new aerial crossing that would support a new pipeline over the Mad River. The Feasibility Study titled "Feasibility Study: Construction of a Secondary Pipeline Across the Mad River to Supply Water to Fieldbrook and Blue Lake" (GHD, April 2016) assessed this alternative as well as an alternative for horizontal directional drilling (HDD) to install a new pipeline under the river. Each alternative was analyzed with respect to constructability, right of way requirements, cost, and environmental impact considerations. As described in the Feasibility Study:

- Both alternatives are constructible
- Right of way requirements are comparable between the two alternatives
- The estimated capital costs for each alternative (\$2,773,000 for the HDD alternative and \$2,918,000 for the aerial crossing alternative) are so close as to be a minimal factor in deciding on an alternative, though the aerial crossing would require significantly more maintenance (an estimated \$6,000 per year assuming a minor painting annually and a major painting every five years). The total present worth cost over a 50-year lifetime for the aerial alternative including maintenance considerations is estimated to be \$3,072,000
- There are significantly fewer environmental impacts and permitting difficulties associated with the HDD alternative when compared to the aerial crossing alternative. The NEPA/CEQA analysis for the aerial alternative would likely need to include considerations for whether any visual impacts would result from constructing a new aerial crossing next to the existing railroad trestle, which is listed on the historic register. The construction of the aerial crossing would also require work in the existing river channel, which would require extensive additional permitting from the California Department of Fish & Wildlife, US Army Corps of Engineers, and the Regional Water Quality Control Board. There is also a greater chance of impacting a documented cultural resource site with the aerial crossing alternative.

Given the above considerations, the District selected the HDD alternative as the preferred alternative for constructing a secondary pipeline across the Mad River. The District requests to update the SOW for the project as given in Section 2.1. While the intent of the project has not changed, the SOW has been refined to reflect the findings of the Feasibility Study.

2.1 Horizontal Directional Drilling Scope of Work

This project will consist of the design, permitting, and construction required for installation of a new 14-inch interior diameter pipeline underneath the Mad River via HDD (see Figure 1, Attachment B for a plan view of the HDD bore and Figure 2, Attachment B for a profile view). The pipe material will be High Density Polyethylene (HDPE, 18-inch outside diameter). This new pipeline will replace the existing 14-inch water main currently located on a railroad trestle that is aging and becoming undermined, and will continue water service to the communities of Blue Lake, Fieldbrook, and Glendale. The pipeline will tie-in to the existing 14-inch transmission main on the west side of the river, east of Warren Creek Road and on the east side of the river, just west of Glendale Drive.

HDD is a trenchless construction method in which a pipe is installed along an arcing drill path, beginning and ending at entry and exit pits, respectively, and passing under the conflicting feature (in this case, the Mad River). A drill rig is set up on the entry side (in this case the west side of the river) and drills a pilot bore to the exit point. The pilot bore is then reamed in one or more passes to the size required for pullback of the prefabricated pipe string. After reaming is complete, the pipe is pulled into the bore, preferably in one continuous operation. The pilot bore will be installed from the west side of the river and an entrance pit will be constructed on a District-owned parcel (APN 516-025-111), approximately 90 feet east of Warren Creek

Road, 600 feet north of the intersection with Burlwood Lane. The drilling bore will terminate on the east side of the river, just southwest of Glendale Drive on the property of GR Sundberg (APN 504-131-004), and an exit pit will be constructed at this location. The new pipe will be assembled (fused) and laid out on the Sundberg property, which should allow the pipe to be pulled back in one continuous pull. The new pipeline will then be tied into the existing 14-inch transmission main on each side of the river, which will require standard open trenching for the installation of the pipe to the tie-in location on each side.

A bentonite-based drilling fluid is used in the HDD process to aid in excavation of the soil, carry the cuttings from the bit back to the drill rig, provide hydrostatic support to the otherwise unsupported borehole, and to cool and lubricate the drill pipe and tooling during drilling. The returned drilling fluid is sent through a solids separation plant with a system of vibrating screens and hydrocyclones that remove the majority of the soil from the slurry. Clean drilling fluid is sent back to the bit. Drilling fluid recovery pits are commonly excavated at each end of the bore. The pits are usually 3-6 feet wide, 6-12 feet long, and 2-4 feet deep. The risk of inadvertent fluid returns (hydrofractures or frac-outs) is an important consideration for HDD projects. This typically occurs when excess drilling fluid pressures cause fluid to escape the bore and surface through granular soils, cracks in cohesive soils, or along other natural or man-made conduits. Drilling fluid is generally a non-toxic mixture of water and bentonite clay; however, spills are viewed as an environmental risk.

3 30% Engineering Design

3.1 Conceptual Bore Design

The conceptual bore design was developed based on the capabilities and limitations of HDD, the required pipe diameter, mitigation of frac-out risks, and other site constraints. The plan bore alignment (Figure 1, Attachment B) is 1,125 feet long. The conceptual alignment was designed to maintain a minimum of 20 feet of clearance beneath the Mad River channel at all points. A preliminary profile of the bore is given in Figure 2, Attachment B.

The entry location was chosen to minimize bore length while still maintaining adequate depth beneath the river channel. This location also allows for a short connection length to the existing transmission main and allows for construction access off of Warren Creek Road without affecting nearby private properties. The entry location also avoids disruptions to the identified cultural resource site.

The exit location was also selected to minimize bore length, maintain adequate depth, and allow for a short connection to the existing transmission main. The location on the edge of the Sundberg site will also minimize disruption to Sundberg's property.

Because this bore is anticipated to be drilled completely within fresh bedrock, frac-out risk is anticipated to be low, unless significant open joints, fractures, or faulting is encountered. The clearance of 20 feet from the channel bottom was chosen to reduce the risk of inadvertent drilling fluid returns through existing pathways in the rock, and to avoid potential historic flow channels that have been infilled with alluvial cobbles, gravel, and sand.

3.2 Staging Area

A medium HDD rig will likely be required due to the diameter, length, and subsurface conditions of the proposed HDD crossing. The required staging area for a rig of this size is approximately 10,000 square feet at the entry side of the bore. This allows for staging of the drill rig, other pieces of ancillary equipment (e.g.

backhoe, boom truck), drill pipe, bentonite, drilling fluid pumps, fluid storage tanks, a solids separation plant, tool trailers, and other equipment. The drill rig, backhoe/boom truck, and drill pipe storage will be located in an area that is approximately 75 feet long and 30 feet wide and aligned directly behind the entry point, and this area must be completely clear. The separation plant will also require a clear area that is approximately 40 feet long and 30 feet wide. The pipe laydown area on the exit side will be 20 to 50 feet wide and equal to the length of the pipe (approximately 1,125 feet). Figure 1, Attachment B shows an approximation of the area that will need to be completely cleared to accommodate the rig and separation plant, as well as the rest of the work area that will require undergrowth removal. This figure also shows the pipe fabrication and layout area on the east side of the Mad River.

3.3 Hydrofracture Analysis

The potential for inadvertent drilling fluid returns to the ground surface is a serious concern for any HDD crossing. A preliminary analysis of the hydrofracture risks for the project has been performed. The analysis showed that the risk of hydrofracture is low for the majority of the crossing length. Because the depth of cover decreases near the exit point, the hydrofracture risk is elevated shortly before the exit point. This is a typical risk for all HDD bores and can be mitigated through common measures including specifying that the contractor have equipment and tools on-site for rapid containment and clean-up of inadvertent fluid returns. A detailed Surface Spill and Hydrofracture Contingency Plan will also be developed. A more detailed geotechnical/geophysical analysis will also be completed as part of the final design to help obtain a more detailed picture of the subsurface stratigraphy and determine whether there are any granular soils, cracks in the bedrock soils, or other natural or man-made conduits that could serve as preferential pathways for frack-out.

3.4 Connections to Existing Water Main and Disinfection/Flushing of the New Pipe

A connection to the existing water main will take place on each side of the river. The existing main will be cut open, and a tee will be installed on the existing main to connect the new pipe to the existing pipe. Two isolation valves will be installed at the tee at each connection so that both the existing line and the new line can be isolated. Because the existing main will be cut open for this work, a portion of the line will need to be drained at each connection location for the connection work to be completed. On the west side, it is anticipated that approximately 600 linear feet of the 14-inch line will need to be drained (approximately 4,800 gallons of water). The drained water will be directed to the approximately 10,000-square-foot HDD staging area. Hay bales will be set up around the perimeter of this staging area to facilitate dechlorination and percolation of the water into the subsurface. A similar approach will be taken on the east side of the river at the Sundberg property, where approximately 365 linear feet of pipe are anticipated to be drained (approximately 2,900 gallons of water).

After the new pipe is installed, it will need to be disinfected with highly-chlorinated water and subsequently flushed. A percolation basin as described above will also be used for the dechlorination of disinfection water that is flushed out of the water line. Standard construction Best Management Practices (BMPs) will be used for the above work, and all of the water handling and disposal requirements as set forth in the District's General NPDES Permit will be followed.

4 Cost Estimate

A revised total project cost estimate including the non-federal cost share is given as Table 1.

Table 1: Cost Estimate

Item No.	Description	Unit	Quantity	Unit Cost	Total
1	Mobilization/Demobilization	LS	1	\$200,000	\$200,000
2	Clearing and Grubbing	LS	1	\$54,000	\$54,000
3	Erosion and Sediment Control	LS	1	\$40,000	\$40,000
4	Revegetation	LS	1	\$47,000	\$47,000
5	Temporary Construction Access Improvements	LS	1	\$67,000	\$67,000
6	Horizontal Directional Drill 18-inch HDPE Transmission Main ¹	LS	1	\$1,481,000	\$1,481,000
7	Connect to (E) 14-inch Transmission Main	EA	2	\$30,000	\$60,000
8	14-inch Gate Valve with Vault	EA	4	\$7,000	\$28,000
9	Air/Vacuum Relief Valve with Vault	EA	2	\$13,000	\$26,000
10	Blowoff Assembly with Vault	EA	1	\$27,000	\$27,000
Opinion of Probable Construction Cost					\$2,030,000
Phase 1 - Environmental Special Studies					\$105,000
Phase 1 - ROW/Topo Survey/Feasibility Study					\$130,000
Preliminary Geotechnical Investigation					\$63,000
Subapplicant Pre-Award Costs					\$65,000
Project Administration/Legal/Accounting					\$60,000
Final Geotechnical Investigation					\$80,000
Survey and Land/ROW Acquisition (10%)					\$203,000
Engineering Design (12%)					\$244,000
Environmental Permitting (10%)					\$203,000
Bid Period Services					\$20,000
Construction Management (15%)					\$305,000
Project Closeout					\$65,000
Total non-Construction Costs					\$1,543,000
Opinion of Probable Project Cost					\$3,573,000
Proposed Federal Share (75%)					\$2,679,750
Proposed Non-Federal Share (25%)					\$893,250

5 Schedule

An updated project schedule is given as Table 2.

Table 2: Project Schedule

Task	Completion Date
Submit Additional Phase 1 Requirements	July 2016
FEMA Completion of NEPA	January 2017
Receipt of Hazard Mitigation Grant	January 2017
Survey	February 2017
Final Geotechnical Investigation	February 2017
Prepare CEQA Document	March 2017
Prepare 60% Plans and Specs	May 2017
CEQA Circulation and Review	June 2017
Certify and Submit CEQA Document	June 2017
Prepare 90% Plans, Specs, Cost Estimate	July 2017
Permitting	July 2017
Final Plans, Specs, Contract Documents	August 2017
Advertise Bids	September 2017
Bid Award and Contracting	October 2017
Construction	May 2018
Project Closeout	August 2018

6 Revised Benefit-Cost Analysis Narrative

The most recent BCA for this project had a total benefits amount of \$3,663,201. The total project cost as given in Table 1 is \$3,573,000. Dividing the benefits by the project cost gives a Benefit-Cost Ratio (BCR) of 1.03.

7 Conclusion

The Humboldt Bay Municipal Water District's (District) current water supply pipeline to the City of Blue Lake and the Fieldbrook-Glendale Community Services District is attached to an NCRA bridge that has not been used or maintained for many years and has been found to be in substandard condition and near the end of its functional life. If the bridge fails, it will likely damage the District's pipeline and interrupt the sole domestic

water service to these communities. The District plans on installing a secondary pipeline across the river to mitigate the risk of water service interruption for Blue Lake and FGCSO.

This Memo included a request for a SOW modification from a suspended waterline crossing over the Mad River to an HDD installation under the river to provide a redundant waterline to the City of Blue Lake and the Fieldbrook-Glendale CSD. The 30% design drawings and narrative, as well as an associated updated project cost estimate, BCA narrative, and schedule, were also included with this Memo. The estimated total project cost is \$3,573,000, the BCR is 1.03, and the project is anticipated to be completed and closed out in August 2018.

Please do not hesitate to contact me if you have any questions or require additional information or clarification.

Regards



Patrick Kaspari, PE

District Engineer

Attachment A
FEMA Receipt of Phase One Submittals
and Additional Phase One Requirements



FEMA

SECTION 11b PAGE NO. 9

May 23, 2016

Charles Rabamad
Governor's Authorized Representative
California Office of Emergency Services
3650 Schriever Avenue
Mather, CA 95655

Reference: Receipt of Phase One Submittals, HMGP #1911-09-09R
Humboldt Bay Municipal Water District, FIPS Code #023-91000
Blue Lake/Fieldbrook Pipeline Support

Dear Mr. Rabamad:

The purpose of this letter is to acknowledge receipt of a Phase One milestone submittal, dated April 25, 2016 (received May 2, 2016). The information consisted of a feasibility study for a Scope of Work (SOW) modification from a suspended water pipeline structure over the Mad River to an installation under the river. The study was also attached in emails dated April 13, 2016.

The submittal is currently in review by Region IX Environmental Planning and Historic Preservation (EHP) for NEPA compliance.

Cal OES extended the Phase One completion date to September 30, 2016, and we anticipate the following for EHP review and programmatic eligibility review:

- engineering design at 30% completion,
- request for a SOW modification with a description and justifications,
- new total project cost estimate with non-federal cost share,
- updated project schedule, and
- Benefit-Cost Analysis (revised) or narrative.

If we determine the SOW is eligible, technically feasible, cost-effective, and compliant with EHP requirements, we will approve the project for construction under Phase Two.

For any questions or further assistance please contact me, or your staff may contact Clayton Pang, Hazard Mitigation Assistance Specialist, at clayton.pang@fema.dhs.gov.

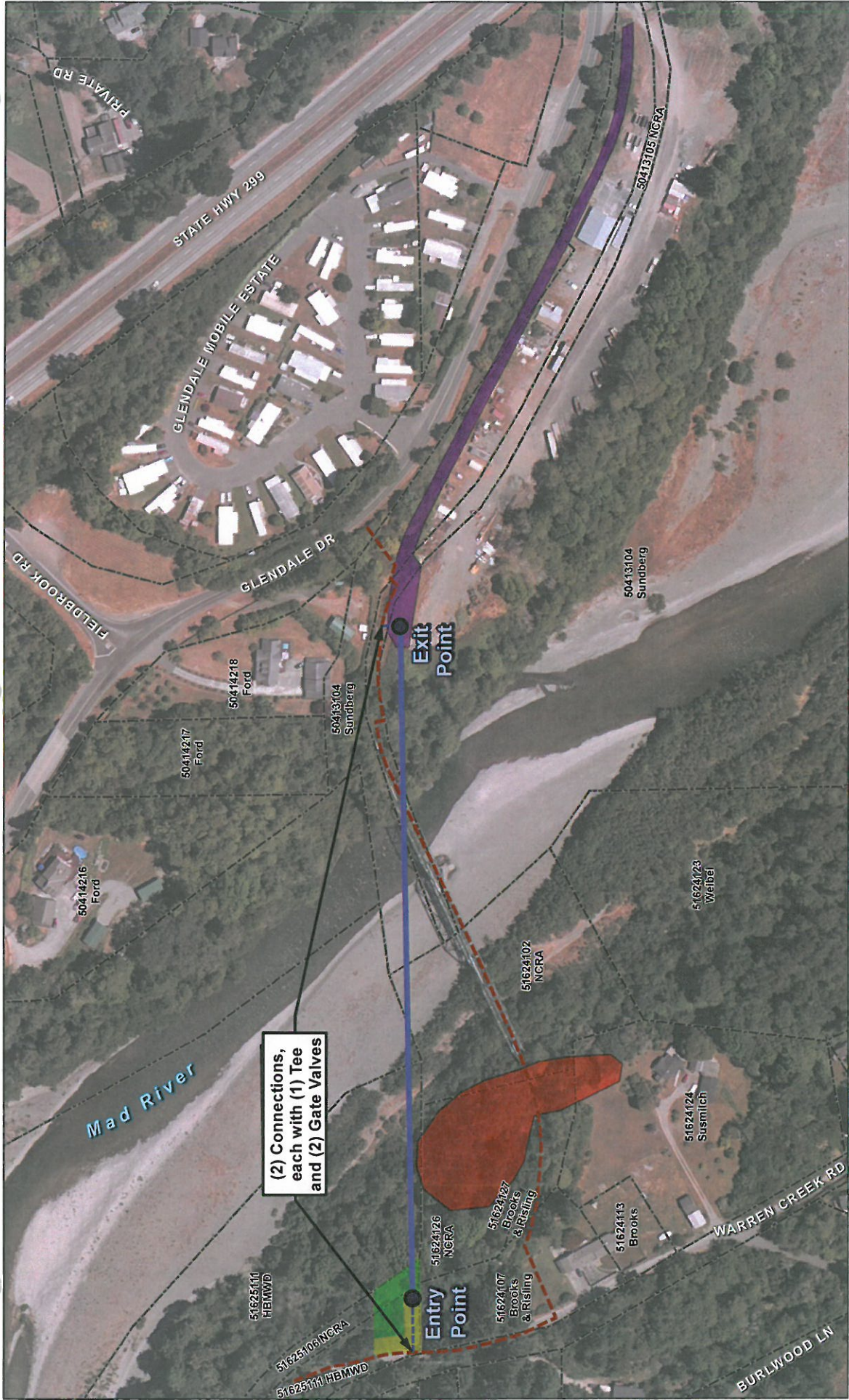
Sincerely,

Jeffrey D. Lusk
Director
Mitigation Division
FEMA, Region IX

cc: Marcia Sully, State Hazard Mitigation Officer

Attachment B

Figures



**(2) Connections,
each with (1) Tee
and (2) Gate Valves**

Cultural Site

- Work Area (Undergrowth Removal)
- Pipe Fabrication and Layout Area
- Rig and Separation Plant Area (Completely Cleared)

Conceptual HDD Alignment

- Existing 14" Water Line
- New Trenched Water Line
- Entry and Exit Points
- Parcels (with APN & Owner)

Paper Size 8.5" x 11" (ANSI A)

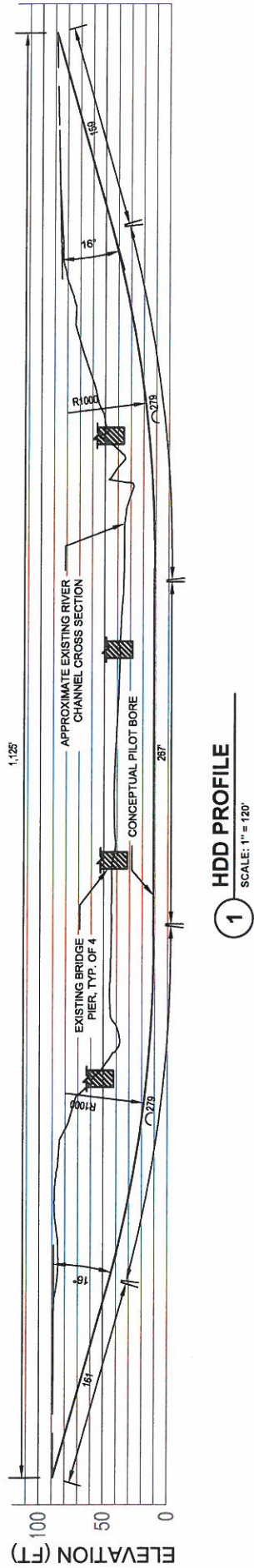
Map Projection: Lambert Conformal Conic
Horizontal Datum: North American 1983
Grid: NAD 1983 StatePlane California 1 FIPS 0001 Feet

Humboldt Bay Municipal Water District
BLFG CSD Pipeline Crossing

Job Number | 8411162
Revision | A
Date | 02 Mar 2016

Figure 1

718 Third Street Eureka CA 95501 USA T 707 443 8326 F 707 444 8330 E eureka@ghd.com W www.ghd.com
© 2016. While every care has been taken to prepare this map, GHD makes no representations or warranties about its accuracy, reliability, completeness or suitability for any particular purpose and cannot accept liability and responsibility of any kind (whether in contract, tort or otherwise) for any expenses, losses, damages and/or costs (including indirect or consequential damage) which are or may be incurred by any party as a result of the map being inaccurate, incomplete or unsuitable in any way and for any reason. Data source: Esri aerial. Created by: glavidson



Job Number | 8411162
Revision | A
Date | 07/05/2016

Figure 2

Humboldt Bay Municipal Water District
Blue Lake/Fieldbrook Mad River Crossing

HDD Profile

718 Third Street, Eureka CA USA 95501 T 1 707 443 8326 F 1 707 444 8330 E eureka@ghd.com W www.ghd.com



Sherrie Sobol

From: Leep, Ken@CalOES [Ken.Loop@caloes.ca.gov]
Sent: Friday, June 24, 2016 1:29 PM
To: Leep, Ken@CalOES
Cc: Sully, Marcia@CalOES; Ransom, Paul@CalOES; Petersen, Joe@CalOES; Boemecke, Wendy@CalOES; Singer-Rodriguez, Sandra@CalOES
Subject: DR-4240, HMGP, Application Review

Hello all,

This email is being sent as a bcc to all jurisdictions that submitted a project grant application, or applications, in DR-4240, HMGP. Applications for all receiving this email were received and are currently being reviewed by Cal OES. You will be informed of your project status within approximately 30 days following the review process. Please understand that Cal OES, and FEMA, will not be answering application related questions, or the review process, until all applications receive a score, and are ranked.

Thank you,

Ken
916-612-3878, cell

This e-mail has been scanned for viruses



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO Box 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COM

Website: www.hbmwd.com

BOARD OF DIRECTORS

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ALDARON LAIRD, VICE-PRESIDENT
J. BRUCE RUPP, SECRETARY-TREASURER
SHERI WOO, DIRECTOR
NEAL LATT, DIRECTOR

GENERAL MANAGER

PAUL HELLIKER

June 13, 2016

California Governor's Office of Emergency Services
Hazard Mitigation Grants Program Unit
3650 Schriever Avenue
Mather, CA 95655

RE: Surge Tower Retrofit Project Match Commitment Letter

Dear State Hazard Mitigation Officer,

As part of the Hazard Mitigation Grant Program process, a local funding match is required. This letter serves as Humboldt Bay Municipal Water District's commitment to meet the matching fund requirements for the Surge Tower Retrofit Project under the Hazard Mitigation Grant Program.

Name of funding source: Municipal customer rate payers.

Funding type: Wholesale water rates.

The **local matching fund requirement** is \$187,500 and is available as of July 1, 2016.

If additional federal funds are requested, an additional local match fund commitment letter is required to be submitted.

Please contact John Friedenbach, Business Manager, by phone at (707) 443-5018 or email at friedenbach@hbmwd.com if you have any questions.

Sincerely,


Paul Helliker, General Manager

**HUMBOLDT BAY MUNICIPAL WATER DISTRICT**

828 SEVENTH STREET, PO BOX 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COMWebsite: www.hbmwd.com**BOARD OF DIRECTORS**

BARBARA HECATHORN, PRESIDENT
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J. BRUCE RUPP, SECRETARY-TREASURER
SHERI WOO, DIRECTOR
NEAL LATT, DIRECTOR

GENERAL MANAGER

PAUL HELLIKER

June 13, 2016

California Governor's Office of Emergency Services
Hazard Mitigation Grants Program Unit
3650 Schriever Avenue
Mather, CA 95655

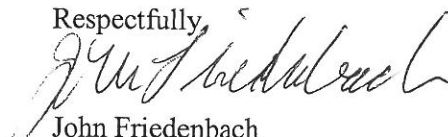
RE: Year of Surge Tower Construction and Number of Customers Served

The Humboldt Bay Municipal Water District (District) was formed in 1956 pursuant to the Municipal Water District Act of the California Water Code. The District completed construction of the regional water system in 1961, after which service commenced. Currently, a total of seven municipalities or wholesale customers are served by the regional system: City of Arcata, City of Blue Lake, City of Eureka, Fieldbrook-Glendale Community Services District, Humboldt Community Services District, Manila Community Services District, and the McKinleyville Community Services District. The District also provides potable water to approximately 200 retail customers.

The District operates two separate and distinct water systems: an industrial system, and a domestic system. The industrial system on the Samoa Peninsula (Peninsula), including the surge tower, was constructed in 1962. The domestic waterline on the Peninsula is the sole source of potable water for Peninsula residents. This waterline also runs from the Peninsula to the east under Humboldt Bay and serves one of the District's major customers, the Humboldt Community Services District (HCSD). This waterline is the sole source of potable water for approximately 60% of the HCSD system. In addition, this line serves as a redundant supply line to the City of Eureka. In total, the domestic waterline on the Peninsula is the sole source of water for approximately 7,400 people.

Kindly contact us if you have any questions or need any additional information.

Respectfully,



John Friedenbach
Business Manager



June 17, 2016

H.B.M.W.D. JUN 27 2016

Mr. Paul Helliker
General Manager
Humboldt Bay Municipal Water District
P.O. Box 95
Humboldt, California 95502-0095

Subject: Notification of Recommendation for FEMA Review
FEMA-PDM16, Cal OES #PJ-0003
FIPS# 023-91000
HBMWD 12kV Switchgear Relocation


Dear Mr. Helliker:

The California Governor's Office of Emergency Services (Cal OES) has received and reviewed your sub-application requesting project funds from the 2016 Pre-Disaster Mitigation Grant Program. Cal OES has forwarded your sub-application to the Federal Emergency Management Agency (FEMA) with a recommendation for funding.

FEMA must conduct a competitive selection process with sub-applications submitted from several different states and territories prior to selecting sub-applications for further review toward funding. We anticipate receiving information from FEMA concerning their selections by August 30, 2016, and will notify you as soon as we have additional information.

We appreciate the time and effort your agency has invested in this sub-application. If you have any questions, please contact me at (916) 845-8160.

Sincerely,

for 
JULIE NORRIS, Chief
Pre-Disaster and Flood Mitigation Division

AGENT/OWNER: PHIL LAZZAR
 METCALLE CONSULTANTS
 3340 MOORE AVENUE
 SAN JOSE, CA 95128
 (415) 435-2300

OWNER/APPLICANT: PHIL LAZZAR
 3340 MOORE AVENUE
 SAN JOSE, CA 95128
 (415) 435-2300

TENTATIVE SUBDIVISION MAP
 OR
 PHIL LAZZAR

SECTION 2705, PARCELS HANDBOOK, MIDDLETOWN
 WITHIN THE LIMITS OF THE CITY OF ARCATA
 HUMBOLDT COUNTY
 STATE OF CALIFORNIA
 KELLY-O'HEARN ASSOCIATES
 EUREKA, CALIFORNIA



- NOTES**
1. THIS TENTATIVE MAP SHOWS THE SUBDIVISION OF AN EXISTING 64,478 SQUARE FOOT PARCEL INTO 10 LOTS.
 2. WATER AND SEWER SERVICES ARE AVAILABLE FROM THE CITY OF ARCATA.
 3. CONTOURS, UTILITIES AND TOPOGRAPHIC INFORMATION ARE PER TENTATIVE MAP SUBMITTED TO CITY OF ARCATA BY WINGLER AND BELLI IN 2001.
 4. THIS TENTATIVE MAP IS BASED ON THE RECORD PARCEL MAP AS SHOWN. A BOUNDARY SURVEY HAS NOT BEEN PERFORMED ON THIS MAP.
 5. THIS PROPERTY MAY BE ENCUMBERED BY THE FOLLOWING RECORDED INSTRUMENTS:
 BOOK 2910, PAGE 897 - HIGHWAY ADJACENT TO LAND AND BOOK 4402, PAGE 897 - WATER APPLICABLE EASEMENT EIGHT FEET WIDE TO BE ADJACENT TO PARCEL A. DEDICATION FOR EASEMENT WILL BE MADE TO THE CITY OF ARCATA.
 ALL EASEMENTS OF RECORD ARE SHOWN ON THIS TENTATIVE MAP AND WILL APPEAR ON THE RECORDED PARCEL MAP.
 6. ADDRESS: 2705 ALLIANCE ROAD

LEGEND

○	GAS MAIN - SEE NOTE 1
○	SEWER MAIN - SEE NOTE 2
○	STORM DRAIN MAIN - SEE NOTE 3
—	EXISTING FENCE - SEE NOTE 3

CONTOUR INTERVAL: 1 FT.

Financial

Recvd 7/11/16 via email

SECTION J2a, PAGE NO. 1



COUNTY OF HUMBOLDT

JOHN BARTHOLOMEW
TREASURER-TAX COLLECTOR

826 FIFTH STREET ROOM 125
EUREKA, CALIFORNIA 95501

PHONE: 707-476-2450

FAX: 707-445-7608

TOLL FREE: 877-448-6829

EMAIL: taxinfo@co.humboldt.ca.us

Subject: Interest Apportionment Rate and Other Considerations

June 30, 2016

Honorable Board Members,

Your fund balances in the County Treasury from January through March 2016 (Fiscal 15/16 3rd Quarter) earned an annualized interest rate of 1.01%. For comparison purposes, the LAIF (Local agency Investment Fund) rate was .50%.

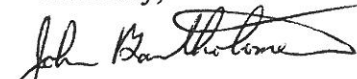
2016 has been a strange year so far. The economy seems to be alright as far as jobs being created, wage growth, and real estate rising are concerned, but throw in The Trump / Clinton presidential race, Britain voting to leave the European Union (Brexit), global terrorism and an overall uncertainty about the future and the result is that nothing seems quite right.

During times of uncertainty safety comes to the forefront and money flows toward the strongest currency ... the US dollar ... which drives interest rates down for US denominated debt. The 10 year treasury rate dropped from a 1.70 % yield to a 1.50% yield the day Brexit hit the newswire and it remains at 1.51% yield today even though the stock market has pretty much recovered. The longest maturity (per state code) we can purchase for the county treasury pool is 5 years which on average now have an accompanying coupon yield of 1.03%. Therefore the effects of global turmoil will continue to be felt by the county pool.

That said, things are OK in the county pool as you can see from the above increased apportionment rate relative to last quarter (.79%). However that rate will, in all likelihood, drop for the rest of the year unless something else happens that drives rates the other direction; time will tell.

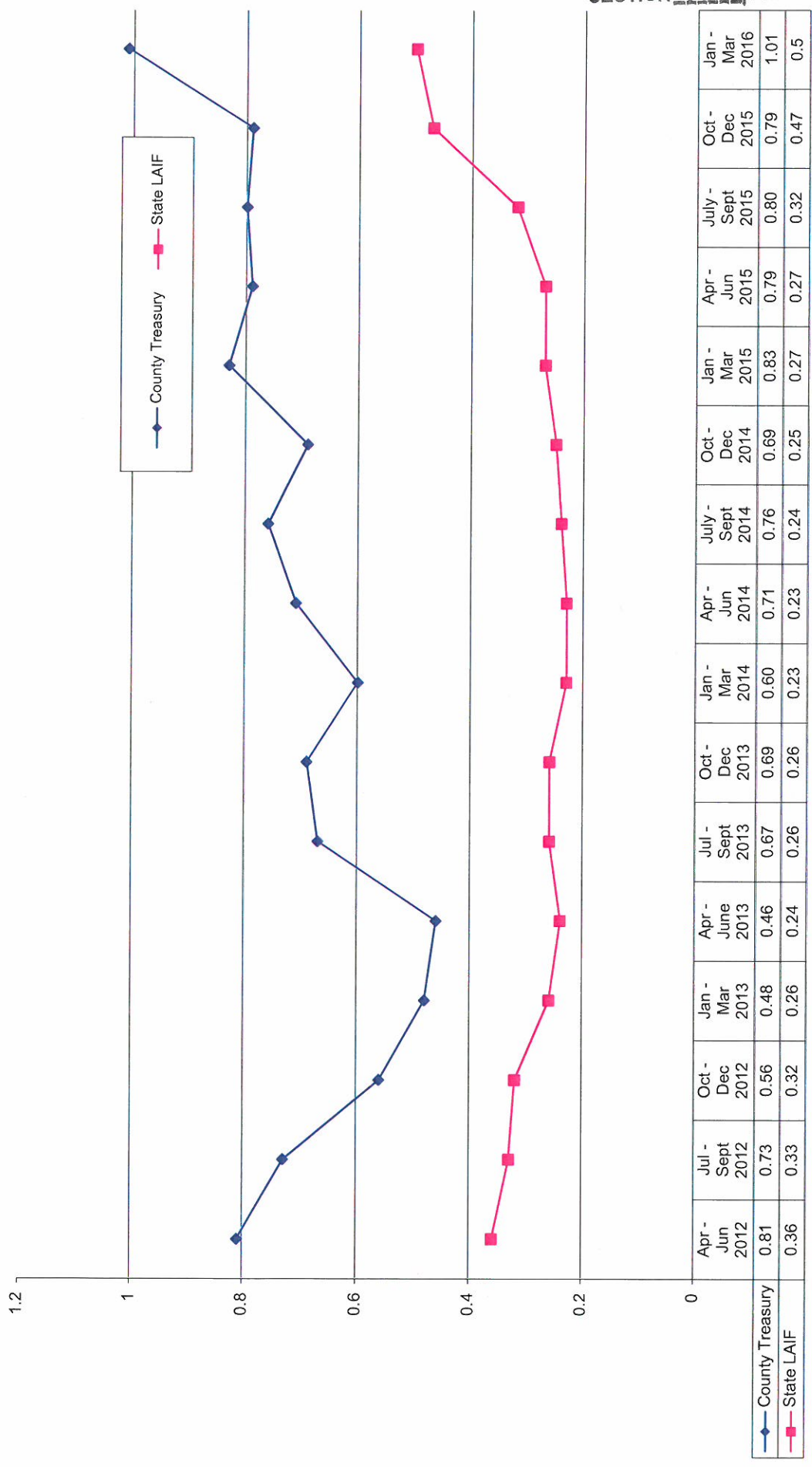
Let us know how we may be of service.

Sincerely,


John Bartholomew
Treasurer-Tax Collector

Humboldt County Treasury Team:
Amy Christensen
Whitney Morgan

Comparison of County Treasury and State LAIF Investment Earning Rates
 April 2012 - March 2016



FUND BALANCES
 Allocation Account Activity
 April 1, 2016 - April 1, 2016
 Jan - March 2016
 Interest

Account	Fund	Security ID	Current Transaction Rate	Date	Receipt	Trans. Type	Contributions / Transfer In	Disbursements / Transfer Out / Fees	Allocated Earnings	Balance
2710	2710	SYS								
	10% Taxes		1.012	04/01/2016		Alloc/Fee			216.42	3,741.80
	Subtotal and Ending Balance		1.012				0.00	0.00	216.42	3,958.22
2711	2711	2711								
	MSRA		1.012	04/01/2016		Alloc/Fee			1,052.86	417,269.78
	Subtotal and Ending Balance		1.012				0.00	0.00	1,052.86	418,322.64
3873	3873	3873								
	Investment Acct		1.012	04/01/2016		Alloc/Fee			7,322.43	3,165,515.50
	Subtotal and Ending Balance		1.012				0.00	0.00	7,322.43	3,172,837.93
3874	3874	3874								
	DWFP		1.012	04/01/2016		Alloc/Fee			1,175.74	465,928.39
	Subtotal and Ending Balance		1.012				0.00	0.00	1,175.74	467,104.13
3876	3876	3876								
	SRF Payment		1.012	04/01/2016		Alloc/Fee			163.34	2,578.90
	Subtotal and Ending Balance		1.012				0.00	0.00	163.34	2,742.24

Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: July 6, 2016

Re: Other Postemployment Benefit (OPEB)

The Government Accounting Standards Board (GASB) issued Statement Number 45 entitled: *ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS*

In addition to pensions, our District provides *other postemployment benefits* (OPEB) as part of the total compensation offered to attract and retain the services of qualified employees. OPEB includes *postemployment healthcare*, as well as other forms of postemployment benefits (for example, life insurance) when provided separately from a pension plan. Our District only provides postemployment healthcare with restrictions. This Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities (assets), note disclosures, and, if applicable, required supplementary information (RSI) in the financial reports of state and local governmental employers.

Every three years, the District is required to hire an actuary to perform the necessary computations to comply with the reporting requirements of GASB 45. It is once again time for this exercise. The three year requirement has been shortened to two years going forward.

The District has used the services of James Marta & Company LLP for providing the information necessary to comply with GASB 45. Attached for your consideration is the proposed engagement letter for the District to utilize them again.

Recommendation and Action

Staff recommends that the Board authorize the execution of the attached engagement letter from James Marta & Company, LLP to perform the required computations and disclosures for GASB 45.



James Marta & Company LLP
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

July 1, 2016

John Friedenbach
Humboldt Bay Municipal Water District
Eureka, California

We are pleased to confirm our understanding of the services we are to provide for Humboldt Bay Municipal Water District (“District”) for the year ending June 30, 2016.

I. SCOPE OF WORK

We have been engaged by the District to perform the procedures described in Attachment A, which is incorporated as part of this Agreement. These procedures will be performed solely to assist the District in the calculation of its liability for retiree health benefits using the Alternative Measurement Method as provided in the Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, and to provide information necessary to comply with the requirements of said statement.

II. DISTRICT’S RESPONSIBILITIES

The District will provide to us in a timely manner and in the format requested information regarding employee and retiree census data, benefits it provides to its employees and retirees, its retiree premium subsidies, and such other information necessary to accurately produce the OPEB valuation.

District agrees that the information will be made available to us and will be complete and accurate and that the District will issue a representation letter from management concerning these matters and that we may rely upon such information, documents, and data with no duty to inquire or audit it. Because of the importance of management’s representations as to the completeness and accuracy of the information, documents, and data which it provides to us, the District agrees to release us from any claims, liabilities, costs, and expenses relating to our services under this letter attributable to any misrepresentations in the representation letter referenced above.

The District further agrees to perform the following functions:

- make all management decisions and perform all management functions,
- designate a competent employee to oversee the services,
- evaluate the adequacy and results of the services performed,
- accept responsibility for the results of the services, and
- establish and maintain internal controls, including monitoring ongoing activities.

III. OUR RESPONSIBILITY

This agreed-upon procedures engagement will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the District. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

We will deliver a formal Report including an Executive Summary, tables or charts presenting the development of the results, a description of all primary actuarial assumptions and methods, and a summary of the Plan benefits. This report will also contain GASB 45 accounting information including the Annual Required Contribution (ARC), annual Other Post Employment Benefits (OPEB) Cost, and the Net OPEB Obligation (NOO).

Our services are not of a legal nature and we will in no event give, or be required to give a legal opinion or provide legal representation to the District.

IV. OTHER STIPULATIONS

Fees

Our fee for this service will not exceed \$2,100. The amount is due and payable upon the delivery of the final report. Additional studies or other services requested by the District will be performed based on fixed fee quotes provided in advance.

If we are required by government regulation, subpoena, or other legal process to produce documents or any personnel as a witness with respect to the services provided to the District, the District will reimburse us for the costs of professional time and expenses incurred in responding to such requests.

Reports

We will provide you with two bound copies of the report and an electronic (.pdf) copy. Our work is prepared solely for the internal business use of District. Except as required by law including any applicable public disclosure regulations, our work may not be provided to third parties without our prior written consent subject to the following exception(s):

- The District may provide a copy of our work, in its entirety to their professional service advisors who are subject to a duty of confidentiality and who agree not to use our work for any purpose other than to benefit the District.
- The District may provide a copy of our work, in its entirety, to other governmental entities, as required by law.

Workpapers

All processes, methodologies, procedures, tools, techniques, templates, programs, and workpapers we utilized in connection with the performance of this engagement will remain the our property and the District shall acquire no right or interests in such property.

We agree to retain our workpapers related to the engagement for a period of at least seven (7) years from the date of our report. The District should retain copies of all data, documents, reports, and determinations that it provides to us and that we provide to the District.

Termination

For any reason and without penalty, either party may terminate this engagement upon written notice at least thirty (30) days in advance of the termination. The District shall be liable for properly incurred fees and expenses through the date of termination. We will reimburse for fees paid and not earned.

Mediation Provision

Disputes arising under this agreement (including scope, nature, and quality of services to be performed by us, our fees and other terms of the engagement) shall be submitted to mediation. A competent and impartial third party, acceptable to both parties shall be appointed to mediate, and each disputing party shall pay an equal percentage of the mediator's fees and expenses. No suit or arbitration proceedings shall be commenced under this agreement until at least 60 days after the mediator's first meeting with the involved parties. If the dispute requires litigation, the court shall be authorized to impose all defense costs against any non-prevailing party found not to have participated in the mediation process in good faith.

If the foregoing is in accordance with your understanding, please indicate your agreement by signing the duplicate copy of this letter and returning it to us.

We appreciate the opportunity to serve you and look forward to working with you and your staff.

Sincerely,



James Marta & Company LLP
Certified Public Accountants

RESPONSE:

This letter correctly sets forth our understanding.

Approved by: _____

Title: _____

Date: _____

Name of Entity Humboldt Bay Municipal Water District

OPEB Offerings

1 Please provide a copy of the plan document. If there is none, please describe details of the plan including eligibility requirements, benefits provided, and individuals covered.

2 Check below which OPEB benefits are being offered to your retirees:

- Medical, Dental, or Vision
- Pharmacy
- Life Insurance
- Others: _____

Health plan is with _____

Insurance Premiums

3 What is the frequency of premium payments to the insurer?
 Annually
 Monthly

4 Enter the current total **monthly** health insurance premium and the employer's portion for the applicable rate tier.

	Employer Portion Active Employee % or \$	Employer Portion Retiree % or \$	Total Premium
Pre-Age 65 (not Medicare eligible)			
Single			
Married (employee AND spouse under 65)			
Ages 65 and older (Medicare Eligible)			
Single			
Married (employee AND spouse 65 or older)			
Married (employee OR spouse 65 or older)			

5 Are the benefits provided for the retiree's lifetime? If not, please explain (i.e. for a fixed number of years or until reaching a certain age).

6 Is there a maximum cap on benefits provided for retirees? Please explain.

Yes No

Yes No

7 Do benefits continue for the surviving spouse even with the death of covered member?
 8 Is the Plan secondary to Medicare when retiree reaches 65?

a) If the retiree reaches age 65 and becomes eligible for Medicare and the spouse, if any, is under 65, will the spouse still be covered by the Plan?

9 What is the effective date of these premiums?

Yes No

Yes No

10 Are your health premiums subject to community rating?

Yes No

A community-rated plan is a plan in which premium rates reflect projected health claims experience of all participating employers rather than that of a single employer. Most are plans are not community-rated, unless mandated by state law.)

Key Assumptions

11 What is the minimum years of service at termination that an employee must reach to be eligible for OPEB?

(Typically ranges from 60 - 65 years of age)
(Typically ranges from 1% - 5%)
(Typically ranges from 2% - 5%)
(As of most recent statement date)
Statement Date

- 12 What is the average age at which your employees retire, based on historical data if available?
- 13 What is the expected payroll growth rate – the annual salary increase for a typical employee?
- 14 What is the investment return earned on plan assets (if any), and the investment return earned on your employer assets or cash deposits and short-term investments?
- 15 What is the dollar value of any plan assets irrevocably set aside to fund your OPEB liability?

- 16 Specify the amortization period below (not to exceed 30 years):
 - Average remaining life expectancy
 - Other: _____ (Most agencies typically choose 30 years)

- 17 What is you planned future employer contribution strategy:
 - likely to continue contributing the same percentage of premium as current
 - the same dollar level of premium as current (i.e., no future planned contribution increases)
 - increase in contributions according to some fixed percentage? Please explain below:

- 18 What is the last day of the fiscal year for which you're reporting?

- Reporting**
- 19 What is the actual dollar amount contributed during the current fiscal reporting period toward OPEB including amounts paid on behalf of retirees plus contributions to an irrevocable trust?

- 20 What is the covered payroll for the current fiscal year of the plan members covered by the terms of the OPEB arrangement?

- 21 Please provide a copy of the Irrevocable Trust Agreement and the most recent Statement of Plan Assets, if applicable.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
Statement of Fund Balances at June 30, 2016

Account Fund Balance at Month End	AT 6-30-16	AT 6-30-15	Increase/(Decrease)
<u>U.S. BANK ACCOUNTS</u>			
- Commercial Account - Old General Fund Account	0.00	407.36	
- Commercial Account - New General Fund Account	455,121.14	436,478.82	
- Money Market Account (DWR Contract for SRF Loan) ①	160,218.26	433,508.39	
- Certificate of Deposit (DWR Contract for SRF Reserve) ②	547,428.18	547,392.60	
- Municipal Investor Account (Loan for Ranney & Techite Projects) ③	0.00	0.15	
- Prop 50 Project Account (Community Intertie Projects) ⑧	0.00	294,155.05	
Subtotal	<u>1,162,767.58</u>	<u>1,711,942.37</u>	(549,174.79)
<u>HUMBOLDT COUNTY:</u>			
- Investment Account	3,165,515.50	1,861,463.31	
- DWFP Reserve (in accordance with Ordinance 16) ④	465,928.39	184,155.05	
- MSRA Reserve (Municipal Supplemental Reserve Account) ⑤	417,269.78	414,784.51	
- SRF Loan Payment ⑥	48,100.33	47,821.57	
- A/B Bond Tax Account	0.00	0.00	
- 1% Tax Account ⑦	0.00	715.39	
Subtotal	<u>4,096,814.00</u>	<u>2,508,939.83</u>	1,587,874.17
<u>L.A.I.F.</u>	1,600.38	1,594.64	5.74
Cash on Hand	650.00	650.00	0.00
TOTAL CASH	<u>\$ 5,261,831.96</u>	<u>\$ 4,223,126.84</u>	<u>\$ 1,038,705.12</u>
Less: Encumbrances & Reserves (Funds Dedicated for Specific Purposes and Projects)			
<u>RESTRICTED</u>			
Municipal Customers PF2 Prior Year Reconciliation	(611,647.90)	(370,835.17)	
1% Tax Account ⑦	0.00	(715.39)	
Municipal Investor Account (Loan for Ranney & Techite Projects) ③	0.00	(0.15)	
Municipal Customer Advanced Charging - Ranney Collector 1 & 1A Rehabilitation	(1,897,764.08)	(850,251.25)	
Municipal Customer Advanced Charging - Ranney Collector 2 Rehabilitation**	(125,000.00)	(125,000.00)	
Municipal Customer Advanced Charging - 1MG Domestic Reservoir Roof **	(35,000.00)	0.00	
Municipal Customer Advanced Charging - Replace Ruth Bunkhouse**	(195,000.00)	0.00	
DWR Reserve Fund for SRF Loan ②	(547,428.18)	(547,392.60)	
DWR Contract Payment for SRF Loan for DWFP (Drinking Water Filtration Plant-PF1 Charges from Munis) ①	(160,218.26)	(433,508.39)	
- Prop 50 Project Account (Community Intertie Projects) ⑧	0.00	(294,155.05)	
SUBTOTAL RESTRICTED RESERVES (Net Position)	<u>(3,572,058.42)</u>	<u>(2,621,858.00)</u>	<u>950,200.42</u>
<u>UNRESTRICTED:</u>			
<u>Board Restricted:</u>			
Paik-Nicely Development	(4,158.00)	(4,158.00)	
Sequoia Investments X, LLC (Hog Island Project)	996.25	0.00	
DWFP Reserve * ④	(465,928.39)	(184,155.05)	
MSRA Reserve (Municipal Supplemental Reserve Account) ⑤	(417,269.78)	(414,784.51)	
<u>Unrestricted Reserves</u>			
SRF Loan Payment ⑥	(48,100.33)	(47,821.57)	
Techite CalEMA Subgrantee Administrative Allowance	(30,004.63)	(30,213.27)	
Municipal Customer Accumulation for Debt Service for US Bank Ranney & Techite			
Project Loan Payment	(198.94)	6,402.52	
General Fund Reserve	(725,109.72)	(926,538.96)	
SUBTOTAL UNRESTRICTED RESERVES (Net Position)	<u>(1,689,773.54)</u>	<u>(1,601,268.84)</u>	<u>88,504.70</u>
Total Net Position	<u>(5,261,831.96)</u>	<u>(4,223,126.84)</u>	<u>1,038,705.12</u>

* DWFP Reserve designated Source of Funds for Techite Pipeline Replacement Project

	JUNE RECEIPTS	YTD TOTAL AT 6-30-16	BUDGET	% OF BUDGET	YTD TOTAL AT 6-30-15
MISCELLANEOUS RECEIPTS (RETURNED TO CUSTOMERS VIA PF2)					
RETAIL WATER SALES	\$ 27,741.91	\$ 297,306.51	\$306,000	97%	\$ 315,686.64
SUBTOTAL RETAIL WATER SALES	\$ 27,741.91	\$ 297,306.51	\$306,000	97%	\$ 315,686.64
GENERAL REVENUES					
INTEREST	0.00	11,661.29	\$12,000	97%	14,408.76
FCSD CONTRACT FOR MAINT. & OPERATIONS	0.00	236,541.42	175,000	135%	187,390.93
POWER SALES	12,518.00	142,886.44	175,000	82%	151,047.67
MISCELLANEOUS (SEE NEXT PAGE)	\$13,601.62	\$ 62,016.20	75,000	83%	\$ 56,103.28
SUBTOTAL GENERAL REVENUES	\$ 26,119.62	\$ 453,105.35	\$437,000	104%	\$ 408,950.64
TAX RECEIPTS					
1% TAXES	0.00	849,152.55	750,000	113%	864,413.43
TOTAL PF 2 CREDIT	\$ 53,861.53	\$ 1,599,564.41	\$1,493,000	107%	\$ 1,589,050.71
WHOLESALE CONTRACT RECEIPTS					
INDUSTRIAL	\$0.00	\$0.00	\$0	0%	\$0.00
TOTAL INDUSTRIAL	\$0.00	\$0.00	\$0	0%	\$0.00
CITY OF ARCATA	\$87,469.56	\$1,053,910.89	\$1,129,075	93%	\$974,188.46
CITY OF EUREKA	424,579.66	2,755,319.05	2,745,393	100%	2,181,819.89
HUMBOLDT CSD	71,292.45	855,310.86	939,692	91%	800,775.37
MANILA CSD	5,782.34	69,636.97	74,906	93%	64,664.03
MCKINLEYVILLE CSD	70,503.46	849,782.20	929,087	91%	795,703.96
FIELDBROOK CSD	11,245.49	148,598.84	148,575	100%	125,562.19
BLUE LAKE	12,540.35	156,426.68	173,361	90%	187,901.29
TOTAL MUNIS	\$683,413.31	\$5,888,985.49	\$6,140,089	96%	\$ 5,130,615.19
A/B BOND TAXES	\$0.00	\$0.00	\$0	0%	\$0.00
TOTAL RECEIPTS	\$ 737,274.84	\$ 7,488,549.90	\$7,633,089	98%	\$ 6,719,665.90

MISCELLANEOUS RECEIPTS

	JUNE	YEAR TO DATE
Administrative		
Parking Lot Rent	\$25.00	\$300.00
Employee Telephone	44.48	159.61
Employee Gas	28.43	516.34
Retirees' Reimbursement of Health Insurance Premium	1,868.25	25,636.44
COBRA Dental Ins & Admin Fee - Retiree	108.24	805.70
COBRA Vision Ins & Admin Fee - Retiree	18.93	189.30
Water Processing Fees	0.00	540.00
Hydrant Rental Deposit	0.00	175.00
Meter Installations	0.00	0.00
Retail Connection Charge	0.00	0.00
Mainline Connection Charge	0.00	0.00
Right of Way Fees	0.00	0.00
Special Event Liability Insurance	0.00	361.50
ACWA/JPIA Retrospective Premium Adjustment	0.00	0.00
ACWA/JPIA Insurance Claim	0.00	0.00
Dividend Check (Principal Life)	208.26	1,019.94
Bad Debt Recovery	0.00	146.29
Miscellaneous Payments for Copies &/or Postage Costs	2.62	208.00
Diesel Fuel Tax Refund	26.78	47.35
Park Use Fees	0.00	300.00
Overpayment Refund - Reynolds RV	0.00	40.00
McMaster-Carr- Refund of Sales Tax overpayment	0.00	13.76
Pump Solutions-Refund of Sales Tax overpayment	0.00	4.50
State of California - Open Meeting Act Claims 1997-2003	0.00	1,465.00
State of California - Refund of Sales Tax Penalty	0.00	789.30
US Bank - Closed Credit Card Rewards	0.00	500.00
IRS - Refund - Overpayment of Payroll Taxes 2015	0.00	523.93
Sequoia Investments X, LLC - Hog Island Project	0.00	5,000.00
B&B Smartworx -Refund Product Return	805.63	805.63
Ruth Area		
Use of Ruth Cabin	30.00	270.00
RLCSD-Water System Permit Fees	0.00	0.00
Ruth Area Water Use Permit	0.00	0.00
Buffer Strip Right of Way License Fee	0.00	0.00
Ruth Buffer Strip PG&E Right of Way Fees	0.00	0.00
Ruth Sale of Merchantable Timber	0.00	0.00
Ruth Sale of Surplus Gravel	0.00	10.00
Don Bridge Lease	0.00	691.20
State of California - Fire Damage Grant Reimbursement	10,435.00	10,435.00
Miscellaneous		
Sale of Scrap Transformer	0.00	714.00
Sale of Surplus Transformer	0.00	1,650.00
Sale of Scrap Metals	0.00	75.65
Sale of Surplus Equipment	0.00	3,200.00
Sale of Surplus Vehicle	0.00	2,800.00
Humboldt Bay Harbor Recreation & Conservation District	0.00	622.76
GHD - Contribution for Carol Rische's Retirement Event	0.00	2,000.00
Other	0.00	0.00
Total Miscellaneous Receipts	\$13,601.62	\$ 62,016.20
OTHER RECEIPTS or GRANTS		
CalEMA Techite Grant Reimbursement (Note 1)	\$0.00	\$279,518.00
CDPH - Prop 50 Intertie Project Grant Reimbursement (Note 1)	0.00	186,812.95
Prop 84 - Ranney Collector 1	0.00	15,962.35
CalEMA Blue Lake/Fieldbrook Pipeline Crossing(Note 1)	0.00	10,267.00
Fire Hydrant Installation - Techite Pipeline Replacement	0.00	8,200.00

Notes:

1 - The CalEMA Techite Grant Reimbursement, Prop 50 Intertie Project Grant Reimbursement, CalEMA Blue Lake/Fieldbrook Pipeline Crossing and Fire Hydrant Installation- Techite Pipeline Replacement are not included in PF2 revenue credits because the costs are not included in PF2 project monthly expense totals.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
TOTAL EXPENDITURES
AT JUNE 30, 2016 (12 MONTHS - 100%)

	JUNE EXPENSES	TOTAL 6/30/2016	BUDGET	% OF BUDGET	TOTAL 6/30/2015
PAYROLL:					
Regular	\$ 151,357.80	\$ 1,822,789.16	\$ 1,886,825	97%	\$ 1,745,015.41
Part-Time	2,352.00	25,479.02	53,600	48%	50,216.96
Overtime	2,928.75	28,589.14	35,000	82%	35,169.67
Standby	6,351.54	75,161.65	74,000	102%	73,332.67
Pay Differential	826.93	9,320.85	11,500	81%	8,374.95
Deferred Compensation	1,275.00	14,925.00	14,400	104%	14,475.00
Employee Assistance Plan	68.15	875.18	1,078	81%	903.29
Director Compensation	1,760.00	21,968.00	26,000	84%	27,120.00
Director - Secretary Fees	262.50	3,150.00	3,200	98%	3,150.00
Taxes/Benefits	90,797.10	1,290,455.59	1,347,689	96%	1,231,076.28
TOTAL PAYROLL	\$ 257,979.77	\$ 3,292,713.59	\$ 3,453,292	95%	\$ 3,188,834.23
SERVICE & SUPPLY					
O & M					
Engineering	\$1,499.00	\$74,107.59	\$ 75,000	99%	\$29,490.88
Maint., Repairs, Supplies	10,440.38	117,052.01	115,000	102%	100,373.76
TRF Maint, Repairs, Supplies	514.31	35,300.29	55,000	64%	44,219.85
Lab	1,340.00	10,330.16	13,000	79%	11,077.14
Auto Maintenance	3,474.71	36,521.80	46,000	79%	40,663.08
Radio Maintenance	1,237.04	8,845.49	10,500	84%	3,094.57
USGS Meter Station	6,930.00	6,930.00	7,800	89%	7,410.00
Ruth Lake License	0.00	1,500.00	1,500	100%	1,500.00
A&G					
Accounting Services	0.00	32,000.00	\$ 33,000	97%	26,150.00
Legal	806.00	10,304.50	28,000	37%	8,342.08
Professional Services	348.61	4,245.31	20,000	21%	10,904.90
Insurance	0.00	101,216.00	93,000	109%	97,182.60
Telephone	4,541.37	49,233.87	31,000	159%	41,868.96
Office Building Maintenance	2,563.98	22,433.38	14,000	160%	20,960.89
Office Expense	6,237.39	53,438.19	46,000	116%	52,105.03
Travel & Conference	984.96	9,798.73	25,000	39%	16,820.73
Dues & Subscriptions	0.00	14,094.03	14,500	97%	14,867.10
Technical Training	365.42	7,337.44	11,000	67%	2,932.39
County Tax Fee	0.00	17,902.00	21,000	85%	18,576.00
County Property Taxes	0.00	998.60	1,100	91%	998.60
LAFCO	0.00	5,847.74	4,500	130%	3,678.22
Regulatory Agency Fees	0.00	96,201.54	71,000	135%	72,565.62
Ruth Lake Programs	0.00	0.00	5,000	0%	4,000.00
Miscellaneous	701.91	19,743.87	10,500	188%	19,541.46
TOTAL SERVICE/SUPPLIES W/OUT POWER	\$41,985.08	\$735,266.54	\$ 752,400	98%	\$649,323.86
POWER					
Essex Pacific Gas & Electric	\$ 52,327.02	\$ 552,496.70			\$ 553,751.62
Fuel For 2 MW Generator	5,532.12	9,926.48			10,946.30
<i>Subtotal Essex Pumping</i>	\$ 57,859.14	\$ 562,423.18			\$ 564,697.92
All Other Pacific Gas & Electric	8,598.22	81,195.10			83,198.96
POWER EXPENSE SUBTOTAL	\$ 66,457.36	\$ 643,618.28	\$ 687,000	94%	\$ 647,896.88
TOTAL SERVICE/SUPPLIES WITH POWER	\$108,442.44	\$1,378,884.82	\$ 1,439,400	96%	\$1,297,220.74
PROJECTS, FIXED ASSETS & CONSULTING SERVICES					
	\$ 1,169,228.19	\$ 2,053,090.53	\$ 3,945,710	52%	\$ 6,366,320.62
TOTAL OPERATING	\$ 1,535,650.40	\$ 6,726,851.94	\$ 8,838,402	76%	\$ 10,852,375.59
DEBT SERVICE - SRF LOAN	\$273,668.48	\$821,005.44	\$ 547,337	150%	\$273,668.48
TOTAL EXPENDITURES	\$ 1,809,318.88	\$ 7,547,857.38	\$ 9,385,739	80%	\$ 11,126,044.07
DEBT SERVICE - US Bank	\$0.00	\$162,188.10	\$ 162,200	100%	\$162,188.10

(1) SRF Loan payment was made by U.S. Bank on 7/1/2015. This amount was collected from Municipal Customers monthly per PF1 during FY14/15.
U. S. Bank as Fiscal Agent for District pays State of California semi-annual payments (January and July)

I. CAPITAL PROJECTS	JUNE EXPENSES	YTD TOTAL 6/30/2016	BUDGET	REVISED BUDGET	% OF BUDGET
A. Projects Charged to All Customers via Price Factor 2 (BWF)					
Ranney Collector 2 Rehabilitation*	\$0.00	\$120,320.80	140,500	125,500	96%
Collector 2 - Advanced Charge* (1) Cancelled	0.00	100,000.01	100,000	0	
Collector 1 & 1A - Advanced Charge* (2)	562,210.00	562,210.00	0	562,210	100%
Replace Ruth Bunkhouse - Advanced Charge* (3)	195,000.00	195,000.00	0	195,000	100%
Industrial/Domestic Intertie Repair*	0.00	0.00	70,000	0	
Upgrade Ethernet Radio Modems/PLC Systems at Samoa Booster Pump Station	17,871.72	17,978.30	18,000	18,000	100%
Replace 200HP Variable Frequency Drive at Samoa Booster Pump Station	0.00	12,695.20	14,000	14,000	91%
Replace Essex Septic System*	2,481.32	5,211.52	60,000	10,000	52%
Repair/Upgrade Park Restrooms	3,553.21	3,553.21	5,250	5,250	68%
Upgrade Ruth Hydro Communications	2,979.57	5,237.01	5,000	5,000	105%
Repair Ruth HQ Master Bath/Laundry Room	4,715.12	4,715.12	6,000	6,000	79%
SUBTOTAL A:	\$788,810.94	\$1,026,921.17	418,750	940,960	109%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
Upgrade Chlorine Leak Response and De-Con Equipment	\$0.00	\$13,520.50	14,750	14,750	92%
Replace/Modify TRF Access Gate	5,237.44	5,237.44	5,000	5,000	105%
Replace Three TRF Chlorine Analyzers	0.00	29,926.05	29,500	29,500	101%
Replace Particle Counter*	0.00	26,401.45	35,000	27,000	98%
Remodel TRF Line Shed 5	9,565.57	15,489.51	17,250	17,250	90%
1MG DW Reservoir Roof - Advanced Charge* (4)	35,000.00	35,000.00	0	35,000	100%
SUBTOTAL B:	\$49,803.01	\$125,574.95	101,500	128,500	98%
C. Projects Funded by Other Sources (BWF)					
Blue Lake/FGCSD River Crossing Funded by Prop 84 & FEMA Grants	\$0.00	\$96,349.61	298,000	298,000	32%
Ranney Collector 1 & 1A Laterals Partially funded through Prop 84 Grant & Adv. Charges	12,923.60	76,390.36	1,516,850	1,516,850	5%
Replace Ruth Bunkhouse Partially funded through Reserves*	5,900.22	12,686.26	395,000	215,000	6%
SUBTOTAL C:	\$18,823.82	\$185,426.23	2,209,850	2,029,850	9%
TOTAL CAPITAL PROJECTS:	\$857,437.77	\$1,337,922.35	2,730,100	3,099,310	43%

- * Per Board Mid-Year 2015/16 Budget Review and Modifications 6/9/2016
- * Removed Collector 2 - Advanced Charge (1)
- * Added Collector 1& 1A Lateral Replacement - Advanced Charge (2)
- * Added Ruth Bunkhouse - Advanced Charge (3)
- * Added 1 MG DW Reservoir Roof - Advanced Charge (4)

Annual Capital Project Limitation (per Section 7.2.5 of Ordinance 16)
Amount that can be charged to wholesale customers in a fiscal year.

FY2013/14 Annual Limit	1,083,300
Total charged to date	-\$1,152,496
Balance Remaining	(69,196)

While the total projects expenditures are budgeted at \$3,945,710, the actual wholesale customer charges are \$2,093,060. Capital Projects C is the listing of Projects Funded by Other Sources. In addition the Ranney Collector 3 and Techite Pipeline Replacement projects have been partially funded with financing over 10 years. Only the annual debt service for these financed projects are being charged to the wholesale customers.

I. FIXED ASSETS	JUNE		YTD TOTAL 6/30/2016	REVISED		% OF BUDGET
	EXPENSES	BUDGET		BUDGET	BUDGET	
A. Projects Charged to All Customers via Price Factor 2 (BWF)						
Essex- Replace Administrative Computers	\$0.00	4,250	\$4,386.36	4,250	4,250	103%
Essex - Replace Control System Computer *	0.00	2,500	0.00	2,500	0	
Replace 8 Inch Barnes Pump *	55,192.88	62,250	55,192.88	62,250	56,250	98%
Hydraulic Lift Gate for Unit 15	0.00	4,800	3,760.65	4,800	4,800	78%
Replace Unit 13 *	0.00	27,750	20,983.66	27,750	21,750	96%
Remote Control for Shop Bridge Crane	0.00	1,250	866.65	1,250	1,250	69%
Purchase Electric Jackhammer	0.00	1,750	1,590.47	1,750	1,750	91%
Replace/Upgrade Portable Work Lighting	0.00	2,750	1,714.08	2,750	2,750	62%
Purchase Portable Scaffolding	4,335.60	5,750	4,335.60	5,750	5,750	75%
Install Signal Amplifier at Mt. Pierce *	0.00	4,500	0.00	4,500	2,500	0%
Replace Ruth Hydro 125 VDC Power System (Battery Bank)	211.05	20,750	17,298.30	20,750	20,750	83%
Replace Eureka Office GIS Computer	0.00	3,600	2,815.64	3,600	3,600	78%
SUBTOTAL A:	\$59,739.53	141,900	\$112,944.29	141,900	125,400	90%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
Replace Chlorine Safety Shutdown System	\$21,352.00	23,750	\$21,352.00	23,750	21,750	98%
Replace V-Notch Chlorinators at Essex	10,508.00	13,250	10,508.00	13,250	11,250	93%
Purchase Back-up TRF Sludge Pump	0.00	5,750	0.00	5,750	0	
SUBTOTAL B:	\$31,860.00	42,750	\$31,860.00	42,750	33,000	97%
TOTAL FIXED ASSETS PROJECTS:	\$91,599.53	184,650	\$144,804.29	184,650	158,400	91%

* Per Board Mid-Year 2015/16 Budget Review and Modifications 6/9/2016

II. MAINTENANCE PROJECTS	JUNE EXPENSES	YTD TOTAL 6/30/2016	BUDGET	REVISI BUDGET	% OF BUDGET
A. Charged to All Customers via Price Factor 2 (BWF)					
Pipeline Maintenance *	\$0.00	\$5,565.23	12,330	6,330	88%
12KV Electric System Maintenance	3,240.00	3,240.00	4,000	4,000	81%
12KV Emergency Repair Parts	1,431.00	2,122.11	2,000	2,000	106%
Mainline Meter Flow Calibration *	0.00	1,176.09	6,000	2,000	59%
Technical Support & Software Updates to Include Control System *	199.00	10,320.86	21,000	15,000	69%
Generator Service *	0.00	196.48	4,000	1,000	20%
Hazard & Diseased Tree Removal	0.00	0.00	5,540	5,540	0%
Catholic Protection *	0.00	153.34	5,740	740	21%
Maintenance Emergency Repair *	2,591.35	18,668.18	40,000	20,000	93%
Fleet Paint Repairs	0.00	3,740.08	5,000	5,000	75%
Large Business & Fire Service Meter Calibration & Maintenance	0.00	0.00	15,000	15,000	0%
Replace Eyewash/Shower Station and Drain System	0.00	1,933.04	5,500	5,500	35%
Replace Samoa Booster Pump Station Roof *	0.00	3,823.66	6,750	4,750	80%
Paint 2MW Generator Enclosure and Fuel Tank	0.00	10,012.69	10,500	10,500	95%
Repair/Upgrade 1000 Gallon Fuel Tank	2,639.10	4,770.60	5,750	5,750	83%
Brush Abatement at Ruth Dam *	0.00	3,200.00	5,540	3,240	99%
Ruth Hydro - Howell Bunger Valve Inspection *	0.00	0.00	1,110	0	
Ruth Hydro - Replace Howell Bunger Valve Hydraulic Cylinder	0.00	7,045.78	7,000	7,000	101%
SUBTOTAL A:	\$10,100.45	\$75,968.14	162,760	113,350	67%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
TRF - Generator Service	\$0.00	\$141.96	500	500	28%
TRF Limitorque Valve MXA-05 Conversion Kits	0.00	6,232.94	6,500	6,500	96%
Rebuild TRF Sludge Pump	775.53	1,432.21	2,500	2,500	57%
Replace TRF Sludge Wet Well Control Valves *	0.00	4,012.20	5,250	7,100	57%
SUBTOTAL B:	\$775.53	\$11,819.31	14,750	16,600	71%
TOTAL MAINTENANCE PROJECTS:	\$10,875.98	\$87,787.45	177,510	129,950	68%

* Per Board Mid-Year 2015/16 Budget Review and Modifications 6/9/2016

III. PROFESSIONAL & CONSULTING SERVICES	JUNE EXPENSES	YTD TOTAL 6/30/2016	BUDGET	REVISED BUDGET	% OF BUDGET
A. Charged to All Customers via Price Factor 2 (BWF)					
Crane Testing/Certification *	\$0.00	\$1,059.19	6,500	6,500	16%
Crane Operator Training	0.00	50.00	7,000	1,000	5%
Essex Mad River Cross-Sectional Survey	0.00	8,567.00	10,000	10,000	86%
Mad River Watershed *	0.00	5,000.00	50,000	10,000	50%
Urban Water Management Plan Update	2,253.65	7,251.65	10,000	10,000	73%
Focused Engineering Study for Facility Use Master Plan	0.00	29,781.25	27,000	27,000	110%
Essex Control Building Plans & Specifications *	0.00	0.00	40,000	0	
Focused Engineering Studies *	18,201.50	20,717.00	35,000	27,000	77%
Dune Monitoring Program - Component of Coastal Conservancy Climate Ready Grant	0.00	2,000.00	2,000	2,000	100%
Planning for SCADA System Upgrade *	31,259.00	31,879.00	50,000	32,000	100%
GIS/Facilities Information System	0.00	9,029.65	13,000	13,000	69%
Backflow Tester Training *	0.00	410.00	3,000	1,000	41%
Control Software Training	0.00	12,791.00	15,000	15,000	85%
Technical Training *	0.00	1,125.00	5,750	2,750	41%
Ruth Lake Buffer Strip Timber Management *	0.00	0.00	15,000	7,000	0%
Hydro Assessment & Analysis *	69.98	4,291.09	15,000	5,000	86%
FERC Dam Safety Surveillance & Monitoring Report(DSSMR)/FERC Dam Safety Review (Part 12) *	0.00	4,858.28	25,000	10,000	49%
FERC Dam Safety Surveillance Monitoring Plan Bi-Annual Surveys	0.00	29,920.00	30,000	30,000	100%
FERC Part 12 Seismic Analysis	0.00	12,808.63	10,000	10,000	128%
FERC Part 12 Independent Consultant Inspection and Engineering Support *	43,878.19	64,982.74	100,000	70,000	93%
Upgrade District Website *	3,000.00	3,025.00	10,000	3,500	86%
Grant Applications *	5,157.00	34,227.90	30,000	39,000	88%
Water Resources Planning *	0.00	12,618.58	75,000	20,000	63%
SUBTOTAL A:	\$103,819.32	\$296,392.96	584,250	351,750	84%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
Chlorine System Maintenance	\$7,101.38	\$16,359.71	16,100	16,100	102%
SUBTOTAL B:	\$7,101.38	\$16,359.71	16,100	16,100	102%
TOTAL PROFESSIONAL & CONSULTING SERVICES:	\$110,920.70	\$312,752.67	600,350	367,850	85%

* Per Board Mid-Year 2015/16 Budget Review and Modifications 6/9/2016

IV. INDUSTRIAL SYSTEM PROJECTS	JUNE EXPENSES	YTD TOTAL 6/30/2016	BUDGET	REVISED BUDGET	% OF BUDGET
A. Charged to All Customers via Price Factor 2 (BWF)					
- Maintain Water Supply to Industrial Pump Station (Pump Station 6) During Low-Flow Months *	\$0.00	\$340.00	13,250	1,250	27%
- Surge Tower Replacement Plans *	0.00	7,917.00	50,000	8,000	99%
SUBTOTAL A:	\$0.00	\$8,257.00	63,250	9,250	89%
B. Charged to Municipal Customers via PF2 (DWTF)					
SUBTOTAL B:	\$0.00	\$0.00	0	0	0%
TOTAL INDUSTRIAL SYSTEM PROJECTS:	\$0.00	\$8,257.00	63,250	9,250	89%

* Per Board Mid-Year 2015/16 Budget Review and Modifications 6/9/2016

CARRY-OVER	CTS FROM 2014/15	JUNE EXPENSES	YTD TOTAL 6/30/2016	BUDGET	REVISED BUDGET	% OF BUDGET
I. CAPITAL PROJECTS						
A. Charged to All Customers via Price Factor 2 (BWF)						
Engineering & Design for Essex Septic System *		\$0.00	\$15,078.86	12,000	15,000	101%
Replace Check Valves on Collector Pumps		0.00	2,175.00	2,100	2,100	104%
Energy Efficiency Upgrades for Electrical Shop		0.00	1,907.14	2,000	2,000	95%
Ruth Hydro - Install Auto Synchronizer System *		0.00	11,732.32	14,000	19,000	62%
Ruth - Build Cover Over Fuel Tank		0.00	2,319.55	2,500	2,500	93%
Subtotal Capital Projects		\$0.00	\$33,212.87	32,600	40,600	82%
I. FIXED ASSETS						
A. Charged to All Customers via Price Factor 2 (BWF)						
SUBTOTAL A.		\$0.00	\$0.00	0	0	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
TRF - Security System Upgrades *		\$6,294.21	\$6,294.21	20,000	10,000	63%
TRF - Install New Cabinets in Lab		0.00	0.00	750	750	0%
Purchase Slow Speed N-Poly Mixer *		0.00	3,986.04	7,500	4,500	89%
SUBTOTAL B.		\$6,294.21	\$10,280.25	28,250	15,250	67%
Subtotal Fixed Assets Projects		\$6,294.21	\$10,280.25	28,250	15,250	67%
II. MAINTENANCE PROJECTS						
A. Charged to All Customers via Price Factor 2 (BWF)						
Update Essex & Maintenance Shop Restrooms		\$0.00	\$0.00	1,000	1,000	0%
Re-Grade Area Around Collector 4 *		0.00	2,481.00	5,000	3,000	83%
Relocate Radio Equipment at Picketts Peak *		0.00	15,368.15	30,000	16,000	96%
Ruth Spillway Bridge Painting		80,000.00	80,000.00	85,000	85,000	94%
Ruth Hydro Plant Roof *		12,100.00	12,100.00	0	12,100	100%
SUBTOTAL A.		\$92,100.00	\$109,949.15	121,000	117,100	94%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B.		\$0.00	\$0.00	0	0	0%
Subtotal Maintenance Projects		\$92,100.00	\$109,949.15	121,000	117,100	94%
III. PROFESSIONAL & CONSULTING SERVICES						
A. Charged to All Customers via Price Factor 2 (BWF)						
Collector 3 Evaluation Report		\$0.00	\$8,124.50	8,000	8,000	102%
SUBTOTAL A.		\$0.00	\$8,124.50	8,000	8,000	102%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B.		\$0.00	\$0.00	0	0	0%
Subtotal Professional & Consulting Projects		\$0.00	\$8,124.50	8,000	8,000	102%
2014/15 CARRYOVER PROJECTS TOTAL		\$98,394.21	\$161,566.77	189,850	180,950	89%
PROJECTS GRAND TOTAL:		\$1,169,228.19	\$2,053,090.53	3,945,710	3,945,710	52%

* Per Board Mid-Year 2015/16 Budget Review and Modifications 6/9/2016

* Added Ruth Hydro Plant Roof

Less Projects Funded from Other Sources (Grants/Loans/Advanced Charges/Reserves)	(18,823.82)	(2,209,850.00)	(2,029,850.00)	9%
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PF2 Project Total Charged to Customers excluding Debt Service (US Bank)	\$1,150,404.37	\$1,735,860.00	\$1,915,860.00	97%
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Community Interities Funded by Prop 50 Grant	\$0.00	\$138,571.36		
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The Community Interie Project is complete. The costs shown above were fully reimbursed by the Prop 50 Interentie Project Grant.

Humboldt Bay Municipal Water District
Overtime Pay
June 2016

	54TRF		51		52		54		56		58		TOTAL	
	Hours	Jun 16	Hours	Jun 16	Hours	Jun 16	Hours	Jun 16	Hours	Jun 16	Hours	Jun 16	Hours	Jun 16
Employee Wages, Taxes and Adjustments														
Gross Pay	2	115.20	14.5	749.17	2	115.20	13.5	738.63	3	156.02	28	1,054.53	63.00	2,928.75
Overtime	2	115.20	14.5	749.17	2	115.20	13.5	738.63	3	156.02	28	1,054.53	63.00	2,928.75
Total Gross Pay	2	115.20	14.5	749.17	2	115.20	13.5	738.63	3	156.02	28	1,054.53	63.00	2,928.75
Adjusted Gross Pay	2	115.20	14.5	749.17	2	115.20	13.5	738.63	3	156.02	28	1,054.53	63.00	2,928.75
Net Pay	2	115.20	14.5	749.17	2	115.20	13.5	738.63	3	156.02	28	1,054.53	63.00	2,928.75
Employer Taxes and Contributions		0.00		0.00		0.00		0.00		0.00		0.00		0.00

51 - Ruth
52 - Pumping & Control
53 - Water Treatment
54 - Maintenance & Operation
55 - Customer Service
56 - Administration
58 - Ruth Hydro

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2016

Memo	Amount
101Netlink	
Samoa Booster Pump Station Ethernet Radio Modems/PLC System Upgrades	-400.00
Ruth Data Link/Internet	-160.00
Total 101Netlink	-560.00
ABB Inc.	
Emergency maintenance repairs - 12KV switchgear	-1,291.95
Total ABB Inc.	-1,291.95
Advanced Display & Signs	
signs for Collector 1 & 1A Lateral Replacement	-90.72
Total Advanced Display & Signs	-90.72
Advanced Security Systems	
Eureka office alarm system quarterly monitoring	-159.96
Essex alarm system quarterly monitoring	-353.46
Replace Ruth Hydro safety system equipment	-1,049.40
TRF security system upgrade	-6,294.21
Total Advanced Security Systems	-7,857.03
AirGas NCN	
shop supplies for portable welder	-18.20
Total AirGas NCN	-18.20
Almquist Lumber	
Ruth Hydro Plant paint supplies	-34.97
trailer repairs	-118.11
equipment maintenance	-24.51
Total Almquist Lumber	-177.59
Alves, Inc	
Remodel TRF Line Shed 5	-4,850.00
Total Alves, Inc	-4,850.00
Arcata Fire Prot. District	
Employee CPR and First Aid training	-825.00
Total Arcata Fire Prot. District	-825.00
Arcata Garbage	
Essex garbage	-365.78
Total Arcata Garbage	-365.78
AT & T	
Ruth HQ	-16.79
TRF	-251.97
Essex office	-98.05
Eureka office	-6.32
Ruth Hydro	-666.65
Valve Building Samoa	-83.85
Ruth HQ	
TRF	
Essex office	
Eureka office	-115.40
Ruth Hydro	
Valve Building Samoa	
Total AT & T	-1,239.03

Humboldt Bay Municipal Water District Expenses by Vendor Detail

SECTION J2C, PAGE NO. 12

June 2016

Memo	Amount
AT&T	
Eureka/Essex Landline	-35.32
Arcata/Essex Landline	-35.32
Samoa/Essex Landline	-236.85
Blue Lake Meter Signal Line	-60.98
Eureka Office	-107.27
Eureka Office Alarm Line	-38.56
Samoa Booster Pump Station	-71.88
Valve Building-Samoa	-107.26
Eureka Office	-298.44
Essex Office	-557.82
TRF	-247.69
Ruth Data Line	-104.24
Total AT&T	-1,901.63
AT&T Advertising Solutions	
white page listing	-21.00
Total AT&T Advertising Solutions	-21.00
ATS Communications	
Essex phone maintenance	-361.50
Ruth Hydro Communication Upgrade	-2,811.22
Samoa Booster Pump Station Ethernet Radio Modems/PLC system upgrades	-6,501.21
Total ATS Communications	-9,673.93
Brandon Ryan	
expense reimbursement for safety shoes	-50.00
Total Brandon Ryan	-50.00
Campton Electric Supply	
Samoa Booster Pump Station Ethernet Radio Modems & PLC System Upgrades	-9,832.12
12KV System Emergency repair parts	-1,431.00
Sales Tax Credit	1.67
Total Campton Electric Supply	-11,261.45
Cardno, Inc	
FERC Part 12 Inspection Report	-39,959.49
Total Cardno, Inc	-39,959.49
Carl Johnson Company	
Replace Ruth Hydro 125VDC Power System (Battery Bank)	-13.27
Total Carl Johnson Company	-13.27
Chris Merz	
expense reimbursement-food supplies for Ruth work crew	-60.61
expense reimbursement-food supplies for Ruth work crew	-60.62
expense reimbursement-shop supplies	-24.96
Total Chris Merz	-146.19
City of Eureka	
Eureka office water/sewer	-50.76
Total City of Eureka	-50.76
Coastal Business Systems Inc.	
Eureka office copy and fax machine	-563.00
Total Coastal Business Systems Inc.	-563.00
Cody Bruffett	
auto mileage reimbursement	-151.74
Total Cody Bruffett	-151.74
Corey Borghino	
auto mileage reimbursement	-62.74
Total Corey Borghino	-62.74

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2016

Memo	Amount
Davidson Brothers Lock & Safe Ruth Hydro PG&E meter building lock maintenance	-28.38
Total Davidson Brothers Lock & Safe	-28.38
Dilling Machine Works machine work for Collector Pump 3-1	-220.00
Total Dilling Machine Works	-220.00
Downey Brand Attorneys LLP legal assistance with SWRCB regulations legal assistance with SWRCB regulations	-730.00 -76.00
Total Downey Brand Attorneys LLP	-806.00
Eureka Oxygen chlorine shutdown system maintenance hydro test SCBA bottles cylinder rental	-67.07 -152.00 -102.34
Total Eureka Oxygen	-321.41
Fastenal Company Ruth slide gate maintenance shop supplies	-24.27 -17.81
Total Fastenal Company	-42.08
FEDEX return ACWA/JPIA training tape	-8.51
Total FEDEX	-8.51
FleetPride shop supplies	-11.79
Total FleetPride	-11.79
Frontier Communications Ruth HQ Ruth Hydro	-50.35 -156.12
Total Frontier Communications	-206.47
GHD (64984) Replace Ruth Bunkhouse - 14/15 Carryover (64523) Collector 1 & 1A Lateral Replacement (64538) Focused Engineering Studies (64525) Grant Applications (64524) FERC Part 12 Assistance (64528) Hog Island Flow Analysis (64983) General Engineering - Essex (64983) General Engineering - Eureka (64983) General Engineering - Ruth (66052) Replace Ruth Bunkhouse - Asbestos Sampling (66028) Collector 1 & 1A Lateral Replacement (66056) Focused Engineering Studies (66053) Grant Application - Surge Tower HMG (66039) FERC Part 12 Assistance (66054) Hog Island Flow Analysis	-589.50 -2,290.00 -7,920.75 -930.00 -93.00 -4,543.25 -1,023.00 -744.00 -93.00 -891.00 -7,091.00 -4,380.00 -4,227.00 -3,464.25 -996.50
Total GHD	-39,276.25
Harbor Freight Tools shop supplies	-21.74
Total Harbor Freight Tools	-21.74
Harold W. Shamp Refund Medical Insurance overpayment	-306.18
Total Harold W. Shamp	-306.18
Harper Motors vehicle maintenance	-27.70
Total Harper Motors	-27.70

Humboldt Bay Municipal Water District Expenses by Vendor Detail

SECTION J2C, PAGE NO. 14

June 2016

Memo	Amount
HCSD	
Radio spots for Urban Water Management notice compliance	-500.00
Total HCSD	-500.00
Hensel Hardware	
TRF maintenance	-23.85
Ruth Battery room paint maintenance	-64.22
shop supplies	-17.31
shop tools	-35.88
paint for Fieldbrook-Glendale CSD fire hydrants	-100.29
Total Hensel Hardware	-241.55
Hilfiker Co.	
Replace Essex Eyewash/Shower Station & Drain System	-1,284.86
Replace Essex Septic system	-1,533.12
Total Hilfiker Co.	-2,817.98
Humboldt Fence Company	
Replace/modify TRF access gate (1 MG Reservoir)	-5,237.44
Total Humboldt Fence Company	-5,237.44
Humboldt Redwood Company, LLC	
Mt Pierce Lease site	-257.63
Total Humboldt Redwood Company, LLC	-257.63
Humboldt Waste Management Authority	
dispose of construction waste	-141.80
Total Humboldt Waste Management Authority	-141.80
Ian Ivey	
expense reimbursement for travel to Redding for T3 certification exam	-160.42
Total Ian Ivey	-160.42
Industrial Electric	
Remodel TRF Line Shed 5	-356.36
Samoa Booster Pump Station Ethernet Radio Modems/PLC system upgrades	-746.56
12KV switchboard repair	-75.66
Samoa Booster Pump Station communication upgrade	-193.13
Total Industrial Electric	-1,371.71
Interstate Battery System	
equipment maintenance	-125.23
Total Interstate Battery System	-125.23
James-Carl Painting & Decorating	
Ruth Lake Dam Bridge painting	-80,000.00
Ruth Hydro Plant roof painting	-12,100.00
Total James-Carl Painting & Decorating	-92,100.00
John's Auto Electric	
equipment maintenance	-30.00
Total John's Auto Electric	-30.00
Journey's End	
Annual Ruth Maintenance crew meals	-906.84
Annual Ruth Maintenance crew meals	-906.84
meals for work crew working on replacing Ruth Hydro 125VDC Power system (Battery Bank)	-177.22
Total Journey's End	-1,990.90
Keenan Supply	
repair and upgrade park restrooms	-31.67
Total Keenan Supply	-31.67
Kennedy/Jenks Consultants	
Assistance with review of 2015 Urban Water Management Plan	-1,422.20
Total Kennedy/Jenks Consultants	-1,422.20

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2016

Memo	Amount
Lee Dedini	
supplies for work crew for installation of replacement of Ruth Hydro 125VDC power system (Batter...	-20.56
Total Lee Dedini	-20.56
Lisa Newell	
auto mileage reimbursement	-57.67
Total Lisa Newell	-57.67
McMaster-Carr Supply	
shop supplies	-44.69
trailer maintenance	-44.93
Total McMaster-Carr Supply	-89.62
Miller Farms Nursery	
shop supplies	-29.05
Collector 1 & 1A Lateral Replacement	-985.21
Total Miller Farms Nursery	-1,014.26
Mission Linen	
maintenance supplies	-66.34
Uniform Rental	-677.06
Total Mission Linen	-743.40
Napa Auto Parts	
shop supplies	-5.31
vehicle maintenance	-750.66
Total Napa Auto Parts	-755.97
Network Management Services	
EssentialCare Computer Support Service for Eureka office	-368.10
Guard-IT Security Service for Eureka office`	-139.99
Recover-IT Backup Solution	-124.99
Domain Management	-3.00
Umbrella- Security	-30.00
Eureka office - Computer assistance	-348.61
replace General Manager's computer battery back-up	-117.17
Total Network Management Services	-1,131.86
Nilsen Co.	
Ranney Collector 1 & 1A Lateral Replacement	-496.84
shop supplies	-23.91
Ranney Collector 1 & 1A Lateral Replacement	-70.23
Total Nilsen Co.	-590.98
North Coast Cleaning Services, Inc	
Eureka office building maintenance	-545.00
Eureka office building maintenance	-545.00
Total North Coast Cleaning Services, Inc	-1,090.00
North Coast Journal, Inc	
Notice of Public Hearing - Urban Water Management Plan	-67.47
Total North Coast Journal, Inc	-67.47
North Coast Laboratories	
lab tests	-600.00
lab tests	-740.00
Total North Coast Laboratories	-1,340.00
North Valley Labor Compliance	
Collectors 1 & 1A Lateral Replacement	-307.75
Total North Valley Labor Compliance	-307.75
Northern California Safety Consortium	
monthly membership	-50.00
Total Northern California Safety Consortium	-50.00

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

June 2016

Memo	Amount
Occupational Health Services of Mad River	
Pre-employment physical	-225.00
Total Occupational Health Services of Mad River	-225.00
Pacific Gas & Electric Co.	
Ruth Bunkhouse	-48.69
Eureka office	-571.65
Jackson Ranch Rectifier	-18.26
299 Rectifier	-98.92
West End Road Rectifier	-107.68
TRF	-6,306.07
Ruth Hydro Valve Control	-23.33
Ruth Hydro	-48.41
Samoa Booster Pump Station	-1,349.47
Samoa Dial Station	-25.74
Essex Pumping May 1 - 31, 2016	-52,327.02
Total Pacific Gas & Electric Co.	-60,925.24
Pacific Paper Co.	
Eureka office supplies	-477.62
Total Pacific Paper Co.	-477.62
Paul Helliker	
auto mileage reimbursement for attending DWR/SWRCB Conservation Regs meeting in Sacramento	-312.12
Total Paul Helliker	-312.12
Pierson Building Center	
shop supplies	-1.20
Key box for Ruth Hydro PG&E meter building	-29.35
Total Pierson Building Center	-30.55
Pitney Bowes	
refill postage meter	-500.00
refill postage meter	-500.00
Total Pitney Bowes	-1,000.00
Platt Electric Supply	
Remodel TRF Line Shed 5	-1,552.23
Total Platt Electric Supply	-1,552.23
PumpWorks, LLC	
Rebuild TRF Sludge Pump	-775.53
Total PumpWorks, LLC	-775.53
Rebecca J. Moyle	
mail D3 Exam Application	-6.47
FERC Part 12 Inspection/Site Visit	-100.85
FERC Part 12 PFMA meeting	-28.04
auto milage reimbursement	-29.48
Total Rebecca J. Moyle	-164.84
Recology Humboldt County	
Eureka office garbage/recycling service	-75.27
Total Recology Humboldt County	-75.27
Redwood Electrical Services	
clean and inspect high voltage switchgear equipment	-3,240.00
12 KV switchgear repair	-250.00
Total Redwood Electrical Services	-3,490.00

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2016

07/05/16

Memo	Amount
Renner Petroleum	
cardlock fuel - pumping & control	-361.56
cardlock fuel - water quality	-361.56
cardlock fuel - maintenance & operations	-361.55
cardlock fuel - customer service	-361.55
refill Essex bulk fuels	-1,083.38
diesel for 2 MW Generator	-5,532.12
refill Ruth HQ bulk fuel	-318.19
refill Ruth Hydro bulk fuel	-318.19
Total Renner Petroleum	-8,698.10
Sequoia Gas	
Ruth HQ tank rental	-69.00
refill Ruth bunkhouse propane	-144.02
Total Sequoia Gas	-213.02
Sitestar Nationwide Internet	
Essex Internet	-52.90
Total Sitestar Nationwide Internet	-52.90
Six Rivers Communications	
install radio alarm encoder at Ruth Hydro plant	-729.41
Total Six Rivers Communications	-729.41
Staples	
Eureka office supplies	-163.37
Total Staples	-163.37
Steven A. Marshall	
Essex office supplies	-225.09
expense reimbursement for Essex office supplies	-50.00
Total Steven A. Marshall	-275.09
Streamline	
Website maintenance monthly membership fee (5 months)	-2,500.00
Website maintenance monthly membership fee	-500.00
Total Streamline	-3,000.00
Sudden Link	
Eureka office Internet	-204.95
Essex office Internet	-124.95
Total Sudden Link	-329.90
SWRCB-DWOCP	
Water Distribution Operator D4 Certification Application	-105.00
Water Distribution Exam Application D3	-100.00
Total SWRCB-DWOCP	-205.00
Telstar Instruments, Inc	
replace V-notch chlorinators	-10,508.00
replace chlorine safety shutdown system	-21,352.00
TRF maintenance supplies	-490.46
chlorine system maintenance	-3,063.09
SCADA upgrade plan	-31,259.00
chlorine system maintenance	-4,038.29
Total Telstar Instruments, Inc	-70,710.84
Tessco Technologies, Inc	
Samoa Booster Pump Station Ethernet Radio Modems/PLC system upgrade	-391.83
Total Tessco Technologies, Inc	-391.83

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2016

Memo	Amount
The Mill Yard	
Ruth Hydro building maintenance	-30.43
Ruth spillway maintenance	-246.30
Repair and upgrade park restrooms	-3,426.01
shop supplies	-83.79
Ruth transformer building maintenance	-228.81
shop tools	-32.60
Collector 1 & 1A Lateral Replacement	-58.70
Total The Mill Yard	-4,106.64
The Times-Standard	
Notice of Public Hearing - Urban Water Management Plan	-263.98
Total The Times-Standard	-263.98
Thomas Home Center	
Maintenance Shop office computer desk	-195.09
Total Thomas Home Center	-195.09
Thrifty Supply	
Replace 8 inch Barnes Pump	-1,792.15
replace backflow device on hydrant meter	-428.09
Repair & Upgrade Park restrooms	-95.53
Collector 1 & 1A Rehabilitation	-164.91
Replace Essex Septic system	-948.20
shop supplies	-32.20
Total Thrifty Supply	-3,461.08
Trinity County Building Department	
Building Permit Application - Ruth bunkhouse remodel	-4,419.72
Total Trinity County Building Department	-4,419.72
Trinity County General Services	
Pickett Peak site lease	-250.00
Total Trinity County General Services	-250.00
Trinity County Solid Waste	
Ruth HQ dump fees	-8.34
Ruth Hydro dump fees	-8.34
Total Trinity County Solid Waste	-16.68
U.S. Bank Corporate Payment System	
Essex office supplies	-70.70
Purchase portable scaffolding	-4,335.60
Remodel TRF Line Shed 5	-1,687.00
Essex computer supplies	-136.22
Annual Ruth Maintenance	-64.34
Annual Ruth Maintenance	-64.35
Hazard signs	-104.44
Ruth Hydro Communication Upgrade	-168.35
Ranney Well Technical Seminar Presentation	-119.96
Essex 1000Gallon Fuel Tank Repair & upgrade	-1,990.10
Conference call re: RTA Report - Ruth Hydro	-66.37
Ruth HQ Master Bath/Laundry Room	-4,511.94
Essex office supplies	-100.33
renew workplace safety manual	-586.16
Ranney Collector 1 & 1A Lateral replacement	-1,368.24
Remodel TRF Line Shed 5	-309.98
Circuit Testing - Electrical Department Tool	-59.40
Adobe Acrobat software upgrade	-199.00
Essex 1000 Gallon Fuel Tank Repair & Upgrade	-649.00
Essex safety signs	-141.10
Building maintenance Operations Control room	-150.91
Board Secretary training - S. Sobol	-865.00
General Fund checks	-514.36
conference call - Ruth Hydro Re-Mat	-3.61

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2016

Memo	Amount
working lunch - Audit Committee	-49.50
Ruth Hydro FERC Part 12 - PFMA	-232.56
Total U.S. Bank Corporate Payment System	-18,548.52
U.S. Geological Survey, WRD	
USGS Gauging Station Maintenance	-6,930.00
Total U.S. Geological Survey, WRD	-6,930.00
United Rentals, Inc	
Replace 8 inch Barnes Pump	-53,400.73
Total United Rentals, Inc	-53,400.73
USTI, Inc	
eBill charge Humboldt Bay retail	-11.92
eBill charge Fieldbrook-Glendale CSD	-14.00
bill cards	-123.00
ePay PayPal support	-150.00
Hand Held meter reader support	-225.00
Utility Billing/Administrator Support	-1,350.00
Related meters support	-125.00
Total USTI, Inc	-1,998.92
Verizon Wireless	
Operations 1	-1.71
Superintendent	-73.15
Unit 3	-57.58
Electrician	-0.22
Operations 2	-0.52
Water Operations Supervisor	-39.27
Maintenance Supervisor	-41.64
Electrician	-19.83
Unit 6	-4.46
Unit 6	-4.47
Assistant Water Operations Supervisor	-46.87
Spare Operations	-0.22
Total Verizon Wireless	-289.94
WBCO Electric Service	
Remodel TRF Line Shed 5	-810.00
12KV switchgear fuse replacement	-543.24
Total WBCO Electric Service	-1,353.24
West Coast Plumbing	
Essex shop bathroom maintenance	-11.42
Total West Coast Plumbing	-11.42
William B. Newell	
expense reimbursement for Ruth HQ Master Bath & Laundry Room upgrade	-203.18
Total William B. Newell	-203.18
TOTAL	-485,342.08

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

Date: July 6, 2016

From: John Friedenbach, Business Manager

RE: Final Budget for FY 2016/2017

At the June meeting, staff presented the summary draft of the proposed Budget for FY2016/2017. Staff continues the process to finalize the proposed budget in the following areas:

- JPIA medical cost increase to 12%
- Carry over projects in Project Budget

Although the June financial report will be ready for the Blue Book production on Friday, the additional analysis for the finalization of the carry over project amounts will not be complete by then. The financial report must be completed and reviewed prior to finalizing the carry over project analysis. Consequently, information about the proposed final budget for FY 2016/2017 will be provided to the Board early next week in advance of the Board meeting.

Operations

Memo to: HBMWD Board of Directors
From: Dale Davidsen, Superintendent
Date: July 7, 2016
Subject: Essex/Ruth June Operational Report

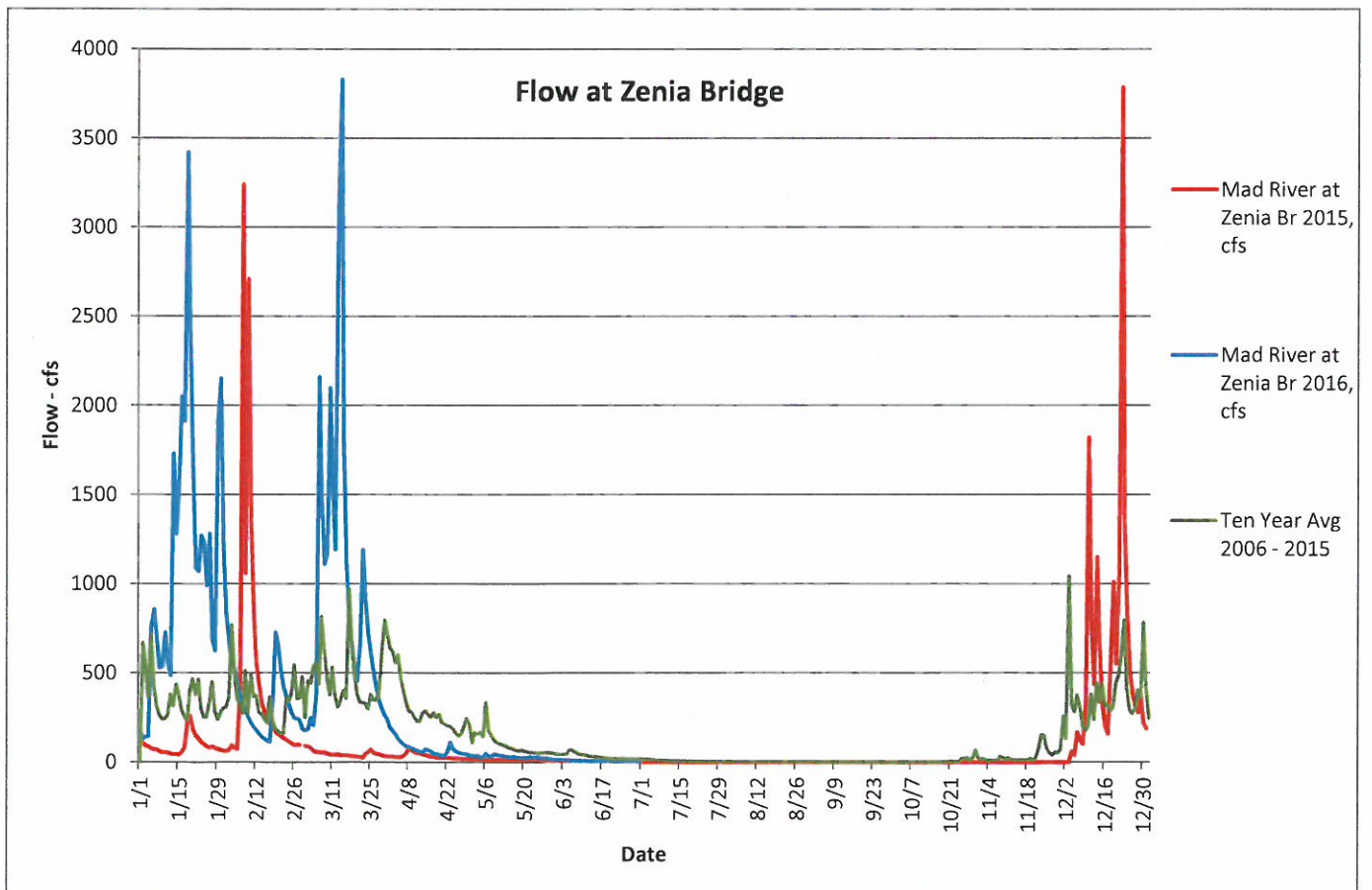
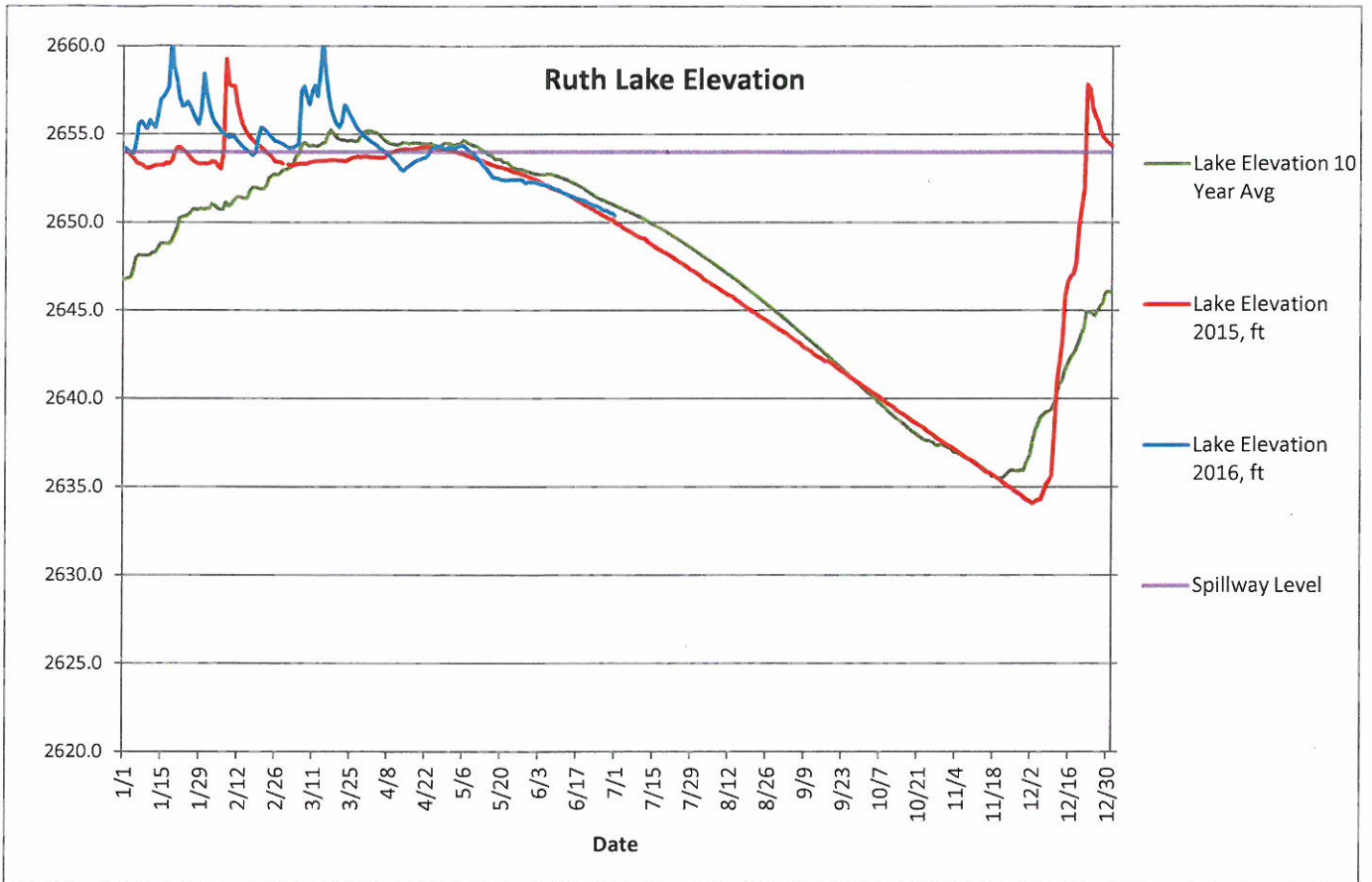
Ruth Lake, Upper Mad River and Hydro Plant

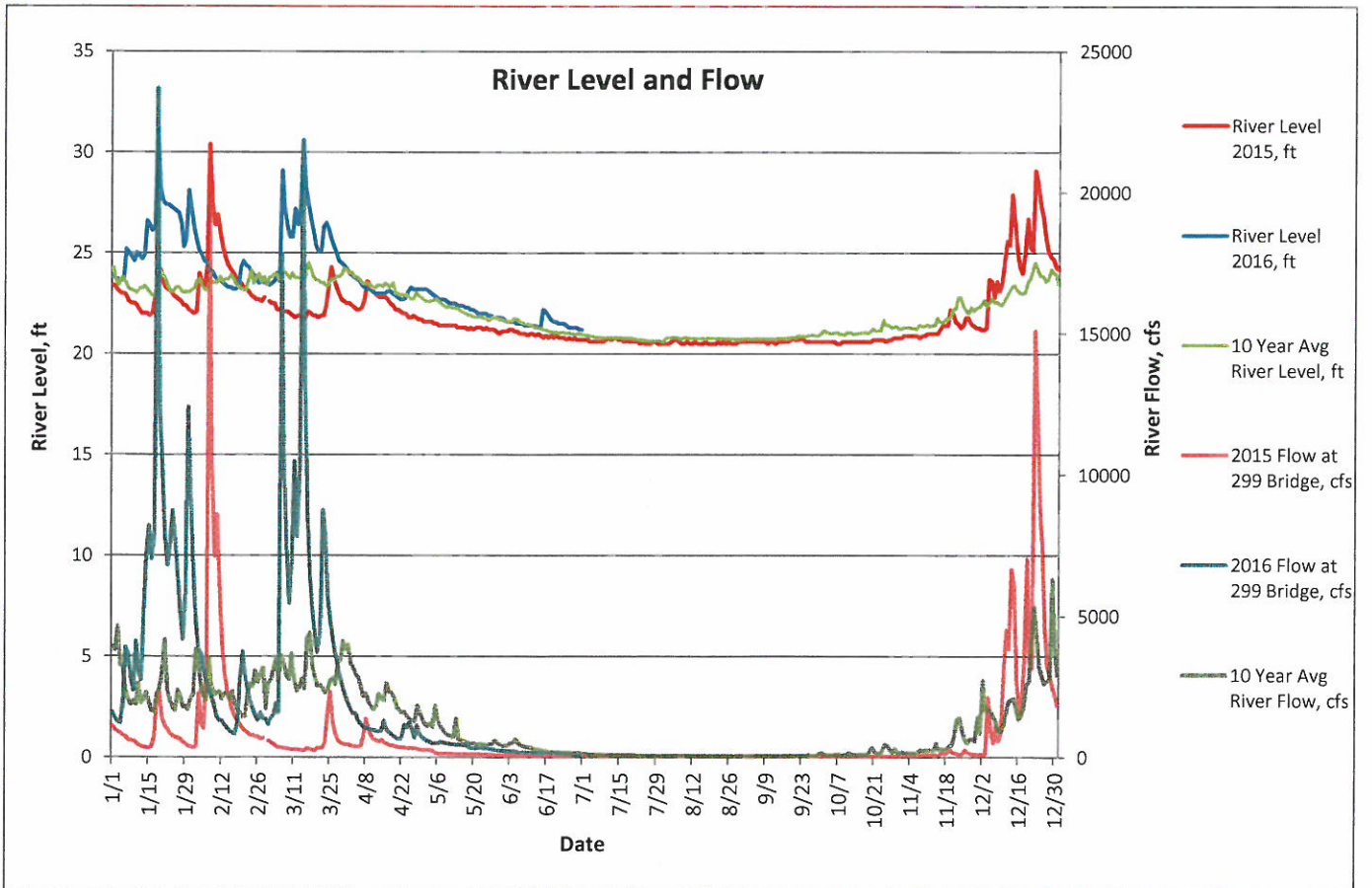
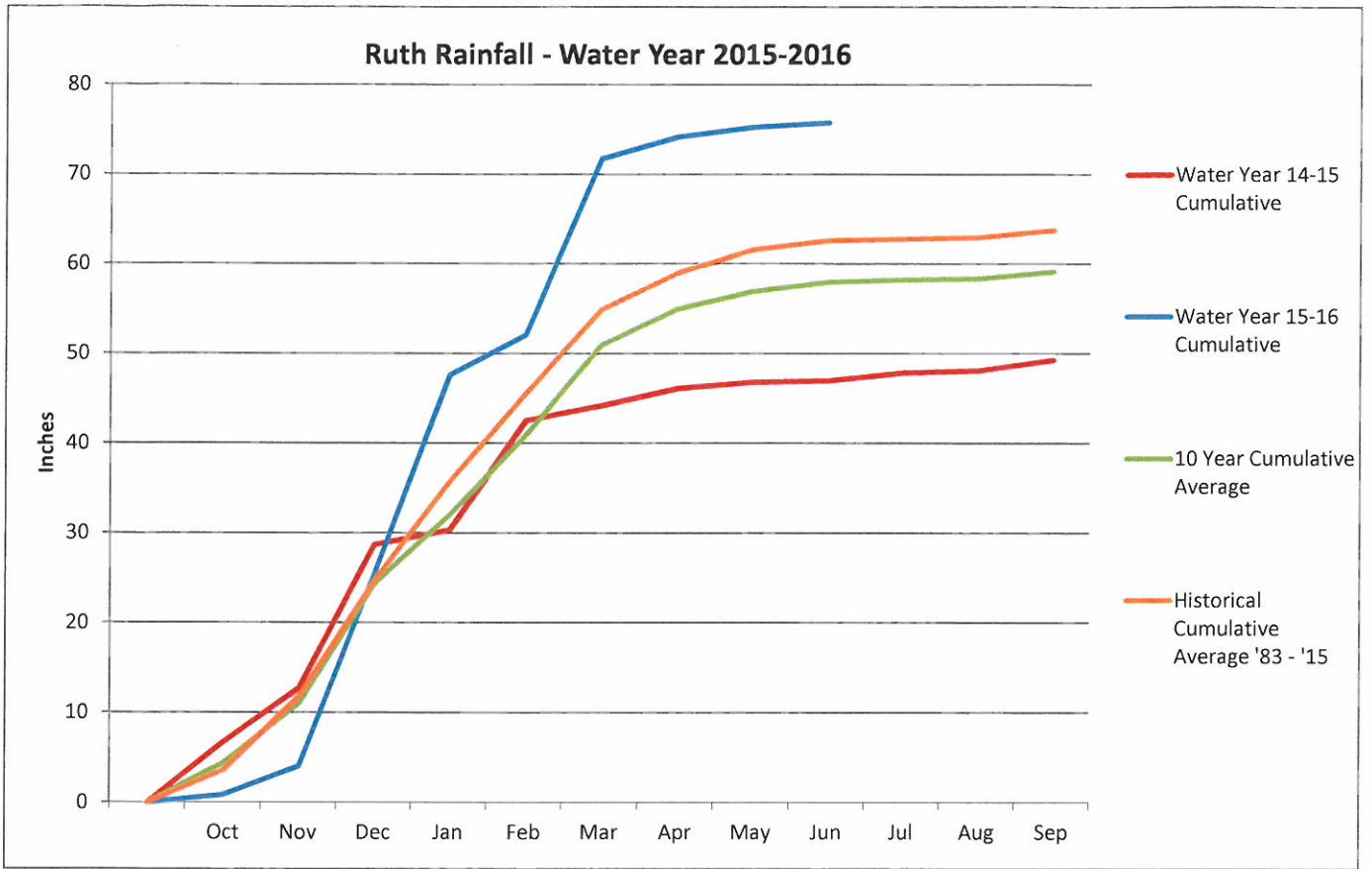
1. The high flow at Mad River above Ruth Reservoir (Zenia Bridge) during the month was measured on June 1 at 14 cfs and the low flow was measured on June 30 at 2.3 cfs.
2. The conditions at Ruth Lake in June were as follows:
 - a. The lake level on June 30, 2016 was 2650.38 feet which is:
 1. 1.92 feet lower than May 31, 2016
 2. 0.39 feet higher than June 30, 2015
 3. 0.59 feet below the ten year average
 4. 3.62 feet below the spillway
3. We measured 0.48 inch of rain at Ruth Headquarters during the month with a high reading of 0.46 inches measured on June 17.
4. Ruth hydro power production was 141,600 kWh during the month with 2 shutdowns and 1,273 kW lost production.
5. The high discharge flow from the lake this month was 43 cfs on June 17 and the low release flow from the lake was 39.6 cfs on June 21.

Winzler Control, TRF and Lower Mad River

6. The river at Winzler Control Center reached a high recorded flow of 233 cfs and a level of 21.6 feet on June 1. The low river flow was on June 30 with a flow of 84 cfs and a level of 21.2 feet.
7. The domestic water conditions for June were as follows:
 - a. The monthly turbidity average was 0.16 NTU, which meets Public Health Secondary Standards.
 - b. We metered 303.706 million gallons at an average of 10.124 MGD: note that the Fieldbrook-Glendale CSD meter returned to service on June 10.
 - c. The maximum metered daily municipal customer use was 12.108 MGD on June 25.
8. June 1st - 3rd – Electrical staff finished installation of new PG&E approved battery bank at the hydro plant.
9. June 3rd – Ryan and Chris went to Ruth to lift the painter's scaffolding and equipment onto the spillway for bridge painting and inspected the new battery bank installation.
10. June 6th – June 24th - James Carl painting on-site at Ruth painting the spillway bridge.

11. June 6th – 10th – Maintenance crew installed the yellow mine pipe in preparation for the Collector 1 project. This is an element of the Collector 1 project we took on to cut the overall project cost.
12. June 7th - Ryan and Chris conducted the annual forklift safety training and driver competency testing.
13. June 8th – Arcata Fire personnel provided First Aid and CPR training at Essex to re-certify 15 of our employees.
14. June 9th and 10th – Maintenance crew went to Ruth to perform spillway repairs.
15. June 15th – Andy from Layne was on-site to layout the percolation pond and decide which Collector 1 pumps need to be removed and which ones need to be raised.
16. June 16th - Andy and Brad from Layne were on-site to setup monitoring well sensors for the pre-construction step and continuous flow tests.
17. June 17th-19th – District operators performed stepped flow testing and 39 hr. continuous flow test.
18. June 20th – July 8th – Maintenance crew removed 2 complete pumps and raised 2 pumps 40 feet on Collector 1. Kjer Crane Service was contracted to do the lifting.
19. June 21st – 30th – Wahlund Construction crews were on-site to construct the percolation pond in Park 1 for the Collector 1 lateral replacement project.
20. June 27th – July 1 – James Carl Painting applied a membrane type roof coating onto the hydro plant and hydro plant shop roofs.
21. June 29th –
 - a. Chris Merz went to Ruth with the boom truck to lift the painter's scaffolding and equipment off the spillway.
 - b. Essex staff attended a Chlorine leak repair training at City of Arcata's Corp. Yard. Steve collaborated with McKinleyville CSD, Arcata and the Humboldt Bay Fire regional hazmat team to hold the chlorine leak repair training exercise.





Ruth Hydro Production: kW per Month


	Historic Average: Cumulative	Ten Year Average: Cumulative	Hydro Production 2014: Cumulative	Hydro Production 2015: Cumulative	Hydro Production 2016: Cumulative	Hydro Production 2014	Hydro Production 2015	Hydro Production 2016
January	594,594	589,440	50,400	643,200	904,800	50,400	643,200	904,800
February	1,247,153	1,206,240	50,400	1,363,200	1,725,600	0	720,000	820,800
March	2,078,105	1,937,760	532,800	1,634,400	2,676,000	482,400	271,200	950,400
April	2,731,024	2,563,920	1,092,000	1,740,000	3,213,600	559,200	105,600	537,600
May	3,196,970	3,031,440	1,291,200	1,893,600	3,540,000	199,200	153,600	326,400
June	3,481,217	3,309,600	1,440,000	2,035,200	3,681,600	148,800	141,600	141,600
July	3,688,054	3,492,720	1,588,800	2,186,400		148,800	151,200	
August	3,951,281	3,699,606	1,737,600	2,325,600		148,800	139,200	
September	4,255,289	3,918,486	1,881,600	2,469,600		144,000	144,000	
October	4,545,191	4,154,646	2,030,400	2,618,400		148,800	148,800	
November	4,817,748	4,403,536	2,179,200	2,764,800		148,800	146,400	
December	5,247,303	4,858,976	2,857,600	3,261,600		678,400	496,800	



Humboldt Bay Municipal Water District Ruth Hydro Production Report - Since June 1983

	Total Kwh Production	Production for Period Ending 5/31/2016	Average Monthly Kwh Production
On Peak	11,360,822	47,181	28,762
Part Peak	56,241,752	59,499	142,384
Off Peak	80,655,169	161,012	204,190
Super Off Peak	25,707,700	55,944	65,083
Grand Total	173,965,443	323,636	440,419
Grand Total Revenues		\$8,540,986.27	
No. of Months of Operation		395	
Average \$/Kwh		\$0.0491	

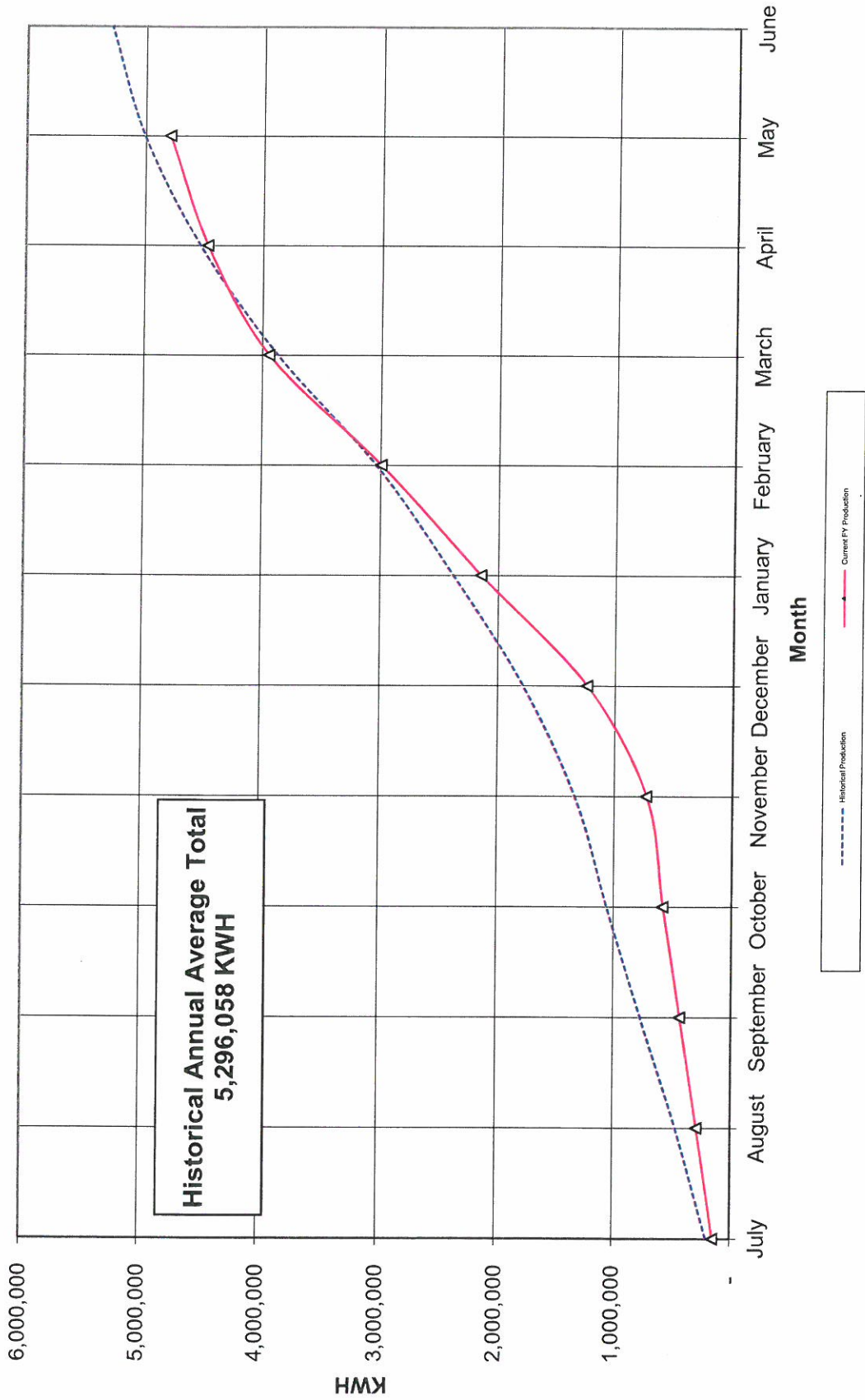
Confidential: Documents submitted under General Order 66-C, §52.8 and PU Code §583

 Pacific Gas and Electric Company® Purchase / Sales Invoice Invoice Number: 69858 Delivery Period Start: 05/01/2016 Delivery Period End: 05/31/2016 Invoice Date: 06/07/2016 Due Date: 06/30/2016 Log Number: 19H051 Account Code: 2320900 Meter Channel: LJ600B Contract Start: 04/10/1983	From: Pacific Gas and Electric Company 77 Beale Street San Francisco, CA 94105	To: HUMBOLDT BAY MWD P. O. Box 95 Eureka, CA 95501
	Contract Manager: Nancy Breckenridge Phone: 415-973-4092 Email: NJB6@pge.com Settlement Analyst: Kimberly Song Phone: 415-973-5815 Fax: 415-973-9505 Email: K5SW@pge.com	Project Name: HUMBOLDT BAY MWD Payment Method: CHECK Vendor Number: 1024538 Contact: Steve Marshall Phone: 707-822-2918 Fax: Email: ops@hbmwd.com

Payment Name	Quantity	Unit	Amount
Energy Payment 05/01/2016 - 05/31/2016	323.648	MWh	\$-7,304.05
As-Delivered Capacity Payment	267.703	MWh	\$-2,398.57
Net Total			\$-9,702.62

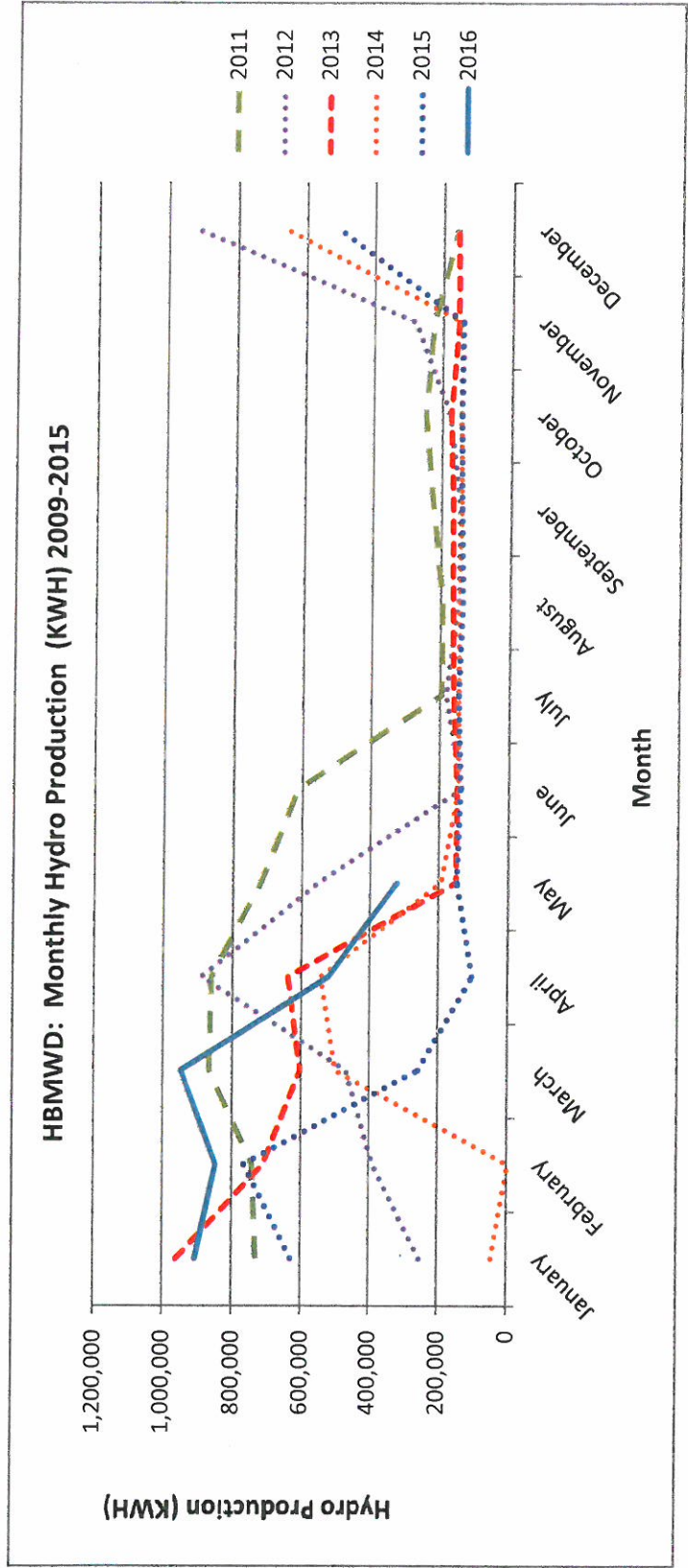
Total Amount Due to HUMBOLDT BAY MWD on Due Date: 06/30/2016	USD \$ 9,702.62
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**Historical vs. Actual Cumulative Production
Gosselin Hydroelectric Plant @ Ruth Lake
All Data In Kilowatt Hours**



Humboldt Bay Municipal Water District
 Monthly Hydro Electric Production (KWH) for CY2011 - 2016

Month	2011	2012	2013	2014	2015	2016
January	731,895	255,300	962,724	47,002	632,611	907,103
February	743,385	390,898	713,055	0	769,170	848,575
March	868,396	470,351	605,327	501,812	261,555	950,250
April	862,182	892,452	642,402	545,893	106,258	523,573
May	720,776	553,888	152,795	196,968	151,803	323,636
June	613,500	138,181	152,044	147,630	143,055	
July	197,448	186,027	164,775	149,503	150,599	
August	196,872	151,424	168,428	148,220	140,977	
September	224,463	147,850	169,768	145,020	145,468	
October	249,000	179,706	178,812	148,715	147,574	
November	226,807	282,768	157,195	148,816	145,196	
December	159,636	923,766	160,936	665,823	510,915	
Total Annual	5,794,360	4,572,611	4,228,261	2,845,402	3,305,181	3,553,137



Payment Calculation For Energy

Summer Period Payment

Date Period	TOD ¹	MW Levels	MWh	Energy Rate	Rate (\$/MWh)	Rate %	Amount Due
05/01/16 to 05/31/16	PK	0.0 to 1.3	47.1810	SRAC B	24.6554	100	\$1,163.26
05/01/16 to 05/31/16	PP	0.0 to 1.3	59.4990	SRAC B	27.7391	100	\$1,650.45
05/01/16 to 05/31/16	OP	0.0 to 1.3	161.0230	SRAC B	22.1578	100	\$3,567.92
05/01/16 to 05/31/16	SO	0.0 to 1.3	55.9445	SRAC B	16.4882	100	\$922.42
SRAC B Subtotal for level 0.0 to 1.3:			323.6475				\$7,304.05
Date Period	TOD ¹	MW Levels	MWh	Energy Rate	Rate (\$/MWh)	Rate %	Amount Due
05/01/16 to 05/31/16	PK	1.301 to Total	0.0000	SRAC B	24.6554	100	\$0.00
05/01/16 to 05/31/16	PP	1.301 to Total	0.0000	SRAC B	27.7391	100	\$0.00
05/01/16 to 05/31/16	OP	1.301 to Total	0.0000	SRAC B	22.1578	100	\$0.00
05/01/16 to 05/31/16	SO	1.301 to Total	0.0000	SRAC B	16.4882	100	\$0.00
SRAC B Subtotal for level 1.301 to Total:			0.0000				\$0.00
Summer Period Subtotal:							\$7,304.05
Energy Total:							\$7,304.05

TOD¹ = Time Of Deliveries, PK = Peak, PP = Partial Peak, OP = Off Peak, SO = Super Off Peak

Energy line loss adjustments, in accordance with the Settlement Agreement approved by the CPUC Decision 06-07-032, are being applied to the generation delivered after March 31, 2009 23:59 for energy payments.

Confidential: Documents submitted under General Order 66-C, §§2.8 and PU Code §583

Payment Calculation For As-Delivered Capacity

Summer Period Payment

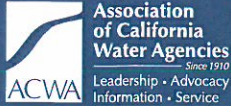
Date Period	TOD ¹	MW Level	MWh	Rate Name ²	Rate (\$/MWy)	Rate %	CLAF ³	Allocation Factor	Amount Due
05/01/16 to 05/31/16	PK	0.0 to 1.3	47.181	CSCFIX50	50,000.00	100	0.991	0.0009921	\$2,319.350
05/01/16 to 05/31/16	PP	0.0 to 1.3	59.499	CSCFIX50	50,000.00	100	0.991	0.0000266	\$78.421
05/01/16 to 05/31/16	OP	0.0 to 1.3	161.023	CSCFIX50	50,000.00	100	0.991	0.0000001	\$0.798
05/01/16 to 05/31/16	SO	0.0 to 1.3	55.945	CSCFIX50	50,000.00	100	0.991	0.0000000	\$0.000
CSCFIX50 Subtotal for level 0.0 to 1.3:			267.703						\$2,398.57
Date Period	TOD ¹	MW Level	MWh	Rate Name ²	Rate (\$/MWy)	Rate %	CLAF ³	Allocation Factor	Amount Due
05/01/16 to 05/31/16	PK	1.301 to Total	0.000	CSCFIX50	50,000.00	100	0.991	0.0009921	\$0.000
05/01/16 to 05/31/16	PP	1.301 to Total	0.000	CSCFIX50	50,000.00	100	0.991	0.0000266	\$0.000
05/01/16 to 05/31/16	OP	1.301 to Total	0.000	CSCFIX50	50,000.00	100	0.991	0.0000001	\$0.000
05/01/16 to 05/31/16	SO	1.301 to Total	0.000	CSCFIX50	50,000.00	100	0.991	0.0000000	\$0.000
CSCFIX50 Subtotal for level 1.301 to Total:			0.000						\$0.00
Summer Period Subtotal:									\$2,398.57
As-Delivered Capacity Total:									\$2,398.57

TOD¹ = Time Of Deliveries, PK = Peak, PP = Partial Peak, OP = Off Peak, SO = Super Off PeakRate Name² =

- FSC = Forecasted Shortage Cost
- CSC = Current Shortage Cost

CLAF³ = Capacity Loss Adjustment Factor

ACWA



ACWA Update on Priority Issues

JUNE 2016

Prepared by the Association of California Water Agencies

WWW.ACWA.COM

With strong direction from ACWA's Board of Directors and active member involvement through ACWA's policy committees, task forces and regions, ACWA is engaged in numerous arenas to advance priority issues. Here is a high-level look at recent activity and initiatives:

SWRCB Emergency Conservation Regulation

The State Water Resources Control Board acted May 18 to replace state-imposed mandatory urban conservation standards with a locally driven, supply-based assessment process. Under the modified emergency conservation regulation, urban water suppliers will self-assess their available water supplies assuming three additional dry years and determine the level of conservation needed to meet customer demand. ACWA and numerous member agencies strongly advocated a supply-based approach to recognize significant local investments in drought-resilient supplies and to reflect improved conditions following near-average precipitation in many areas of the state. The modified regulation is set to remain in effect through January 2017. Information is available at www.acwa.com/content/urban-water-conservation.

STAFF CONTACT

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Special Projects Manager
daveb@acwa.com

Long-Term Urban Conservation Policy

On May 9, Gov. Jerry Brown issued Executive Order B-37-16 outlining longer-term water conservation measures aimed at achieving a top priority in the California Water Action Plan — making conservation a way of life. The order directs the California Department of Water Resources to work with the State Water Resources Control Board to develop new water use standards as part of a permanent framework for urban water agencies. A proposed draft framework is due in January 2017. The order also calls for permanent monthly water use reporting, permanent prohibitions on water-wasting practices and a stakeholder process to update existing requirements for Agricultural Water Management Plans. ACWA will engage actively as the executive order is implemented and will coordinate with urban and agricultural subcommittees of the Water Management Committee as well as a leadership group of ACWA member agencies and other water association partners. Information is available at www.acwa.com/long-term-conservation.

STAFF CONTACT

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daveb@acwa.com

Water Market Recommendations / Legislation

Guided by ACWA's Board-approved recommendations for improving the water transfer process and access to the voluntary water market, ACWA is engaged in discussions on water market legislation this year. ACWA-supported AB 1755 (Dodd) has cleared the Assembly and is awaiting consideration in the Senate. A second bill, AB 2304 (Levine), was pulled from the Assembly Appropriations Committee at the request of the author in late May. ACWA's State Legislative Committee has expressed support for pursuing an ACWA-sponsored bill in 2017. ACWA's policy recommendations are at www.acwa.com/water-transfers-recommendations.

STAFF CONTACT

Recommendations:
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Special Projects Manager
daveb@acwa.com

Legislation:
Whitnie Wiley
Senior Legislative Advocate
whitniew@acwa.com

SGMA Implementation

The California Water Commission on May 18 adopted regulations for developing Groundwater Sustainability Plans (GSPs) under the Sustainable Groundwater Management Act of 2014 (SGMA). As initially proposed by the Department of Water Resources, the regulations included a number of requirements that ACWA believed were overly prescriptive and removed local agency flexibility. Through the rulemaking process, ACWA provided detailed suggestions to DWR to make the regulations consistent with SGMA. The final regulations addressed many of ACWA's concerns. (See ACWA's April 1 comment letter at www.acwa.com/content/regulatory.)

STAFF CONTACT

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Annual Public Water System Operating Fees

The State Water Resources Control Board initiated a formal rulemaking process April 29 on draft regulations for annual public water system operating fees. ACWA is very concerned that the proposed fee structure would increase annual fees by up to 1,000% for some water systems. A Drinking Water Fees Work Group has been convened to develop specific comments and a potential alternative fee structure. The State Water Board will hold a public hearing on the regulations on June 22, which also marks the deadline for submitting written comments.

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2016 Federal WRDA Legislation

The House Transportation and Infrastructure Committee approved the 2016 Water Resources and Development Act, HR 5303, unanimously by voice vote on May 25. The bill authorizes U.S. Army Corps of Engineers projects at U.S. harbors, locks, dams, and reservoirs and keeps two issues important to ACWA members – environmental infrastructure and reservoir reoperation – in play. The Senate Environment and Public Works Committee approved its version of the 2016 WRDA bill, S. 2848, on April 26. That bill awaits a vote on the Senate floor. ACWA's letter on priorities for the WRDA bill is at www.acwa.com.

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Federal Drought Legislation

ACWA Executive Director Timothy Quinn testified at a U.S. Senate subcommittee hearing May 17 on federal legislation by U.S. Sen. Dianne Feinstein (D-CA), S. 2533. In testimony before the Water and Power Subcommittee of the Energy and Natural Resources Committee, Quinn said the legislation can help Congress move federal water policy in a more balanced direction that conforms with California's commitment to improving both water supply reliability and ecosystem health. ACWA is urging passage of the legislation to enable a Senate-House conference committee to meet and negotiate a bipartisan bill that can be signed by the President.

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Federal Headwaters – Wildfire Legislation, Input Requested

U.S. Sens. Lisa Murkowski (R-Alaska), Maria Cantwell (D-Wash.), Ron Wyden (D-Ore.), Mike Crapo (R-Idaho) and Jim Risch (R-Idaho) have released draft legislation, the "Wildfire Budgeting, Response, and Forest Management Act," aimed at improving forest management and wildfire budgeting. The bipartisan discussion draft reflects the work of the Senate Energy and Natural Resources Committee to examine and find solutions for these issues. The bill uses a cap adjustment to end the practice of fire borrowing similar to the bipartisan Wildfire Disaster Funding Act, which Wyden and Crapo first introduced in 2013. Chair Murkowski was asking for input from the public on this bipartisan discussion draft by Monday, June 13. Comments will be shared with all members of the Senate Committee on Energy and Natural Resources. The discussion draft can be viewed at www.energy.senate.gov.

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JUNE 2016

Prepared by the Association of California Water Agencies

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Water Storage Integration Work Group

ACWA's Water Storage Integration Work Group is developing a technical analysis and report to inform decision making by the California Water Commission (CWC) as it allocates \$2.7 billion from Proposition 1 through the Water Storage Investment Program. ACWA is encouraging the CWC to promote the integration of new above- and below-ground storage into regional and statewide water systems in a manner that furthers the goals of Proposition 1 by providing water supply reliability and enhanced ecosystem health.

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Save Our Water Program

Following action by the State Water Resources Control Board to modify the state's emergency conservation regulation, the Save Our Water program is preparing plans for statewide public education activities for the 2016-'17 fiscal year, with a focus on the need for ongoing conservation and making permanent changes to save water. The program's activities are being scaled to reflect a \$2 million budget proposed in Gov. Brown's May Revise. An updated online toolkit for water agencies with new materials and collateral will be developed. Save Our Water held a partner webinar June 1 and will be surveying water agencies on their needs for conservation materials and collateral, as well as plans for conservation education, including paid media. Managed by ACWA in partnership with the California Department of Water Resources, Save Our Water is the state's official conservation and education program. More information is at saveourwater.com.

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Drinking Water Solutions for Disadvantaged Communities

ACWA is launching an effort to help develop an action plan for drinking water solutions for rural, disadvantaged communities that do not have safe drinking water. The association is creating a policy level task force, chaired by ACWA Vice President Brent Hastey, and a large and diverse advisory committee that will include drinking water experts from urban agencies, agricultural representatives from water agencies and production agriculture, and environmental justice and other local interest groups. An early step will be to meet with representatives of the State Water Board and others already working on the problem.

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Engaging Agricultural Members

ACWA is pursuing a priority initiative to increase involvement and engagement by agricultural members of the association. The initiative will include a focused communications effort to educate audiences on agricultural water use and current challenges, and to support the objective of better addressing the needs of ACWA's irrigation district members.

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Connecting with the Next Generation

Attracting and engaging the next generation of water professionals and leaders has emerged as a key priority for many ACWA members and the ACWA Board of Directors in 2016. ACWA is developing strategies to assist its members with this important task. As part of this initiative, a water trends program and a special reception took place at the ACWA Spring Conference & Exhibition in Monterey to provide opportunities to engage with the next generation of California water professionals.

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Meet the President Initiative

ACWA President Kathleen Tiegs continues to engage with ACWA members throughout the state through a special "Meet the President" initiative. ACWA has hosted nine events as part of the initiative, while President Tiegs has participated in numerous one-on-one or small group meetings reaching more than 90 member agencies by the end of May.

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Integrated Marketing / Communications / Outreach Plan

ACWA continues to implement its Integrated Marketing / Communications / Outreach Plan. A key element is a process led by a Board-level Branding Work Group to refresh and update the ACWA brand. The work group has met four times and will present a recommendation to the full ACWA Board in July.

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Upcoming Events – Visit www.acwa.com for more

- **ACWA 2016 Continuing Legal Education for Water Professionals** – Sept. 14–16 in San Diego.
- **6th Annual Steve Hall Fierce Competitor Golf Tournament** – Sept. 23 at DarkHorse Golf Club in Auburn.
- **ACWA 2016 Regulatory Summit** – Oct. 3–4 in Roseville. Focus will be on water-energy issues.
- **ACWA 2016 Fall Conference & Exhibition** – Nov. 29–Dec. 2 at the Anaheim Marriott Hotel in Anaheim.

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