



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

September 13, 2018

A. ROLL CALL

President Woo called the meeting to order at 9:01 am. Director Hecathorn conducted the roll call. Directors Fuller, Latt, Hecathorn and Woo were present. Director Rupp was absent. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris, and Board Secretary Sherrie Sobol were also present. Mario Palmero, Operations Supervisor and Pat Kaspari of GHD were present for a portion of the meeting.

B. FLAG SALUTE

President Woo lead the flag salute.

C. ACCEPT AGENDA

On motion by Director Fuller, seconded by Director Hecathorn, the Board voted 4-0 to accept the agenda.

D. MINUTES

Director Latt requested an addition to the minutes in the Engineering Section: Blue Lake Fieldbrook Water Line Replacement to reflect that Mr. Kaspari suggested the Board conduct a site visit to see the drilling and this was arranged by Mr. Friedenbach. On motion by Director Hecathorn, seconded by Director Fuller, the Board voted 4-0 to approve the minutes for the August 16, 2018 Regular Board meeting as amended.

E. PUBLIC COMMENT

No public comment was received.

F. CONSENT AGENDA

Director Latt requested Item F1: Ruth Lake CSD Minutes be pulled. On motion by Director Hecathorn, seconded by Director Latt, the Board voted 4-0 to approve the Consent Agenda, less Item 1.

Director Latt stated he pulled the topic since Item 6A under correspondence peaked his interest. He was curious what issue the letter from the attorney pertained too. Mr. Friedenbach stated he would request the information. He added that he would also discuss with Mr. Francesconi Item 2 listed under the Leaseholders section that stated: "Speed bump not apricated by RLCSD or Humboldt Bay" since this was not accurate and the statement was never made by HBMWD. On motion by Director Hecathorn, seconded by Director Fuller, the Board voted 4-0 approve Consent Item 1.

G. CORRESPONDENCE

Letter from District to DWR re: SGMA Basin Prioritization Results for Mad River

Mr. Friedenbach discussed the District's letter regarding Mad River SGMA prioritization. DWR used inaccurate data to determine the SGMA prioritization and classified the Mad River Basin as medium priority. He stated that Mr. Hank Seemann, Deputy Director of Environmental Services for Humboldt County did the bulk of the work to provided the correct data showing the Mad River Basin is still low priority and not subject to SGMA. The District supported the County and submitted a letter as well. We are still waiting to hear back from DWR regarding the status.



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Letter from Humboldt County Elections re: Appointment In Lieu of Election

Directors Fuller and Rupp are up for re-election this year and were unopposed. Certificates of Appointment in Lieu of Election will be mailed to the District after the Statewide General Election on November 6, 2018. Mr. Friedenbach and Directors Hecathorn, Latt and Woo congratulated them.

Letter from USGS re: Joint Funding Agreement for Water Resource Investigations

Mr. Friedenbach shared the letter from the USGS regarding the continuation of the cooperative water resources program. He inquired about cost sharing as was done in the past, however the USGS stated they are unable to provide matching funds.

H. CONTINUING BUSINESS

Water Resource Planning

Status update

Mr. Friedenbach stated there is nothing new to report on local sales or transport. The instream flow option is progressing. The first Instream Flow grant Kick-off meeting was held and went well. The grant partners are preparing their scope of work and it will be coming over as one package. Mad River Alliance does not have theirs ready but the package should be available for the next Board meeting. President Woo stated it's her understanding that the SWRCB and CDFW have both stated that the Mad River is over allocated in the summer. Our study will look at this. Director Fuller added the Instream Flow Consumptive Use Analysis will help us and the SWRCB make more informed decisions regarding the Mad River.

New Advisory Committee members to fill vacancy

Mr. Friedenbach stated a component of the Instream Flow Grant includes conducting two meetings per year with the Advisory Committee. There were two vacancies on the committee, Municipal and Environmental representatives. Nomination forms were received from Paul Pitino for the Municipal representative and Jennifer Kalt for the Environmental representative. On motion by Director Latt, seconded by Director Hecathorn, the Board voted 4-0 to approve Paul Pitino and Jennifer Kalt as the new Advisory Committee members.

Cannabis Grows affecting Mad River Watershed

Mr. Friedenbach stated the Notice Public of Public Hearing for Case# SP16-096 was not received from the Planning Department. A concerned neighbor sent us the notice and there was very little time to respond. The downside to not responding however means you give up your chance to respond in the future. Mr. Friedenbach had concerns regarding the water source for production and the fact that no CEQA was done and it was near a tributary to the Mad River. He enlisted the assistance of legal counsel Leslie Walker and drafted the letter to ensure that the District is able to comment in the future on this case if needed. He noted that this was in the consent section of the Zoning Administrator hearing and requested it be pulled. The item was continued until the September 20 meeting. Director Latt stated he appreciates the neighbor bringing it to our attention. Director Fuller stated it seems a bit haphazard how the Board is getting involved and suggested the Board establish parameters to determine involvement. She added her frustration is with county and their lack of notification and fact checking. President Woo concurred. Director Latt added that he understands the time constraint to respond with the letter since we were not informed earlier and is supportive of the letter. He also agreed with Director Fuller's comments and commented it seems that the planning commission is pushing projects through with deficiencies. Two members of the public provided comment. Mr. Eric Weibel thanked the Board for the well written letter. As a neighbor, he expressed concerns regarding



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chemical runoff and water quality, especially given the proximity to Maple Creek. Ms. Beverly Filip, an adjacent neighbor, also provided comment. She stated the property is not suited for cannabis cultivation. The terrain is steep and forested, the green house is only 149 ft from Maple Creek and she has concerns that the 128,000 gallons of water being used annually from the well, plus the water for the residents will lower the water table. The Board thanked them for their comments. Mr. Friedenbach stated he would appreciate direction from the Board on how to proceed. He added that he too likes the idea of having a policy in place as suggested by Director Fuller. Director Latt stated he is in favor of staff attending the next hearing. He also suggested a second letter be sent to the Zoning Administrator with input from legal counsel Walker. He suggested she review the county ordinance and see if County Planning can be compelled to provide us with advance notice of public hearings for projects within 500 feet of river for example. He inquired if the in the letter, Ms. Walker should include cumulative effects given the possibility of additional proposed projects near the site. The Board concurred. The Mad River Policy Committee will meet to discuss parameters for responding to future projects and bring it back to the Board for approval. President Woo stated our mission is to protect water quality and the environment of the watershed. In regards to cannabis grows, cumulative effects and impacts to the river must be considered. The Board would be more supportive of legal cannabis grows if the County did a better job reviewing applications and ensuring compliance with the established requirements.

SB844 & 845 Drinking Water Tax

Mr. Friedenbach reported the tax bill did not make it through the legislature.

SB 1029 Great Redwood Trail Act

Mr. Friedenbach stated the bill went to the Governor for signature late in the afternoon on September 11.

Local Hazard Mitigation Plan

The County's plan is due for an update by March 2019. The District is a participant to the plan and Mr. Friedenbach reviewed the District's projects in Chapter 30 of the plan and stated new ones will be added to the updated plan. He added that he volunteered to serve on the steering committee. If the County does not have a current approved Local Hazard Mitigation Plan in place by the March 2019 then the plan participants will not be eligible for federally funded hazard mitigation grants.

Notice of Boundary Change for FGCS

Mr. Friedenbach shared the LAFCo Notice of Boundary Change Completion for Fieldbrook CSD. This is for the annexation of the Sundberg property to the Fieldbrook CSD service area boundary.

District Source water Classification

Previously the Board asked for clarification on the District's source water classification by the State of California. The water board determined "that the water from the District's Ranney collectors is classified as groundwater under the influence (not the *direct* influence) of surface water; thus, the monitoring requirements for the TRF will be similar to other groundwater-supplied public water systems." Mr. Friedenbach provided several documents confirming the classification.

I. NEW BUSINESS

Water Task Force Purpose Statement revision

Last month the Board voted to invite Ruth Lake CSD to become a member of the Water Task



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Force. This was based on a request by Humboldt Community Services District. Mr. Friedenbach spoke with manager of Ruth Lake CSD who accepted the invite. The Water Task Force Purpose Statement now needs to be revised to show the inclusion of Ruth Lake CSD as a member of the Task Force. On motion by Director Hecathorn, seconded by Director Latt, the Board voted 4-0 to approve changing the Water Task Force Purpose Statement to include Ruth Lake CSD.

Surplus Items

Staff requested several items be declared surplus as they have been replaced with newer, updated equipment. Items include an obsolete, repeater antennae from Mt. Pierce; four office computers, forty-two bags of Sika 211 SCC Plus; 7 kits, Sika Armatec 110 EpoCem bonding agent; eight 350-Hp Collector pump motors; two 200 Hp pump motors and a 2006 Ford F-150 VIN#1FTVF14556NB15155. On motion by Director Latt, seconded by Director Fuller, the Board voted 4-0 to declare the above listed items as surplus.

Prop 3 Water Supply and Water Quality Act of 2018

Mr. Friedenbach shared ACWA articles that were supportive of Prop 3 and encouraged supporters to pass a resolution stating their support. He also shared articles that were opposed to Prop 3 as well. President Woo inquired if the Board wanted to do a resolution. After discussion, they agreed to not endorse either side. No action was taken.

Resolution 2018-06 Acknowledging and Supporting the 2nd Annual California Water Professionals Appreciation Week

Director Hecathorn read the resolution. The Board voted 4-0 by roll call vote to approve the resolution.

Letter from District requesting veto of SB 998 re: Water Shut-Off Policies from Sacramento

Ms. Harris discussed SB 998 and shared the letter requesting Governor Brown veto the bill. The Board discussed the bill and on motion by Director Latt, seconded by Director Hecathorn, the Board voted 4-0 to send the letter requesting Governor Brown veto SB 998.

J. REPORTS (from Staff)

1. Engineering

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

Mr. Kaspari stated the project is going well. The pipe is in place under the river and the drillers will be gone by the end of the week. During the valve connection the water was only shut off for four hours. Mercer-Fraser submitted a second pay request for \$488,312.35 which he approved.

Surge Tower Replacement

Nothing new to report.

Collector Mainline Redundancy Hazard Mitigation Grants

Mr. Kaspari stated the project is on the waitlist for the disaster declaration. The District could have resubmitted an NOI for the next grant but decided to submit the passive chlorine scrubber system. The NOI will be going in before the next Board meeting. If it is accepted,



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he will bring it back to the Board with costs. Mr. Friedenbach explained in detail why the decision was made.

Reservoir Structural Retrofit Hazard Mitigation Grant Application

Mr. Kaspari stated he is still waiting to hear the status of the application.

Single Line Industrial Slough Crossing Hazard Mitigation Grant Application

Mr. Kaspari stated the application has been submitted.

Matthews Dam Spillway Analysis Hazard Mitigation Grant Application

Mr. Kaspari stated this grant has also been submitted. The District applied for the maximum grant amount of \$5 million. President Woo asked if the District's grant cost share portion would be financed, assuming we get the grants. Mr. Friedenbach confirmed this.

Axel Property Development

Mr. Friedenbach provided a quick recap of the development of the property and two of its buildings that are encroaching on the District's easement. Last month the Board suggested staff send a Hold Harmless agreement to the City of Arcata and an Agreement for Defense, Indemnity, and Hold Harmless to the developer, Axel Properties. Staff did so, however has not heard back from either party.

Lazzar Properties in Arcata (Alliance Rd .and 27th Street)

Mr. Kaspari stated he has been working with Mr. Lazzar who has been cooperative. Current plans are being discussed, but nothing has been finalized. Mr. Kaspari believes they can reach a mutual agreement in regards to the District's easement.

Status report re: other engineering work in progress

Nothing to report.

2. **Financial**

Ms. Harris provided the August 2018 Financial Report. She noted that overtime was a bit high due to spillway maintenance and work on the collectors. Director Hecathorn reviewed the bills and stated all were in order as usual. On motion by Director Hecathorn, seconded by Director Fuller, the Board voted 4-0 to approve the August financial report vendor statement in the amount of \$325,254.20.

3. **Operations**

Mr. Davidsen provided the August Operational Report. He, Mr. Friedenbach and Samantha Ryan met with Inspector Sam Lee for the annual FERC inspection of the damn. All went well and he is awaiting the report. As noted in the financial report, spillway maintenance was conducted as well as maintenance on Collector 2 meters. The Safety Meeting topics covered lockout/tagout, arc flash awareness and machine and equipment safety. Two operators began cross training to operate the Hydro Plant and several staff attended CPR/AED and first aid training.

Supervisor Presentation on SCADA

Mr. Palmero provided a presentation on the District's SCADA system. He provided a detailed overview of the system and security measures in place to prevent data breaches or exploits. The



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Board asked a few questions and thanked him for the presentation. President Woo stated it sounds like we need to be sure we have budgeted enough for system upgrades and security. Mr. Friedenbach stated the budget does include these items and upgrades were actually recently done. Mr. Davidsen added that the budget also includes training to prevent security hacks.

K. MANAGEMENT

1. CSDA

Mr. Friedenbach shared the CSDA article regarding the Humboldt County chapter as well an update on the Little Hoover Commission's report and progress on their recommendations.

2. 12kV Project

Mr. Friedenbach stated the Request for Qualifications (RFQ) for engineering services were sent out. The deadline to submit a Statement of Qualifications (SOQ) is September 28, 2018. The RFQ was sent to fifteen local firms, is listed on the CSDA Clearinghouse, and is posted on the District website as well. A Selection Committee will review the SOQ's on October 4th and a Request for Proposal (RFP) will be sent to the most qualified firm/team. This will then come to the Board for approval at the November 6 meeting.

L. DIRECTOR REPORTS & DISCUSSION

1. General - comments or reports from Directors

Director Latt requested clarification going forward on whether a Directors attendance at an event is compensated or not. It was the understanding of four Directors that the site visit to see the drilling was mandatory and he changed his work schedule to attend. It was later that he learned it was not an official Board obligation. Mr. Friedenbach read portions of the Board governance manual pertaining to compensation. He stated that going forward, he would clarify if attendance falls under Item 6 or 7 in Section 10 of the Board Governance Manual and is compensated or strictly voluntary. Given the confusion, a one-time exception will be made and the Directors will be paid for that site visit.

2. ACWA – JPIA

Nothing to report.

3. ACWA

Mr. Friedenbach shared the ACWA Advisory regarding water-related bills.

4. Organizations on which HBMWD Serves: RCEA, RREDC

President Woo reported out on the RCEA meeting. She will be attending a Bureau of Ocean Energy Management (BOEM) meeting on Monday at the request of the RCEA Executive Director. She, Mike Wilson and Michael Winkler will be attending. She feels the main message to share at the BOEM meeting is that they should look at community support and take that into consideration and not just look at money when reviewing the unsolicited lease applications. RCEA has a lot of community support for their offshore wind energy project. She added that since she will be at the BOEM meeting, Director Hecathorn will be attending the RCEA meeting as the alternate.

President Woo also reported that she volunteered and was selected for The Climate Registry's (TRC) Water-Energy Nexus Advisory Committee since it did not look like it involved onerous amounts of meetings. She then realized the TRC has her listed as representing HBMWD. She



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looked at the participant list and noticed other water districts and cities on the committee as well. She thinks it's good to have rural representation on the committee. The Board concurred. She stated she initially requested the item be on the agenda for approval for travel to meetings. She stated this is no longer necessary as she can participate in the meetings via webinar.

Director Latt reported out on the RREDC meeting. He learned that the direct flights to LAX are doing well and are 97% booked. Brian Gerving from the City of Eureka discussed the proposed ¼ cent sales tax increase for Eureka Road Maintenance. The Redwood Housing Forum will be having an event at the River Lodge to discuss workforce and housing availability or lack thereof.

ADJOURNMENT

The meeting adjourned at 2:45 pm.

Attest:

Handwritten signature of Sheri Woo in cursive.

Sheri Woo, President

Handwritten signature of J. Bruce Rupp in cursive.

J. Bruce Rupp, Secretary/Treasurer

