

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

Board of Directors Meeting

July 2017



Minutes



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

June 08, 2017

A. ROLL CALL

President Woo called the meeting to order at 9:00 am. Director Rupp conducted the roll call. Directors Fuller, Hecathorn, Latt, Rupp and Woo were present. Director Fuller left the meeting at noon. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris and Board Secretary Sherrie Sobol were also present. Mario Palmero, Operations Supervisors was present for a portion of the meeting. Pat Kaspari and John Winzler 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 Rupp, seconded by Director Hecathorn, the Board voted 5-0 to accept the agenda.

D. MINUTES

President Woo requested a change in the minutes to more accurately reflect the sentiment on page five of the May 4, 2017 minutes. On motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 to approve the minutes of May 4, 2017 Regular Meeting as amended and the May 24, 2017 Special Meeting.

E. PUBLIC COMMENT

There was no public comment.

F. CONSENT AGENDA

Director Latt pulled Item 1. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 to approve the Consent Agenda less Item 1.

Letter from Eureka Chamber of Commerce re: closing of the Visitor's Center

Director Latt inquired if the District was a member of the Eureka Chamber. Staff confirmed the District was a member and Director Latt stated he was concerned since the Eureka Chamber takes political positions. He understands that ACWA takes political positions, however, ACWA focuses on water issues and we have the option to endorse their stance or not. He stated he feels it is not proper to be a member of an organization that takes political stances on items not directly related to water. He recommends not renewing membership. The Board discussed the topic and Director Rupp stated the Chamber helps promote business and business development and in general, has the best interests for the community. He stated the District should remain as a member and if the Board disagrees with a position the Chamber is taking, then submit a letter stating such. Since the item was not listed for action, staff will bring the item back next month for further discussion and possible action. On motion by Director Latt, seconded by Director Fuller, the Board voted 5-0 to approve Item 1.



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G. CORRESPONDENCE

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

Mr. Friedenbach shared the letter from the District and Ruth Lake CSD regarding the joint Board meeting and EAP Face to Face meeting. He also shared the agenda for the Joint Board meeting and inquired if there were any changes. No changes were requested.

Letter to Wiyot Cultural Director re: CEQA Notification

Mr. Friedenbach discussed the letter to the Wiyot Tribe providing formal CEQA notice as required by law. The letter listed four projects: Blue Lake/Fieldbrook Glendale Pipeline Mad River Crossing; Surge Tower Replacement Project; 12kV Switchgear Replacement Project; and the Main TRF Supply Pipeline Replacement Project.

Letter from LAFCo re: Peninsula CSD formation public hearing

Mr. Friedenbach discussed the letter and noted that there is no mention of HBMWD assets nor that we own the industrial system despite communications with Samoa Fire District/Peninsula CSD. Mr. Friedenbach stated staff will attend the June 28th Public Hearing on the matter.

H. CONTINUING BUSINESS

Water Resource Planning

Mr. Friedenbach stated there is nothing new to report on transport or local sales. The instream flow committee met to discuss grants and the 1707 dedication form. The consultants will put together a scope of work for the 1707 form and agreed to complete the application for the Wildlife Conservation Board grant with final payment contingent on a successful application.

PG&E ReMat

Mr. Friedenbach stated the new contract with PG&E went into effect May 15th. The 16 days in May under the new contract provided revenue greater than that for the entire month of April. A separate reserve account at the County was set up for these funds.

Illegal Cannabis Grows

The Board discussed the letter the District sent to the County regarding the Cannabis EIR: Proposed Amendments to the Humboldt County Code Regulating Cannabis Activities. The Board stated the letter was well written and especially liked the last, impactful statement which read: "The Mad River is a crucial resource for so many Humboldt County residents, it should be a priority for enforcement to protect our water quality, quantity, and safety and health of the environment."

Director Latt suggested staff reach out to the California Department of Fish and Wildlife as well as the County for enforcement issues. He believes these entities will be more responsive than the Regional Water Quality Control Board.



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I. NEW BUSINESS

1. Revised Ordinance 16 Contracts

The Board previously approved revisions to Ordinance 16. Wholesale Municipal Water Contracts are tied to Ordinance 16 and therefore new contracts were required for each of the Municipal Customers. The only customer that has not approved the contract is the City of Blue Lake. They plan to approve it at their next meeting. Staff recommends the Board approved the revised contracts for six Municipal Customers: City of Arcata, City of Eureka, Fieldbrook-Glendale CSD, Humboldt CSD, Manila CSD and McKinleyville CSD. On motion by Director Rupp, seconded by Director Latt, the Board voted 4-0 to approve the revised contracts for the six Municipal Customers.

2. Memorandum of Understanding with USDA Forest Service

Mr. Friedenbach stated Forest Service staff contacted him to request permission to access the Mad River via District property. They will be conducting a field study of the Sacramento Sucker fish species. The study will take place July through December and the data from the study may add value to the instream flow dedication. Staff drafted a Memorandum of Understanding (MOU) that requires them to share any interim data and final report with the District. He noted the MOU is similar in structure to an existing MOU with the California Department of Fish and Wildlife. Staff recommends the Board authorize the General Manager to sign the MOU with the USDA Forest Service for access to the Mad River via District property. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 4-0 to approve the recommendation.

J. REPORTS (from Staff)

1. Engineering

Ranney Collector 1 Lateral Replacement Project (partially funded by Prop 84 NCIRWMP grant)

The final pay request from Layne was received in the amount of \$40,480.90 less retainage of \$2,024.05 for a total of \$38,456.85. The payment has been approved and being processed. Once the Notice of Completion is filed with the County, the retainage amount of \$98,656.45 will be paid.

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

Mr. Kaspari he is still waiting for Fish and Wildlife to process the permit. There are no issues regarding the permit, rather it is a staffing issue. Once the permit is received, bedrock drilling can occur and based on results, the design can be finalized. The CEQA document will be an Initial Study Mitigated Negative Declaration and will be brought to the Board next month. Mr. Friedenbach stated staff has identified the neighbors that may see some traffic impacts from the project and will be scheduling informational meetings, one for the West End side neighbors and one for the Glendale side.

1MG Industrial Reservoir Structural Inspection

Mr. Kaspari stated this inspection was triggered by findings in 1 MG Domestic Tank. He has since found documentation stating the rafters were replaced on the industrial tank, but not the



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domestic tank. As a result, the industrial tank is in better condition. He recommends just painting it or at least conducting annual checks. He added that the District could apply for grants to upgrade the tanks to seismic standards.

12kV HMG/PDM

Mr. Kaspari shared the letter responding to FEMA's questions regarding the NEPA process. Tetra Tech is contracted with FEMA to do the work and their staff has been here the last few days. He expects their report to be completed in about six months.

Surge Tower HMG/PDM

Mr. Kaspari stated the District received Phase One grant funding to conduct the biological, cultural and lead sampling studies. The biological work is done and the other two are moving along.

1MG Reservoir Roof Replacement /Painting

Mr. Kaspari stated he has yet to receive the update schedule. The contract contains a liquidated damages clause and he has reminded the contractor of that. President Woo inquired how long the reservoir tank would be out of commission. Mr. Kaspari stated approximately two months.

New Hazard Mitigation Notice of Intent (NOI)

Mr. Kaspari stated an NOI was submitted for the Single Line Failure Redundancy Pipeline. This is estimated to be a \$3,000,000 project which means a District match of approximately \$750,000.

2. Financial

a) Limit for Appropriations from Taxes

Ms. Harris 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 2017-07 to establish the required appropriations limit for the 2017/2018 fiscal year. Director Rupp read the resolution and the Board voted 4-0 by roll call vote to adopt Resolution 2017-07. Director Fuller was absent.

b) FY 2016/17 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. Mr. Friedenbach shared the budget reallocation spreadsheet and 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 \$1,470,845. Staff recommends the Board consider modifying the 2016/17 year project budget to include an additional budget line item for an ergonomic desk in the amount of \$1,345 with the remainder of the reallocation to advance charges for five specific authorized projects under Ordinance 16 for: 1) the Blue Lake/FGCSD Pipeline Crossing; 2) Surge Tower 3) 1 MG DW Reservoir Roof; 4) Ruth Bunkhouse and 5) SCADA System upgrade. The net change to the budget is zero with no impact on total Municipal Customer costs.



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On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 4-0 to approve the budget reallocation with no impact on total Municipal costs as proposed by staff for the 2016/17 fiscal year.

c) FY 2017/18 Project Budget

At the previous project budget meeting, the Board requested a broader look at the Single Line Slough crossing project to assess what the options are for the crossing. The new scope would include an assessment and recommendations for options including: 1) do nothing; 2) repair the structure; or 3) demolish the structure. The Board discussed the Industrial system and grappled with what to do with the Industrial System in general as they have been discussing components of it. Director Rupp stated the system is deteriorating and may be needed in ten years if a customer comes along. Is it worth preserving for possible future use? Should money be spent on assessing it? Director Latt stated whatever the decision is, we should have justification in writing to back it up. Also, staff should meet with the Harbor District and the Samoa Peninsula Fire Department as they both use water from the industrial system. Director Rupp concurred with the idea of meeting with the entities, however, do so after analysis has been done. After additional discussion, the Board stated they were good with moving forward with the limited scope project for \$24,000 regarding the single line slough crossing.

d) FY 2017/18 Budget

Ms. Harris presented the proposed total budget and revenue estimates and recapped the May meeting. She reviewed items with proposed changes from the current year budget in Service & Supply and explained the increases in comparison with prior year's budget. New items included the safety apparel allowance and GM Training. These costs were offset by the reduction in accounting and travel expenses. The Service and Supply Budget with power is \$1,482,365. The cost of power is expected to increase by \$27,465. Another area with a large increase is \$7,000 in maintenance and supplies for the TRF. This is directly related to the cost of extra chemicals needed due to the severity of storms and longer rainy season in 2017. Overall the budget is a 3.5% increase over FY 16/17.

The Salary and Employee Benefits also has new items including a proposed modification to longevity pay, management leave and cellphone stipend. Staff is proposing a 3% Cost of Living Allowance as health Benefit costs are expected to increase by ten to twelve percent depending on the health plan, and dental care by two percent. These changes bring the total Salary & Employee Benefit budget to \$3.7 million. This is 5% greater than the FY 16/17. The Board discussed the proposed changes. The After some discussion, several Directors shared their thoughts on why COLA is important and the majority of the Board stated they were comfortable with a 2.5% COLA. The majority of the Board also supported management leave. Staff will use the 2.5 percent COLA for the final budget presentation and approval.

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



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finalized budget will be presented for consideration and adoption at the July 13, 2017 Board meeting.

Ms. Harris noted that with the new ReMAT Power agreement, revenues from power are increasing. This results in a total projected revenue increase of \$2,492,144 or a 22.4% increase.

The customer charges to the Municipal Customer, with the projected budget, results in a total wholesale charge of \$6,201,988 which is a decrease over last year of \$542,372 or 8% lower. Mr. Paul Rodrigues of Humboldt CSD was present and stated he appreciates the District management and their willingness to work with the Municipal Customers to help keep the costs down. He was very pleased with the charges coming in an overall decrease of 8%.

e) Financial Report

Director Rupp stated he met with Ms. Harris regarding the financial report. She loves numbers and they will take a dual approach in presenting the financials going forward, however today, Ms. Harris will present the financials. She provided the May financial report (includes April) and stated that Director Woo reviewed the April bills and Director Rupp reviewed the May bills. There were no areas of concern. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 4-0 to approve the April/May 2017 financial statement & April vendor detail report in the amount of \$119,832.63 and May vendor detail report in the amount of \$375,349.06. Ms. Harris stated in the financials, the Employee Assistance Plan is currently a separate line item and inquired if the Board was okay with including it in the payroll line item. The Board concurred. Ms. Harris then inquired if there were other topics the Board would like addressed in regards to the financials and Directors indicated they would like more information on Price Factors 1 - 4 with an explanation of the offsets in Price Factor 2 next time.

f) Inventory Policy

Mr. Friedenbach stated there is currently no Inventory Policy. He shared the proposed Inventory Policy and stated if approved, this will become part of the Accounting Policy and Procedures Manual. The Board did not have any questions regarding the policy. On motion by Director Hecathorn, seconded by Director Latt, the Board voted 4-0 to approve the Inventory Policy.

g) Letter from County Treasurer

Ms. Harris shared the Interest Apportionment Rate letter and summarized the interest earned report. Rate are going up although they are still low overall.

3. Operations

a) Monthly report on projects and operations

Mr. Davidsen provided the May Operational report. Emergency dredging in the river channel below the hydro plant was required. The water in the channel was too high to be able to de-water the tailrace and enter the penstock for inspection and maintenance. Annual maintenance was conducted May 8-12th. Mr. Davidsen stated interviews with in-house candidates were



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conducted for the Customer Service position at Essex. Jasson KlingonSmith was the successful candidate. This created an opening for an O&M Tech which was filled by the other applicant Tim Farrell. The District will soon be advertising for a maintenance worker position which was vacated by Mr. Farrell. On May 31st, Mr. Lowe of DWR/DSOD inspected the dam. The inspection went well and there were no issues with operation or maintenance of the dam. Mr. Lowe stated it is one of the best operated and maintained dams he has inspected. The Board congratulated Mr. Davidsen and his staff for the high praise received.

b) PG&E Statement of Electric Energy Purchased and hydro related summaries

Mr. Davidsen the PG&E data is for the April time frame. Next month, there will be an increase in revenue since REMAT went into effect May 15th.

c) Surplus Items

Mr. Davidsen shared the list of surplus items and stated these are items that are obsolete, no longer needed or have been replaced. The Board reviewed the surplus item list. On motion by Director Hecathorn, seconded by Director Rupp, the Board voted 4-0 to surplus the following items: 12 High-bay, high pressure sodium lights; water buffalo trailer and tank; Ingersoll Rand air compressor, 18" Smith Blair coupling (short); 18" Smith Blair coupling (30"); 18" Smith Blair coupling (20"); 18" Romac SS-3 17.10 x 18.30 x 16; 18" Romac 18-19.2; 1747-ASB Remote I/O Adapter; 1771-P4S Power Supply; 1771-ASB Remote I/O Adapter; 1785-BCM Com Module; 1785-L40E Controller; LTQ3100 ProSoft LV Controller; Phoenix Digital – OLC-DPR-13DST; Lancaster Twist Com Converter; 12 used and 1 new HACH 1720D Turbidimeters.

d) TRF Presentation- Process to shut down TRF

Mr. Friedenbach stated he believed it would be useful for the District's Operations Supervisor and the Maintenance Supervisor to provide quarterly informational updates to the Board on particular aspects of the District's operations and maintenance. The first topic is the process to shut down the Turbidity Reduction Facility (TRF) and will be done by Mario Palmero, Operations Supervisor.

Mr. Palmero provided a power point presentation on the process to shut down the TRF. He stated there are over 150 sequential steps that occur in the process followed by cleaning of the system. He provided an overview of the process and answered questions from the Directors. He noted that all the water used in the backwash process is reclaimed and not wasted. The Board thanked him for the presentation and stated it was informative and helped them better understand the detailed process involved.

Mr. Friedenbach inquired if the Board found value in the presentation and would like to continue. Director Hecathorn stated it was a very good presentation and wonderful idea to help the Board learn more about District operations. The Board concurred.



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K. DIRECTOR REPORTS & DISCUSSION

ACWA

ACWA Outreach and District letter re: SB623 and Public Goods charge

Mr. Friedenbach shared the ACWA Outreach Alert stating that a public goods charge language is likely to be added to SB 623. ACWA is requesting opposition letters be sent regarding the tax on water. Staff prepared a draft letter which was also shared with the Board. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 3-0 to authorize the General Manager to submit an opposition letter regarding the water tax. Director Rupp had stepped out the meeting.

Report on ACWA /JPIA Activities including Spring Conference

Director Rupp and Mr. Friedenbach reported out on their attendance at the ACWA/JPIA Spring Conference. Director Rupp attended several meetings including Health Benefits Committee, Risk Management Committee and Finance Committee. He provided a brief synopsis of the meetings. Mr. Friedenbach stated that David Drake was not able to attend the conference and Director Rupp gave the nominating speech for David Drake for Executive Committee. The speech was very well done and Mr. Drake won over several other candidates. Director Rupp also made a presentation on the JPIA Budget at the Region 1 meeting. Director Rupp and Mr. Friedenbach both attended many of the same conference sessions and both stated it was very informative.

Director Rupp stated he is on the ACWA nominating committee. President Woo inquired if Region 1 still had a vacancy and noted the District has traditionally been represented on the Region 1 Board. The Region 1 Board does not have a current vacancy.

Organizations on which HBMWD Serves: RCEA, RREDC, NCRP

Director Latt attended the RREDC meeting. The program speaker was from Inyo Networks and the topic was the Digital 299 Broadband Project. Director Latt found it interesting that the speaker never discussed the proposed data center at Samoa.

President Woo stated the CCE is still the big topic for RCEA. The service will be launching soon and most of the feedback has been good.

ADJOURNMENT

The meeting adjourned at 3:46 pm.

Attest:

Sheri Woo, President

Barbara Hecathorn, Assistant Secretary/Treasurer



**Minutes for Joint Special Meeting of HBMWD Board of
Directors with the Ruth Lake Community Services District
Board of Directors
June 23, 2017**

The HBMWD and RLCSD Board of Directors held a Joint Board Meeting to discuss issues and events of mutual interest regarding Ruth Lake and the buffer strip. President Woo called the meeting to order at 1:00 pm. HBMWD Directors Fuller, Latt and Woo were present. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris, Hydro-plant Operators Brian and Lisa Newell and Dave Perkins, and Board Secretary Sherrie Sobol were also present. Ruth Lake CSD Directors Gordon, Johnson and Sellman were present. General Manager Donny Stewart was also present. Guests from Trinity County Board of Supervisors, Trinity County Volunteer Fire Department, STAR, Ruth Lake Leaseholders Association and Ruth Rec were also in attendance. See attached sign in sheet.

1. Public Comment

No public comment was received.

2. Introductions

Everyone at the meeting introduced themselves.

3. Updates from Guests:

Trinity County - 5th District Supervisor

Supervisor John Fenley apologized for the lack of Trinity County staff present. He noted it is important to continue the relationships with Ruth Lake CSD and HBMWD.

Trinity County Volunteer Fire Department

Chief Bill German stated there will soon be a new station across from Lamb Creek and an engine stationed at the Marina. These new changes are well received and should reduce response time during an emergency. He acknowledged the good group of volunteers in the department and thanked the Districts for the invite to the meeting. He also shared the construction schedule for Highway 36 beginning July 6, 2017. Travel will be greatly impacted as the road will only be open from 12-1 between the hours of 8 am and 5 pm.

STAR

Steven Blahnik stated Brooke Entsminger was not able to attend and he is here representing STAR. The agency is comprised of a small crew, but they are determined. He stated he reviewed the Emergency Action Plan and has several questions which he will ask during the EAP Face-to-Face meeting following the Board meeting.

Trinity County Sheriff

Supervisor Fenley stated the Sheriff's department is still conducting lake patrols and the deputy conducting them is stationed locally. He shared that OES has a new director, Chris Compton.

Ruth Lake Leaseholders Association

Dave Saunderson stated they association has not met in a few years. There are no issues he is



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aware of. He and Dennis Berners are attempting to get the association active again. In the past, they used to conduct fundraisers and give money to both the volunteer fire department and STAR.

1. Ruth Lake CSD Topics

Aquatic Invasive Species:

2016 Annual Report

Mr. Stewart provided an update on the boat inspections for Quagga mussels and other invasive species. This is the eighth year of watercraft inspections. This past season, 1884 boats were inspected with only one watercraft failing inspection. This season, ten new inspectors were trained. He stated the video they are required to watch is a good video, however it is two-hours long. He inquired if it would be possible to get a shorter video that could convey the message.

Dept. of Boating and Waterways Quagga Prevention Grant

Mr. Friedenbach discussed the three grants the District applied for from the Department of Boating and Waterways. The 15/16 grant received was for \$9,150.00. The 16/17 grant was to convert the Old Ruth private launch site to a public launch site. The District was again successful in procuring a \$63,500 grant. The District was successful in receiving two grants and the third grant for the 17/18 year in the amount of \$7,480 is still in review.

Lease Lots- area of concern

Mr. Stewart stated there is some frustration from leaseholders regarding the time it takes for a project approval to occur. They would like a faster turn-around time. Mr. Friedenbach stated the timeline for project approval of 45 days is clearly stated in the Master Lease. He suggested the leaseholders think about projects in the off season and apply for approval so when the summer arrives, they are ready to begin their improvements. Mr. Stewart added that the leaseholders are reminded of this timeline when they receive their billing for the lease lot.

2. HBMWD Topics

Water Resource Planning

Mr. Friedenbach provided an update on the Water Resource Planning process. He discussed the three options the District is pursuing: Local Sales, Transport to another Municipality and Instream Flow. Questions regarding how instream flow dedication would affect the lake level were brought up. It was noted that the amount of water being discussed is nowhere near the amount of water the two pulp mills previously used. There will not be much of a noticeable difference when the instream flow option comes to fruition.

Timber Management

Mr. Friedenbach stated there are lots of dead, dying and diseased trees that need to be



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dealt with. Lin Dillion is the District's Licensed Timber Operator (LTO) and we are using Cal Fire exemptions to do some of the logging. He reiterated that Ruth Lake CSD and the District must be notified in advance of any planned tree removal by lease lot holders so approval can be obtained and arrangements can be made with the Mr. Dillion to remain in compliance with the forestry regulations.

Cannabis Cultivation in the Mad River Watershed

Mr. Friedenbach stated he has been in communication with the Humboldt County WET Team regarding cannabis enforcement. They requested we share any locations of concern with them.

Mr. Fenley stated Trinity County has been using code enforcement to combat illegal cannabis grows. They have a MOU with the Trinity County Sheriff and handle the abatement process civilly. This has proven to be faster than traditional enforcement. Code enforcement deputies go to complaint site properties as a team with California Department of Fish and Wildlife.

Blue Lake Municipal Customer Contract

Mr. Friedenbach stated this item is specific to HBMWD and was not available in time for the previous meeting. On motion by Director Latt, seconded by Director Fuller, the Board voted 3-0 to approve the amended Wholesale Water Contract for the City of Blue Lake.

ADJOURNMENT

The meeting adjourned at 2:01 pm

Attest:

Sheri Woo, President

Barbara Hecathorn, Assistant Secretary/Treasurer

Consent

Mad River Union 7/9/2017

OUT ON THE PENINSULA

New district would rescue fire dept.

Jack Durham
MAD RIVER UNION

SAMOA PENINSULA - Described by a supporter as bold and innovative, a plan to create a new government and save a fire department on the Samoa Peninsula is moving forward and will likely appear on the November ballot.

The formation of a new Peninsula Community Services District overcame another hurdle June 28 during a protest hearing held by the Samoa Peninsula Fire Protection District, which is spearheading the effort.

In order to kill the proposal, opponents would have had to submit 212 protest letters to the fire district, an amount representing more than 50 percent of the voters in Samoa, Fairhaven and Finn Town. But only four protest letters were received, compared to 16 letters of support that were submitted.

The proposal will now go before the Local Agency Formation Commission July 10, followed by the Board of Supervisors on July 18. Supervisors will decide whether to put the issue on the Nov. 7 ballot.

If approved by a majority of voters, the new services district would serve the entire peninsula south of the Samoa Bridge except for the Bureau of Land Management property at the southern tip of the spit. The district would

take over water service on the peninsula, and be responsible for a new sewer system being developed for the town of Samoa. It would also have recreation powers and could expand parks and offer rec programs if funding is available.

One of the driving forces behind the creation of a services district is to save and improve the Samoa fire department, which has struggled financially. Troy Nicolini, president of the fire district board, explained the department's predicament during presentation June 28 at Humboldt Bay Harbor Working Group meeting held at the historic Samoa Cookhouse.

'It's been a struggle'

For decades, two pulp mills operated on the Samoa Peninsula. Besides helping subsidize water costs for Humboldt County's major metropolitan areas, the mills also supported the Samoa Peninsula Fire Protection District, both financially and by allowing pulp mill workers to serve as volunteer firefighters and leave work when emergency calls came in. But in 2008, the last pulp mill closed.

"We've been in a financial spiral ever since," Nicolini said. "It's been a struggle."

The district, Nicolini said in an interview, runs a deficit of about \$5,000 a year, money which comes from reserves it built up during better times.

"We're kind of hanging on," Nicolini said.

PENINSULA ♦ A2



Troy Nicolini



RICT The proposed Peninsula Community Services District would extend from the Samoa Bridge south. The southern tip of the spit is owned by the Bureau of Land Management and will not be included in the district.

MAP FROM THE LOCAL AGENCY FORMATION COMMISSION

Neal River Union 7/5/2017

Peninsula | Employees would also be firefighters

❖ FROM A1

The bare-bones fire department has no paid staff, just 12 volunteer firefighters, most of whom have jobs outside the community.

This poses a problem, because these volunteers are not available during the day to respond to emergency calls.

The solution to this problem, Nicolini explained, is to cross train the employees of the new services district as firefighters. The district manager, sewer and water operators and others working for the district would double as firefighters.

The district is expected to be similar in size to the Manila Community Services District, which has 350 ratepayers and three and half employees. The Peninsula Community Services District would probably have similar staffing.

Nicolini said the solution is somewhat unorthodox. "In some ways, it is a bold decision. It's uncharted territory here."

problem with this option is that residents would pay more but get less.

"Everybody's rates triple, from \$40 per house to \$150, and our service level goes down dramatically," said Nicolini, who noted that the nearest CalFire stations are in Trinidad and Fortuna.

"It's a bleak scenario," he said.

"So what do we do? We put our pants back on" and began coming up with a plan to save the fire department.

"We looked for bold, innovative solutions to make this thing work," Nicolini said.

If voters approve the creation of a services district in November, the new district will replace the existing fire district.

"We're basically going to build the framework of a [services district] and then we're only going to add services as the fee structure is in place to pay for those services," he explained.

The future of the district somewhat hinges on plans to develop the town of Samoa. Once a company town serving a lum-

ber mill, the community is owned by the Samoa Pacific Group, which plans to eventually subdivide the properties into individual lots, which the company could then sell off. The Samoa Pacific Group also plans to further develop the area with additional homes.

In May, the Samoa Pacific Group received approval from the Humboldt County Planning Commission to construct 80 units of affordable housing in Samoa.

Construction may begin next year, depending on financing. The fire department, however, serves more than just the residents that live there. The peninsula is home to an active industrial area, as well as vast stretches of beaches and dunes, the Humboldt Bay jetty, a small airport and drag racing strip.

Nicolini said that about 35 percent of calls are visitor related. "We're talking shark attacks. We're talking falling on the jetties and breaking legs, rolling quads, crashing small ultra-light planes. You name it, we get it out there on the spit," he said.

« Video of Redway Computer Repairman Spraying Customer in Face With Bear Mace Goes Viral (/2017/jul/3/video-redway-computer-repairman-spraying-customer/) »

Photo Series: Humboldt County Wildlife In June » (/2017/jul/3/photo-series-humboldt-county-wildlife-june/)

HANK SIMS (/AUTHOR/HANK-SIMS) / MONDAY, JULY 3 (/2017/JUL/03/) @ 3:23 P.M. / SACRAMENTO (/CATEGORIES/SACRAMENTO/)

State Transportation Commission Raises Eyebrow at North Coast Railroad Authority Finances, Asks Perennially Beleaguered Agency to Prepare 'Shutdown Plan'



Doug Bosco, former North Coast congressman and current legal counsel for NWP Co., testifies before the California Transportation Commission Thursday.

Last week, members of the California Transportation Commission got tough with the North Coast Railroad Authority, the public agency that owns the defunct railroad tracks around Humboldt County, which has been operating in the red and selling off publicly owned property to stay afloat.

After peppering the railroad authority's executive director with a series of pointed questions at its meeting Thursday morning, the commission asked the NCRA to come back to them in October with a couple of new documents: a business plan and a "shutdown plan."

"It seems to me as though you should return to the commission within 90 days with two items: a viable business plan and a viable shutdown plan," Commissioner Jim Madaffer told NCRA executive director Mitch Stogner. "Because it's unconscionable to continue in this operation."

The commission – which advises the executive and legislative branches of state government, among other duties – had asked the North Coast Railroad Authority to come account for itself at the request of the local Caltrans office, which had expressed concern about the railroad authority's finances (https://lostcoastoutpost.com/loco-media/loco-media/blog/post/18683/Tab_84_4.25%2B%25281%2529.pdf). Specifically,

Caltrans wanted to hear about whether or not the railroad authority had improperly encumbered real estate bought with state funds, and also whether or not a recent audit of the authority's books — which raised “substantial doubt” about its ability to continue — was as dire as it seemed.

In his presentation, Stogner was able to dispel the first matter more easily than the second. He assured commissioners that the authority had not “collateralized” real estate purchased with state grant monies administered by the CTC — that the authority had not borrowed against such property to balance its books. It seemed to be assurance enough. (Reached this morning, Brad Mettam, deputy director for planning in Caltrans District One's Eureka office, told the *Outpost* that his office was absolutely satisfied by Stogner's word.)

The second matter proved to be stickier. Though Stogner assured commissioners that the language used in the most recent audit of the authority's books (“substantial doubt about the NCRA's ability as a going concern”) was in no way new — auditors have used the same language several years running, he said — members of the transportation commission were not inclined to let the matter drop.

Under questioning from Commissioner James Ghielmetti, Stogner admitted that the North Coast Railroad Authority is running a deficit of about \$200,000 per year, and that the difference is currently being made up with the sale of non-essential real estate. (Not real estate purchased with the grant monies mentioned above.) Ghielmetti said that this was clearly not a viable long-term strategy.

“Sooner or later the well's going to run dry, because you're not going to have enough property to sell to keep going,” Ghielmetti said.

Stogner admitted that this was the case, and said that the legislature would have to find more money to give to the railroad authority if it wished for the authority to continue. But other commissioners seemed dubious. They took up Ghielmetti's original line of questioning and eventually endorsed Madaffer's request for the authority to prepare a “shutdown plan.”

Reached after the meeting, Stogner told the *Outpost* that he would do his best to comply with the commission's request.

“In terms of a shutdown plan — I don't know what they want there, but I will give them whatever they want.” he said. “The whole point of going before them was that we're doing the the best we can, and that we need some state support.”

The North Coast Railroad Authority was formed by the California state legislature in the late '80s, when it began to purchase, in pieces, the old railroad line between Marin County and Humboldt County. The line to Humboldt was closed in 1997, after a storm destroyed track in the Eel River Canyon. In the last few years, the authority and its exclusive freight operator — a company called NWP Co., partly owned and legally represented by Stogner's former boss, former U.S. Congressman Doug Bosco — have opened up a small section of the southern end of the line, and have been running a couple of trains weekly between Napa and Petaluma.

Bosco also spoke at the California Transportation Committee, where he said that his company has no plans to ever run freight trains outside the extreme southern end of the North Coast Railroad Authority corridor.

“About 240 miles of this railroad will probably never be operated,” Bosco said. “You talk about coming up with a shutdown plan — that would have to go to the legislature, because the legislature determined that this

railroad exists. We as a private company are not going to operate from Napa to Eureka. We are operating profitably from Napa to around Windsor.”

Several local planning efforts — including, most notably, the Eureka-Arcata Bay Trail — are still required by the North Coast Railroad Authority to take the eventual return of rail service into account, sometimes adding extra impediments that can add hundreds of thousands or millions of dollars to the price tags of such projects.

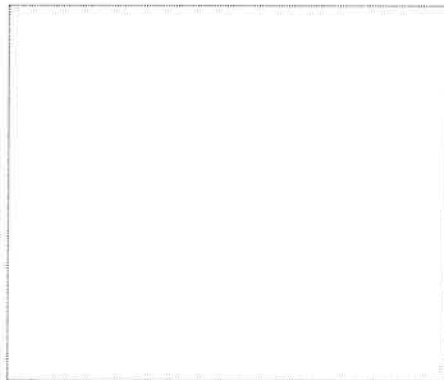
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VIDEO:

- California Transportation Commission video archive (http://ctc.dot.ca.gov/webcast/ctc/vod_ctc.asp). Choose “June 29, 2017” in the dropdown menu and fast-forward to about the 9-minute mark.

SHARE →  (<https://www.facebook.com/sharer/sharer.php?u=https://lostcoastoutpost.com/2017/jul/3/state-transportation-commission-raises-eyebrow-nor/>) 

(<https://twitter.com/home?status=State%20Transportation%20Commission%20Raises%20Eyebrow%20at%20North%20transportation-commission-raises-eyebrow-nor/>)



(WHAT? (<https://lostcoastoutpost.com/2015/jan/6/new-loco-labs-choose-your-own-lost-coast-outpost-c/>))

CHOOSE YOUR COMMENT EXPERIENCE

Thunderdome (76)	(.)
Country Club (22)	(.)
Zen (.)	

Want more civilized conversation? Choose Country Club. (.)

Correspondence



Mad River Steelhead Dives

\$360 of \$3,000 goal

Raised by 13 people in 12 days

Help the Mad River Alliance hold the 5th annual Mad River Steelhead Population Survey!

[Click here to watch a video from a past Steelhead dive. \(https://youtu.be/HkqEf7IqbvM\)](https://youtu.be/HkqEf7IqbvM)

Since the 2012 Mad River Alliance has been organizing and coordinating these important Steelhead Population Surveys. This year we ran into increased insurance and training expenses and to continue these important surveys of ESA listed Steelhead, we need your help!

Insurance for this very risky population survey will be nearly \$1,000 and the Swiftwater Rescue training for volunteers will cost us an additional \$2,000. Better to be safe than sorry! Help us cover our assets and provide this in Safety Training.

Donate Now! For the cost of a beer or two you can help Mad River Alliance monitor this threatened Steelhead populaton.

[Click here to see the Mad River Summer Steelhead Dive summary from 2016.](http://www.madriveralliance.org/wp-content/uploads/2016/11/Mad-River-Summer-Steelhead-Summary-Report.pdf)

<http://www.madriveralliance.org/wp-content/uploads/2016/11/Mad-River-Summer-Steelhead-Summary-Report.pdf>

Feel free to contact me with any questions!

**HUMBOLDT BAY MUNICIPAL WATER DISTRICT**

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

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

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BARBARA HECATHORN, DIRECTOR

MICHELLE FULLER, DIRECTOR

June 14, 2017

GENERAL MANAGER

JOHN FRIEDENBACH

Justin Ly, NMFS
Gordon Leppig, DFW
Cameron Purchio, USACE
Dean Prat, North Coast Regional Water Quality Control Board

Re: Department of Army Permit # 28662N
Streambed Alteration Agreement No. R1-2010-0093
Water Quality Certification WDID No. 1B03079WNHU

Dear Justin, Gordon, Cameron and Dean:

The District is finalizing its plans to do the work required to maintain the necessary water surface elevation to the District's direct diversion facility (Station 6). This work is in accordance with activities in the District's approved Habitat Conservation Plan and the above-referenced permits. Attachment 1 provides background information and describes the work in greater detail, including mitigation and monitoring activities.

Based on current conditions in the river, this work is planned to take place sometime during the week of June 26-30. The exact date will be determined based on conditions in the river, primarily water surface elevation and resulting flow to Station 6.

Our annual pre-construction meeting has been scheduled for Thursday, **June 22nd at 3:00 p.m. at Essex, 7270 West End Road, Arcata**. The purpose of the meeting will be to discuss the design plan for this year's work, and activities to minimize effects to listed salmonids. We hope to see you at the meeting. If you have any questions in the meantime, please call me at 443-5018 or Dale Davidsen at 822-2918.

Sincerely,

A handwritten signature in cursive script, appearing to read "John Friedenbach".

John Friedenbach
General Manager

cc: Dale Davidsen, HBMWD
Dennis Halligan, Stillwater Sciences
Pat Kaspari, GHD



SECTION *62* PAGE NO. *2*
HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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June 14, 2017

GENERAL MANAGER

JOHN FRIEDENBACH

California Dept. of Fish & Wildlife
619 Second Street
Eureka, CA 95501
Attn: Laurie Harnsberger

Re: Long-term Streambed Alteration Agreement No. R1-2010-0093

Dear Ms. Harnsberger,

The purpose of this letter is to provide the required "sub notification" in accordance with Section 3 of the District's Long-term Streambed Alteration Agreement (LTSAA).

The LTSAA requires notification for Authorized Activities. Pump Station 6 (PS6) is used to provide water to the Samoa Peninsula for firefighting capabilities. The District conducts maintenance Activity F each year in the Mad River outside of the pump station forebay to maintain adequate flow to the pumps during low-flow conditions. Activity F includes constructing a channel and/or gravel berm to direct water toward the pumps. The District understands that a condition of the LTSAA is that "From May 1 through July 14, the District shall not initiate Routine Maintenance Activity F until Mad River flows are at or below 125 cfs, as measured at USGS No. 11481000, Arcata, California." However, this year with the increased bedload and heavy deposition of material from the prolonged winter flows and a deeper thalweg in the center of the river channel, we are concerned that the area in front of the forebay may get too shallow or go dry before we reach 125 cfs in the river. If that happens, the District will not be able to supply water to the Samoa peninsula communities.

The District is hereby providing notification to the Department that it will need to perform routine maintenance activity F at a time when the Mad River flows may be above 125 cfs. Based on current conditions in the river, this work is planned to take place sometime during the week of June 26th thru 30th. The exact date will be determined based on conditions in the river, primarily water surface elevation and resulting flow to Station 6.

We are also providing a similar notification to NMFS, USACE and NCRWQCB given that this work is also a "Covered Activity" in the District's Habitat Conservation Plan. A pre-construction meeting will be offered for interested agency staff. This pre-construction meeting has been scheduled for Thursday, **June 22nd at 3:00 p.m. at Essex, 7270 West End Road, Arcata**. The purpose of the meeting will be to discuss the design plan for this year's work, and activities to minimize effects to listed salmonids or other sensitive resources. We hope to see you at the meeting if interested in attending. If you have any questions in the meantime, please call Dale Davidsen at 822-2918.

Sincerely,

A handwritten signature in cursive script, appearing to read "John Friedenbach".

John Friedenbach
General Manager

cc: Dale Davidsen, Superintendent HBMWD
Dennis Halligan, Stillwater Sciences
Pat Kaspari, GHD



SECTION 63 PAGE NO. 1
HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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MICHELLE FULLER, DIRECTOR

GENERAL MANAGER

JOHN FRIEDENBACH

DATE

(RESIDENTS/CUSTOMERS ON WEST END AND WARREN CREEK ROAD)

Mail merge with Customer/Resident name and address

RE: Blue Lake Fieldbrook-Glendale Pipeline Crossing Project

Dear *(Customer/resident name)*,

Humboldt Bay Municipal Water District will be replacing our 14" water supply pipeline that is presently supported by the old North Coast Railroad Authority (NCRA) trestle across the Mad River. The existing trestle has not been maintained for decades and is at risk during a large earthquake or flood event. The pipeline is the main water supply to the communities of Blue Lake and Fieldbrook-Glendale. We will replace and relocate the pipeline under the Mad River using a horizontal directional drilling method.

The project is scheduled to start in calendar year 2018 and take approximately six weeks to complete. We do not anticipate the need for road closures but we do anticipate an increased amount of construction equipment traveling West End Road east to Warren Creek Road as well as from Blue Lake on West End Road west to Warren Creek Road. Warren Creek Road may be subject to controlled traffic and limited delays.

We would like to invite our neighbors who would like more information and a better understanding of potential impacts the construction may have, to come to an informational meeting at the John R. Winzler Operations and Control Center, 7270 West End Road on Wednesday, July 26, 2017 from 5:30 to 6:30 pm.

We hope to see you on July 26th at Winzler Control Center but if you are unable to make it and have questions or concerns, please call me at 707-443-5018.

Sincerely,

John Friedenbach
General Manager



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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GENERAL MANAGER

JOHN FRIEDENBACH

DATE

Residents of Glendale Area of Fieldbrook

RE: Blue Lake Fieldbrook-Glendale Pipeline Crossing Project

Dear (*Customer/resident name*),

Humboldt Bay Municipal Water District will be replacing our 14" water supply pipeline that is presently supported by the old North Coast Railroad Authority (NCRA) trestle across the Mad River. The existing trestle has not been maintained for decades and is at risk during a large earthquake or flood event. The pipeline is the main water supply to the communities of Blue Lake and Fieldbrook-Glendale. We will replace and relocate the pipeline under the Mad River using a horizontal directional drilling method.

The project is scheduled to start in calendar year 2018 and take approximately six weeks to complete. We do not anticipate the need for road closures but we do anticipate an increased amount of construction equipment traveling on Glendale Drive between Fieldbrook Road east to the Highway 299 onramp near Murphy's Market.

We would like to invite our neighbors who would like more information and a better understanding of potential impacts the construction may have, to come to an informational meeting at the Blue Lake Casino/Hotel in the Ivey Meeting Room, 3rd floor of the Hotel, on Tuesday, July 25, 2017 from 5:30 to 6:30 pm.

We hope to see you on July 25th at Blue Lake Hotel/Casino but if you are unable to make it and have questions or concerns, please call me at 707-443-5018.

Sincerely,

John Friedenbach
General Manager



HUMBOLDT BAY MUNICIPAL WATER DISTRICT SECTION 64 PAGE NO. 1

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MICHELLE FULLER, DIRECTOR

GENERAL MANAGER

JOHN FRIEDENBACH

June 28, 2017

Humboldt Local Agency Formation Commission

George Williamson, Executive Officer

1125 16th Street, Ste 202

Arcata, CA 95521

RE: Reorganization of the Samoa Peninsula Fire Protection District into a Community Services District

Dear Mr. Williamson,

On behalf of the Humboldt Bay Municipal Water District (HBMWD), I am providing the following comments regarding the process to form the Peninsula Community Service District (PCSD) as it relates to the existing water service infrastructure owned by HBMWD. As you are aware, the HBMWD owns and operates two water infrastructure systems on the Samoa Peninsula. There is an industrial water system that provides raw surface water from the Mad River to the two former pulp mill properties. In addition, there is a domestic water system that has two components. The first is a transmission pipeline that serves the peninsula and continues under Humboldt Bay to serve the Humboldt Community Services District. We have discussed these two systems with HUMBOLDT LAFCO staff, SPFPD Board members, and SHN Consulting.

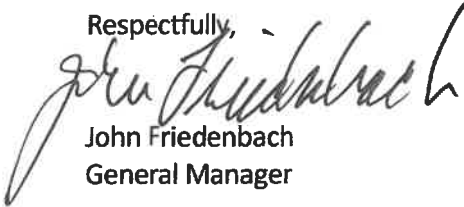
In those various discussions, HBMWD has communicated the following regarding our water infrastructure on the peninsula:

1. HBMWD will retain all infrastructure ownership and water rights associated with our Industrial Water System.
2. HBMWD will retain all infrastructure ownership associated with the domestic water system transmission lines that transverse through the boundaries of the proposed PCSD.
3. HBMWD is willing to negotiate the transfer of its ownership of the domestic water infrastructure within the boundaries of the proposed PCSD.

Although these issues have been previously discussed with the parties involved in the formation of the PCSD, they were not included in the HUMBOLDT LAFCO Resolution No. 17-06 passed on May 15, 2017. Our District requests that they be included in an amended Resolution by HUMBOLDT LAFCO and addressed in the process of the formation of the PCSD.

If you need any additional information or have any questions, please do not hesitate to contact us.

Respectfully,

A handwritten signature in black ink, appearing to read "John Friedenbach". The signature is written in a cursive style with a large initial "J".

John Friedenbach
General Manager

Cc: Paul Brisso
Troy Nicolini

SPECIAL MEETING AGENDA

Monday, July 10, 2017

Board of Supervisors Chamber
Humboldt County Courthouse, Eureka

1. CALL TO ORDER – 9:00 AM

2. FLAG SALUTE

3. ROLL CALL

4. PUBLIC APPEARANCES

Any member of the public may address the Commission concerning a non-agenda item during this time. However, the Commission cannot discuss or take action on a matter not listed on the agenda.

5. CONSENT CALENDAR

All consent items are considered routine and may be enacted by the Commission under one motion. With concurrence of the Chair, a Commissioner may request that an item be removed for discussion.

A) Approval of May 15, 2017 Special Meeting Minutes

6. BUSINESS ITEMS

Business items are for review and possible action by the Commission.

A) Approval of Conducting Authority Proceedings for the Reorganization of the Samoa Peninsula Fire Protection District to a Community Services District

B) Proposed Annexation of 1705 Buttermilk Lane to the City of Arcata

Americans with Disabilities Act: Humboldt LAFCo meetings are held in a wheelchair accessible facility. Individuals requiring special accommodations to participate in this meeting are requested to contact the LAFCo office at (707) 445-7508. Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting.

7. PUBLIC HEARING ITEMS

Any member of the public may address the Commission on scheduled public hearing items. The Chair may regulate the order of such presentations and reserves the right to limit the time allowed for each person to speak.

None

8. INFORMATIONAL AND CONTINUING ITEMS

An applicant or member of the public may receive permission to provide comments on an item at the discretion of the Chair. General direction to staff for future action may be provided by Commissioners.

A) CALAFCO Annual Conference Items**B) Status of Current and Future Proposals****9. EXECUTIVE OFFICER'S REPORT**

The Commission will receive a verbal report from the Executive Officer regarding current staff activities, communications, budget status, studies, legislation, and special projects.

10. WRITTEN CORRESPONDENCE

Correspondence received before 12:00 p.m. the Wednesday prior to the Commission meeting will be included on the agenda. Any supplemental writings or documents submitted to the Commission after the posting of the agenda will be available for public review at the LAFCo office, located at 1125 16th Street, Suite 202, Arcata. In addition, such writings or documents will be made available to the Commission and public for review at the meeting.

11. ADJOURNMENT

The next Humboldt LAFCo meeting will be held on Wednesday, September 20, 2017, at 9:00 a.m. in the Board of Supervisors Chamber, Humboldt County Courthouse, Eureka.



AGENDA ITEM 6A

MEETING: July 10, 2017
TO: Humboldt LAFCo Commissioners
FROM: George Williamson, Executive Officer
SUBJECT: **Approval of Conducting Authority Proceedings for the Reorganization of Samoa Peninsula Fire Protection District (FPD) into the Peninsula Community Services District (CSD)**

At the May 15, 2017 LAFCo meeting, the Commission approved the Samoa Peninsula FPD Reorganization proposal, subject to terms and conditions. Approval triggered a 30-day reconsideration period followed by a protest hearing held on June 28, 2017.

BACKGROUND

LAFCo serves as the conducting authority for protest proceedings, providing notice and opportunity for property owners and registered voters living within the affected territory to file protests against further reorganization actions. Pursuant to State law, the subject reorganization would be terminated if 50% or more of registered voters within the subject territory protest. If no majority protest exists, the reorganization proceedings are forwarded to the Humboldt County Board of Supervisors to call an election for confirmation by the voters. A favorable election would require that a majority (50%+1) of the votes cast be in support of the reorganization.

DISCUSSION

The LAFCo Executive Officer was delegated authority by the Commission to conduct the protest hearing, which was held on June 28th at 4:00 p.m. at the Fairhaven Fire Station. Notices for the protest hearing were mailed 21-days in advance to registered voters and property owners within the affected territory, published in the Times Standard, and posted on the LAFCo website.

At the hearing, the Executive Officer summarized the proposal and opened the public hearing. Upon closing of the hearing, a total of four (4) written protests were submitted out of a total of 222 registered voters in the affected territory. In addition, 14 form letters of support were received at the hearing. Subsequent to the hearing, an additional five (5) protests and four (4) form letters of support were received.

At the hearing, the Humboldt Bay Municipal Water District submitted a letter and requested that LAFCo Resolution No. 17-06 be amended to include on the record the discussions regarding the possible transfer of ownership of the HBMWD's domestic water infrastructure to the CSD. In addition, there were concerns related to the characterization of the 'reasons cited in support of the reorganization'. As such, LAFCo staff and counsel is recommending that Resolution No. 17-06 be replaced with Resolution No. 17-08, which contains the modifications.

With regard to the protest hearing, it is recommended that, based on the determination that insufficient written protests were submitted by registered voters, the Commission order the reorganization subject to an election in accordance with Government Code Section 61014. Draft Resolution No. 17-09 is enclosed which requests the election be conducted as part of the November 7, 2017 consolidated district election, includes the question to be submitted to the voters, and directs staff to work with County election officials in preparation of an appropriate ballot measure and impartial analysis for the measure.

A favorable election would require that a majority (50%+1) of the votes cast be in support of the reorganization. Should the election be favorable, the reorganization would not become effective until conditions are fulfilled to the satisfaction of the LAFCo Executive Officer, which must occur prior to the recordation of the Certificate of Completion. The Certificate of Completion must be recorded within one calendar year from the date of approval unless a time extension is approved by the Commission. Staff will keep the Commission apprised of the election process and conditions compliance.

RECOMMENDATION

Staff recommends the Commission adopt Revised Resolution No. 17-08, which rescinds prior Resolution No. 17-06. In addition, staff recommends the Commission adopt Resolution No. 17-09, confirming conducting authority proceedings and ordering the reorganization subject to an election.

Attachments

Attachment A: Revised Resolution No. 17-08

Attachment B: Resolution No. 17-09

Attachment C: Protest Hearing Summary

RESOLUTION NO. 17-08

REVISED RESOLUTION MAKING DETERMINATIONS AND APPROVING A REORGANIZATION CONSISTING OF FORMATION OF THE PENINSULA COMMUNITY SERVICES DISTRICT AND DISSOLUTION OF THE SAMOA PENINSULA FIRE PROTECTION DISTRICT, AND RESCISSION OF PRIOR RESOLUTION 17-06

WHEREAS, the Humboldt Local Agency Formation Commission, hereinafter referred to as the "Commission," is responsible for regulating the orderly formation and expansion of local government agencies pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000; and

WHEREAS, the above-referenced proposal was initiated by resolution of application of the Samoa Peninsula Fire Protection District; and

WHEREAS, the proposal seeks Commission approval of a reorganization consisting of dissolution of the Samoa Peninsula Fire Protection District (FPD) and formation of the Peninsula Community Services District (CSD); and

WHEREAS, the principal reason cited in support of the reorganization, as specified in the resolution initiating the proposal, is to provide expanded municipal services to the Peninsula through reorganization of the Samoa Peninsula FPD into a CSD; and

WHEREAS, upon formation, the Peninsula CSD would continue the role of providing fire protection services currently provided by the Samoa Peninsula FPD, as well as providing expanded municipal services to the Peninsula; and

WHEREAS, the Humboldt Bay Municipal Water District has expressed its willingness to negotiate the transfer of its ownership of domestic water infrastructure within the boundaries of the Peninsula CSD; and

WHEREAS, the Samoa Pacific Group LLC. has expressed willingness to dedicate, convey, or otherwise transfer certain real property, infrastructure and assets for water, wastewater, streets, parks, and other facilities as part of the proposed multi-phase subdivision approval in Samoa; and

WHEREAS, pursuant to Government Code §56001, the Commission finds there is no existing agency that has demonstrated that it can feasibly provide the services proposed in a more efficient manner; and

WHEREAS, it has been determined that the formation of the Peninsula CSD is a feasible, cost-effective and acceptable approach to providing expanded services to the Peninsula; and

WHEREAS, in accordance with Government Code §61014, the Commission determines the Peninsula CSD, to be financed by benefit assessments and user fees subject to Proposition 218 requirements, would have sufficient revenues to carry out its purposes if such benefit assessments and user fees are approved; and

WHEREAS, the Executive Officer has given sufficient notice of the Commission's consideration of the proposal as required by law; and

WHEREAS, the Commission heard, discussed, and considered all oral and written testimony related to the proposal including, but not limited to, the Executive Officer's report and recommendation, the environmental document or determination, existing Spheres of Influence, and applicable General and Specific Plans; and

WHEREAS, the Commission considered all the factors required by law under Government Code §56668 and adopted local policies and procedures; and

WHEREAS, the Commission desires to modify its prior resolution on this matter, Resolution 17-06 adopted May 15, 2017.

NOW, THEREFORE, BE IT RESOLVED by the Humboldt Local Agency Formation Commission as follows:

1. Resolution 17-06, adopted May 15, 2107 is rescinded in its entirety and is replaced, revised and supplemented by this resolution.
2. The Commission's determinations on the proposal incorporate and adopt the information and analysis provided in the Executive Officer's written report.
3. The Commission, as Responsible Agency, certifies it has independently reviewed and considered the Negative Declaration prepared by the Samoa Peninsula Fire Protection District, as lead agency, concerning potential impacts associated with the proposal in accordance with the California Environmental Quality Act (CEQA). The Commission finds the Negative Declaration (finding of no significant adverse environmental effect) is adequate and directs the Executive Officer to file a Notice of Determination with the Humboldt County Clerk.
4. The Commission approves the proposal, contingent upon a successful vote on the formation pursuant to Government Code §61014, and subject to terms and conditions outlined below.
5. The proposal is assigned the following distinctive short-term designation:

“Reorganization of Samoa Peninsula FPD to Peninsula CSD”

6. LAFCo staff is directed to initiate conducting authority proceedings pursuant to the California Government Code (commencing with §57000).

CONDITIONS OF APPROVAL for the proposal shall be as follows:

1. Name – The name of the district shall be the Peninsula Community Services District.
2. Boundaries – A map and boundary description of the Peninsula CSD are set forth in Exhibit A, attached to the Commission's Resolution making determinations and made a part thereof.
3. Sphere of Influence – A sphere of influence of the Peninsula CSD shall be coterminous with the District boundaries. Future amendments and/or updates of the sphere shall be conducted in accordance with Government Code §56425 and 56430.
4. Successor
 - A. The Samoa Peninsula FPD shall be dissolved and all of its corporate powers shall cease.
 - B. Any employees of the Samoa Peninsula FPD will become employees of the Peninsula CSD.
 - C. The Peninsula CSD shall be the successor to the Samoa Peninsula Fire District for the purpose of succeeding to all of the rights, duties and obligation of the dissolved Samoa Peninsula Fire Protection District, with respect to enforcement, performance or payment of any outstanding bonds or other contracts, obligations, including the provisions of and other liabilities of the dissolved Samoa Peninsula FPD.
 - D. The Samoa Peninsula FPD currently has contracts with the Board of Administration of the California Public Employees' Retirement System ("PERS"). The Peninsula CSD and PERS will develop a contract that shall be deemed a continuation of the Samoa Peninsula Fire Protection District's PERS contract pursuant to Government Code §20508. The Peninsula CSD's contract shall preserve the classic formula for continuing employee members of PERS. Accumulated contributions, assets and liability for service under the former districts' contracts are vested rights of continuing employee members of PERS, and shall be merged into the contract of the successor district upon reorganization pursuant to Government Code §20508.
 - E. All property, whether real or personal, including all monies (including cash on hand and monies due to uncollected) of the Samoa Peninsula Fire Protection District shall be transferred to and vested in Peninsula CSD.
 - F. Upon the effective date of the reorganization, the Peninsula CSD shall be authorized and entitled to extend and/or continue to levy, impose, or fix and collect any previously authorized charge, fee, assessment or tax approved,

imposed and/or levied by Samoa Peninsula FPD, including but not limited any rates and charges for the provision of fire protection services.

- G. The property tax allocation factor for the Samoa Peninsula FPD, for those properties within the District, shall be reallocated so that in future fiscal years these taxes shall be allocated to the Peninsula CSD.

5. District Board of Directors

- A. Governing Board - The Peninsula CSD shall be governed by a board of directors composed of five (5) members elected at large for four-year terms by registered voters residing within the District.
- B. Election of Initial Governing Board - The Board of Directors of the Samoa Peninsula Fire Protection District shall serve as the initial Board of Directors of the successor agency, the Peninsula CSD.
- C. Staggered Terms of Office - For the initial Board of Directors, the terms of three (3) members shall be four years and the terms of two (2) members shall be two years.
- D. First Board of Directors Meeting - In addition to all other means authorized by law, the first meeting of the Board of Directors may be called by notice given in a lawful manner by any four members of the Board of Directors.

6. Authorized Services – The Peninsula CSD shall be authorized the following functions and services as active powers, authorized to be provided within its boundaries, pursuant to Government Code §61100:

- A. Water
- B. Wastewater
- C. Fire Protection, rescue, and emergency response (including tsunami evacuation)
- D. Parks, Recreation, Trails, and Open Space
- E. Landscape Maintenance within Public Areas
- F. Streets and Street Maintenance
- G. Storm Drainage

The District may in the future provide other types of services if authorized by the Community Services District Law, subject to compliance with the statutory procedures for authorizing additional services.

7. Benefit Assessments and User Fees – Services provided by the District shall be subject to successful completion of Proposition 218 proceedings for benefit assessments and user fees to fund the activities of the District. Assets shall be transferred only for those services with sufficient revenue necessary to carry out those services.

8. Detailed Engineering Analysis – All benefit assessments and user fees shall be supported by a detailed engineering analysis and/or rate study prepared by a licensed engineer. The detailed engineering analysis shall describe the condition of all infrastructure at the time of asset transfer to the District, the projected demand on capacity, the regulatory and design criteria under which improvements will be made (including ADA compliance), the costs associated with recommended improvements and ongoing operations and maintenance, and the methodology for allocating or apportioning costs to parcels within the District.
9. Dedication of Asset Transfer – All assets and resources proposed for transfer shall be offered with an irrevocable dedication by Samoa Pacific Group LLC to the Peninsula CSD. The LAFCo Executive Officer, with legal counsel as deemed necessary, shall verify prior to issuing a certificate of completion that a legal mechanism has been adequately established to ensure such transfer of assets and resources either at initiation of the community service district, or as particular infrastructure components are subsequently confirmed to be improved and acceptable for transfer to the Peninsula CSD.
10. Asset Transfer and Transition Agreement – Prior to the transfer of any dedicated assets, the Peninsula CSD and Samoa Pacific Group LLC shall set forth mutual agreements in writing for the orderly transition and conveyance of assets, including those obligations to accept and take ownership of those assets by the Peninsula CSD.
11. Monthly User Fees – The initial annual user fees for the Peninsula CSD, including any and all debt service, shall not exceed the small community affordability thresholds of 2.5% for water and 2.0% for wastewater (as a percentage of community median household income) as established by the EPA.
12. Creation of Zones – Pursuant to Government Code §61140 et seq., the Peninsula CSD Board of Directors may form one or more zones with varying levels of service and establish different levels of special taxation therein. The District may use divisional accounting to establish accurate divisional budgets and rates and charges based solely on the cost to provide services within the town of Samoa and the rest of the peninsula, so rates in each service area will not be affected by the other.
13. Appropriations Limit – In accordance with Government Code Section 61113, the Peninsula CSD shall, on or before July 1 of each year, establish an appropriations limit and make other necessary determinations for the following fiscal year pursuant to Article XIII B of the California Constitution.
14. Effective Date – The effective date of Peninsula CSD shall be determined by the certification of the election results by the Humboldt County Board of Supervisors and the filing of the certificate of completion by the LAFCo Executive Officer with the County Clerk-Recorder's office. The certificate of completion must be

filed within one calendar year from the date of approval unless a time extension is approved by the Commission.

15. Final Processing Costs – Any and all costs including mapping, engineering, planning, environmental review, fiscal analyses, LAFCo processing fees, election proceedings, recording fees, and any other required local, state, and LAFCo fees incurred to complete the formation of the Peninsula CSD, including State Board of Equalization filing fees, will be borne by the project proponents.

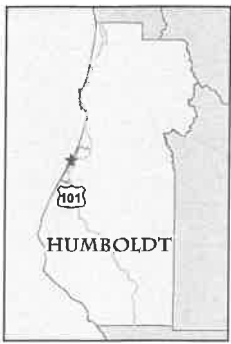
PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 10th day of July, 2017, by the following roll call vote:

AYES: Commissioners:
NOES: Commissioners:
ABSENT: Commissioners:
ABSTAIN: Commissioners:

Estelle Fennell, Chair
Humboldt LAFCo

Attest:

George Williamson, Executive Officer
Humboldt LAFCo



Pacific Ocean

255

Samoa

Vance Ave

Bay St

Fair Ave

Fairhaven

New Navy Base Rd

	Existing Samoa Peninsula FPD
	Proposed Peninsula CSD
	Parcels

0 0.5 1 Miles



Peninsula Community Services District Formation

Exhibit A

RESOLUTION NO. 17-09

**CONFIRMING CONDUCTING AUTHORITY PROCEEDINGS AND ORDERING
A REORGANIZATION CONSISTING OF FORMATION OF THE PENINSULA COMMUNITY
SERVICES DISTRICT AND DISSOLUTION OF THE SAMOA PENINSULA FIRE
PROTECTION DISTRICT, SUBJECT TO AN ELECTION**

WHEREAS, the Humboldt Local Agency Formation Commission, hereinafter referred to as the "Commission," is responsible for regulating the orderly formation and expansion of local government agencies pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Government Code Section 56000 et seq.); and

WHEREAS, the above-referenced reorganization consisting of dissolution of the Samoa Peninsula Fire Protection District and formation of the Peninsula Community Services District was initiated by resolution of application of the Samoa Peninsula Fire Protection District; and

WHEREAS, the principal reason cited in support of the reorganization, as specified in the resolution initiating the proposal, is to provide expanded municipal services to the Peninsula; and

WHEREAS, on May 15, 2017, the Commission adopted Resolution No. 17-06, which was subsequently modified, revised and replaced with Resolution No. 17-08, thereby making determinations and approving the reorganization with terms and conditions; and

WHEREAS, pursuant to Part 4 (commencing with Government Code Section 57000), the Commission served as conducting authority for protest proceedings following resolution adoption, providing notice and opportunity for property owners and registered voters living in the territory proposed for reorganization to file protests against further reorganization actions; and

WHEREAS, on June 28, 2017, the LAFCo Executive Officer held a public hearing in conjunction with the protest proceeding; and

WHEREAS, following said public hearing, the LAFCo Executive Officer determined, pursuant to Government Code Section 57078(b), that the number of qualified protests concerning the reorganization *did not* constitute a majority protest that would require abandonment of the proposal.

NOW, THEREFORE, BE IT RESOLVED as follows:

1. The Commission hereby orders the reorganization subject to confirmation by the voters residing within the affected territory in accordance with Government Code Section 61014.

2. The Commission requests that the Humboldt County Board of Supervisors direct County election officials to conduct the necessary election, setting the matter for consideration on the November 7, 2017 consolidated district election, pursuant to Government Code Section 57000.

3. The question to be submitted to the voters shall read as follows:

“Shall the order adopted on May 15, 2017, by the Humboldt Local Agency Formation Commission ordering a reorganization affecting the Samoa Peninsula Fire Protection District and providing for the formation of the Peninsula Community Services District be confirmed, subject to the terms and conditions specified in Resolution No. 17-08 as revised on July 10, 2017?”

This order of reorganization shall be confirmed where such question is favored by a majority of the votes cast within the territory for which the election is held.

4. The LAFCo Executive Officer is directed to work with County election officials in preparation of an appropriate ballot measure for the reorganization, including preparation of an impartial analysis for the measure.

5. Upon completion of the official canvass of ballots cast at the election, the Executive Officer shall direct that either a Certificate of Completion or a Certificate of Termination, as required by Government Code Sections 57176 through 57203, and a Statement of Boundary Change, as required by Government Code Section 57204, shall be prepared and filed for the proposal.

PASSED AND ADOPTED at a meeting of the Humboldt Local Agency Formation Commission on the 10th of July, 2017, by the following roll call vote:

AYES:	Commissioners:
NOES:	Commissioners:
ABSENT:	Commissioners:
ABSTAIN:	Commissioners:

Estelle Fennell, Chair
Humboldt LAFCo

Attest:

George Williamson, Executive Officer
Humboldt LAFCo



**PROTEST HEARING SUMMARY – JUNE 28, 2017
REORGANIZATION OF THE SAMOA PENINSULA FIRE PROTECTION DISTRICT
INTO THE PENINSULA COMMUNITY SERVICES DISTRICT**

1. CALL TO ORDER

The meeting was called to order at 4:00 p.m. at the Samoa Fire Department, 1982 Gass Street, Fairhaven, with Executive Officer Williamson presiding.

LAFCo Staff Present:

George Williamson, Executive Officer
Colette Metz, Administrator

2. PUBLIC APPEARANCES

No members of the public requested to speak on items that were not on the agenda.

3. PROTEST HEARING – SAMOA PENINSULA FPD REORGANIZATION

The Executive Officer conducted the protest hearing as follows:

A) Describe the proposal and purpose of the hearing

The Executive Officer described the purpose of the meeting and how the Commission delegated authority for the protest hearing to be conducted by the Executive Officer in Fairhaven. Mr. Williamson explained that, in addition to the Commission's public hearing that was conducted on May 15, 2017, a second protest hearing is required. Pursuant to State law, the reorganization would be terminated if 50% or more of registered voters within the subject territory protest. If no majority protest exists, the reorganization proceedings will be forwarded to the Humboldt County Board of Supervisors to call an election for confirmation by the voters. A favorable election would require that a majority (50%+1) of the votes cast be in support of the reorganization.

B) Summarize LAFCO Resolution No. 17-06, subject to terms and conditions

The Executive Officer summarized the outcomes of the May 15, 2017 public hearing. He explained the reasons for the reorganization proposal and reviewed the terms and conditions that were included in the Commission's resolution of approval.

C) Open the hearing

The Executive Officer opened the public hearing at 4:10 p.m.

D) Receive any oral or written protests, objections or evidence

Craig Spjut, Fairhaven resident, questioned why the protest form was not included in the notice. Mr. Spjut read his protest letter and reasons for opposition (see attached). He is opposed to reorganizing the fire district to facilitate the Samoa subdivision project.

John Friedenbach, General Manager of the Humboldt Bay Municipal Water District, discussed the HBMWD infrastructure and possible transfer of ownership of the

domestic water infrastructure within the boundaries of the proposed CSD. Mr. Friedenbach submitted a letter requesting the LAFCo Resolution No. 17-06 be amended to document the HBMWD's willingness to negotiate the transfer of infrastructure with the proposed CSD (see attached).

Richard Spjut, Fairhaven resident, read his protest letter and reasons for opposition (see attached). Mr. Spjut expressed opposition to the reorganization and the Samoa subdivision project.

Troy Nicolini, SPFPD Board Member and LAFCo Commissioner, discussed the motivation behind the fire district supporting the reorganization process, and the reasons how it would benefit the District and the community. He commented that the "reasons cited in support of the reorganization" have been mischaracterized and should be revised in the LAFCo resolution.

Lia Stoffers, SPFPD Board Member and Fairhaven resident, discussed how she has approached the reorganization process cautiously, but is optimistic that it will benefit the fire department and community. Ms. Stoffers discussed her concerns, including how the wastewater maintenance budget would account for tertiary treatment options that are still being evaluated, how the CIP and budget would factor in the harsh marine environment, and reassurance that new infrastructure installed for Samoa will meet appropriate standards/quality.

E) Note all written protests received prior to the hearing

The Executive Officer noted that three written protests had been received by mail and one in person prior to conducting the protest hearing.

F) Close the hearing

The public hearing was closed at 5:25 p.m.

G) Determine the value of written protests filed and not withdrawn

The Executive Officer noted that a total of four (4) written protests from registered voters had been received out of a total of 222 registered voters in the affected territory. In addition, 14 form letters of support were received. He briefly discussed next steps, including approval of conducting authority proceedings at the next Commission meeting on July 10, 2017, and proceeding with the election process to be held on November 7, 2017.

4. ADJOURNMENT

The meeting was adjourned at 5:30 p.m. Next regular LAFCo meeting: July 10, 2017 at 9:00 a.m. at the Humboldt County Board of Supervisors Chamber, 825 5th Street, Eureka.

Continuing Business

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

From: John Friedenbach

Date: July 7, 2017

Subject: Water Resource Planning (WRP) – Status Report and Possible Action

.....

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

No significant activity has transpired on this topic during the past month.

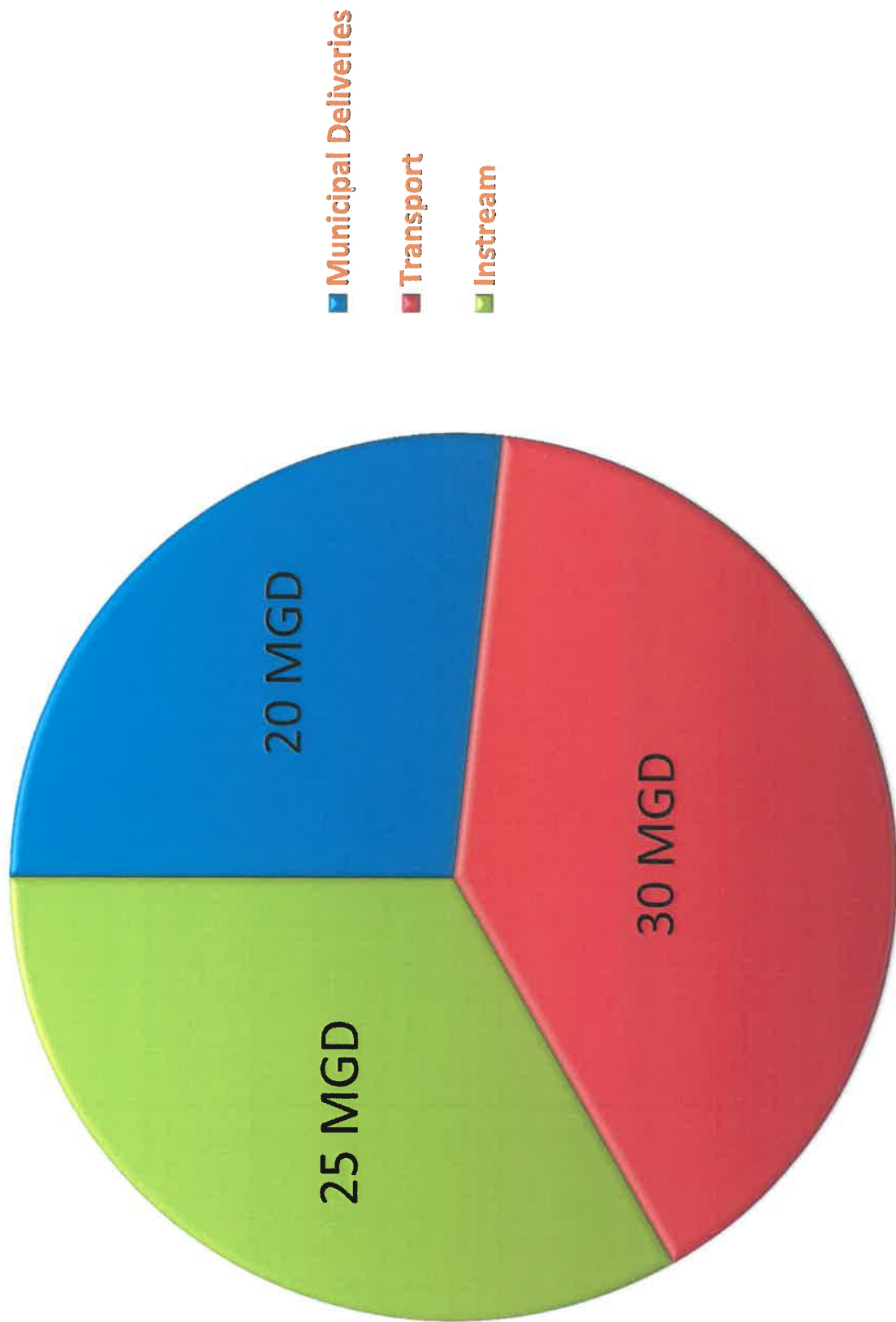
b) Transport

No significant activity has transpired on this topic during the past month.

c) Instream Flow Dedication

The District's Instream Flow committee, Directors Woo and Fuller, continue to advance the process for an instream flow permit dedication. We met with Sharon Kramer of H.T. Harvey & Associates to discuss application for an instream flow grant. The Wildlife Conservation Board Streamflow Enhancement program has released its solicitation for Prop. 1 grant application. The Committee and Staff recommend that we pursue a grant with the ultimate purpose of filing and obtaining a 1707 Instream Flow Dedication permit. We request Board authorization to proceed using the services of H.T. Harvey, GHD, and Stillwater Sciences to complete the grant application.

Potential Allocation of HBMWD Water Rights: Diversions at Essex



Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: July 7, 2017

Re: Participation in Community Choice Energy (CCE) Program

Background

The Redwood Coast Energy Authority (RCEA) recently launched its Community Choice Energy (CCE) program. RCEA works with PG&E to offer lower rates and more renewable power to Humboldt County electricity users. Our Board authorized the District to participate in the program to support RCEA and achieve lower rates, thereby benefiting the ratepayers.

Current

The District received a letter from RCEA regarding our participation in the CCE program. See attached. The District has several accounts with PG&E, including some that participate in PG&E's Peak Day Pricing program. Remaining with the CCE will affect the District's participation in the Peak Day Pricing program.

Peak Day Pricing is a "demand response" program offered through PG&E that provides discount rates in May – October in return for a higher rate between 2-6 pm on up to 15 "Peak Days" a year. This could result in a net discount if energy is reduced during the Peak Days.

Although RCEA's electric generation rate schedules are designed to follow the rate structure of PG&E but cost less, it does not currently offer an equivalent Peak Day Pricing program. RCEA recognizes that for some, the Peak Day Pricing discounts may more than offset RCEA's lower rates. RCEA is offering a one-time bill credit to offset this potential loss for non-residential customers who choose to participate in the CCE. See attached memo from Andrea Alstone.

In 2018, RCEA plans to incorporate a rate pricing structure similar to PG&E's Peak Day Pricing program.

Staff Recommendation

Staff requests direction from the Board regarding the District's continued participation in the CCE program.



REDWOOD COAST Energy Authority

June 22, 2017



1*11*****AUTO**SCH 5-DIGIT 95502
HUMBOLDT BAY MUNICIPAL WATER DISTRICT
OR CURRENT RESIDENT
PO BOX 95
EUREKA CA 95502-0095

H.B.M.W.D. JUN 29 2017

Dear Valued Customer,

Redwood Coast Energy Authority (RCEA) recently launched its Community Choice Energy program. We are working in partnership with PG&E to offer lower rates and more renewable power to Humboldt County electricity users. With Community Choice Energy, RCEA purchases electricity while PG&E continues to deliver it over the existing power lines, maintain lines, send bills and provide customer services.

During our enrollment period you should have received four notices announcing RCEA's Community Choice Energy program. You are receiving this supplemental letter because our records indicate that one or more of your accounts participate in PG&E's Peak Day Pricing program, and remaining with RCEA will affect your participation in Peak Day Pricing.

Peak Day Pricing is an optional 'demand response' program currently offered by PG&E that provides you with a discount on your regular power rates May 1 through October 31 in return for a much higher rate between 2 pm and 6 pm on up to 15 'Peak Days' a year – typically hot days where the demand on the electricity grid is high. Depending on the amount of energy you use on Peak Days, you may or may not earn a net discount for the year.

RCEA's electric generation rate schedules are designed to follow the same rate structure as PG&E but cost slightly less. However, at this time, RCEA does not offer an equivalent Peak Day Pricing program. Recognizing that for some customers Peak Day Pricing discounts may more than offset RCEA's lower rates, we are offering a one-time bill credit to offset this potential loss for non-residential customers who choose to participate in Community Choice Energy. This credit will be calculated for each individual customer after the Peak Day Pricing season ends in fall 2017 based on your summer 2017 energy usage and applied to your

**BOARD OF
DIRECTORS**

Michael Winkler
CITY OF ARCATA

Bobbie Ricca
CITY OF BLUE LAKE

Austin Allison
CITY OF EUREKA

Michael Sweeney
CITY OF FERNDALE

Dean Glaser
CITY OF FORTUNA

Sheri Woo
HUMBOLDT BAY
MUNICIPAL WATER
DISTRICT

Estelle Fennell
COUNTY OF HUMBOLDT

Frank Wilson
CITY OF RIO DELL

Dwight Miller
CITY OF TRINIDAD

**COMMUNITY ADVISORY
COMMITTEE**

Norman Bell

Erin Dunn

Richard Johnson

Luna Latimer

Kit Mann

Kathy Srabian

Matty Tittmann

November bill. If our calculation indicates that Peak Day Pricing did not result in a net savings relative to RCEA rates, no credit will be applied.

With RCEA, more of your rate dollars stay local and you have a say in Humboldt County's energy future, and you will have the opportunity to participate in future demand response programs from RCEA, tailored to our local energy needs.

If you wish to continue your participation with Community Choice Energy, you do not need to do anything. However, if you would like to continue your participation in the PG&E Peak Day Pricing program, you have the choice to opt out of RCEA service at www.RedwoodEnergy.org or by calling 1-800-931-7232.

With RCEA you have two options for service. REpower is our standard service, offering more renewable energy and priced slightly lower than PG&E's standard offering. RCEA customers are automatically enrolled in our REpower service.

If you would like to further your commitment to renewable energy, you can upgrade to REpower+, RCEA's 100% renewable electricity service for an additional cost of 1 cent per kilowatt hour (\$0.01/kWh).

RCEA customers continue to receive a single monthly electric from PG&E, with RCEA service charges replacing generation charges previously billed by PG&E. Delivery charges continue to be assessed by PG&E, and are not affected by this change. RCEA electric generation rates and comparison information can be found at www.RedwoodEnergy.org

RCEA is committed to Humboldt County. As a not-for-profit public agency with low overhead costs, we have been working to reduce energy demand, increase energy efficiency, and advance the use of clean, efficient renewable resources since 2003. Community Choice Energy is our latest program to further these efforts. We hope you will enjoy the benefits Community Choice Energy offers Humboldt County. If you have any questions, please call us at 707-269-1700.

Sincerely,



Matthew Marshall
Executive Director, Redwood Coast Energy Authority



REDWOOD COAST Energy Authority

County of Humboldt • Arcata • Blue Lake • Eureka • Ferndale • Fortuna • Rio Dell • Trinidad • Humboldt Bay Municipal Water District

To: John Friedenbach– Humboldt Bay Municipal Water District
From: Andrea Alstone
Date: July 6, 2017
Subject: Cost comparison

Redwood Coast Energy Authority (RCEA) – a local Joint Powers Authority whose members include the 7 incorporated cities of Humboldt County, County of Humboldt, and the Humboldt Bay Municipal Water District – launched a Community Choice Energy program in May 2017. The program is designed to offer slightly lower rates, more renewable energy, and the same reliable service to electricity customers in Humboldt County. Under Community Choice Energy, RCEA procures electricity on behalf of electric rate payers which is delivered by PG&E over the existing power lines. PG&E will continue to own and maintain the transmission and distribution infrastructure (poles and wires), read meters, and provide billing services to Community Choice Energy customers. Customers can also choose to opt out of the Community Choice Energy program and remain bundled customers with PG&E.

HBMWD asked RCEA to provide a cost comparison between Community Choice Energy and PG&E for its largest electrical account, an E-20 account located at 7270 West End Road. Table 1 below provides a monthly summary of costs using historical electricity consumption data (from March 2016-February 2017) and current PG&E and RCEA electricity rates. Cost estimates are provided for PG&E’s standard service, RCEA’s standard REpower service, and RCEA’s 100% renewable REpower+ service, which costs an additional penny per kilowatt-hour (\$0.01/kWh) for all energy consumed.

This analysis is provided for informational purposes only, changes in consumption patterns and electricity rates will change monthly billing amount. Taxes are excluded.

Table 1. Estimated electricity costs for E-20 service at 7270 West End Road

Month	PG&E	RCEA REpower	RCEA REpower+ (100% Renewable)
January	\$51,080	\$50,405	\$54,234
February	\$45,444	\$44,857	\$48,186
March	\$46,102	\$45,471	\$49,037
April	\$45,521	\$44,921	\$48,317
May	\$49,972	\$49,336	\$52,897
June	\$56,830	\$56,064	\$59,977
July	\$42,381	\$41,625	\$45,575

August	\$64,393	\$63,557	\$67,642
September	\$59,704	\$58,888	\$62,781
October	\$65,274	\$64,356	\$67,822
November	\$50,166	\$49,548	\$53,066
December	\$49,684	\$49,013	\$52,829
Total	\$626,551	\$618,040	\$662,365

Additional information to note:

At this time, customers of Community Choice Energy are not able to participate in PG&E's Peak Day Pricing program. Peak Day Pricing is an optional 'demand response' program offered by PG&E that provides customers with a discount on regular power rates May 1 through October 31 in return for a much higher rate between 2 pm and 6 pm on up to 15 'Peak Days' a year – typically hot days where the demand on the electricity grid is high. Depending on the amount of energy used on Peak Days, customers may or may not see a net savings for the year.

Recognizing that for some customers Peak Day Pricing discounts may more than offset RCEA's lower rates, RCEA is offering a one-time bill credit to offset this potential loss for non-residential customers who choose to participate in Community Choice Energy. This credit will be calculated for each individual service account after the Peak Day Pricing season ends in fall 2017, based on summer 2017 energy usage, and applied to the customer's November bill. If the calculation indicates that Peak Day Pricing did not result in a net savings relative to RCEA rates, no credit will be applied. RCEA is working on developing an alternative to Peak Day Pricing for 2018.

The account at 7270 West End Road was not enrolled in Peak Day Pricing, prior to Community Choice Energy, however there may be other HBMWD accounts that are affected by the lack of Peak Day Pricing with Community Choice energy.

Humboldt Bay Municipal Water District

To: Board of Directors
From: John Friedenbach
Date: July 7, 2017
Re: Public Records Request Procedure

Background

At the April Board meeting, staff communicated a recent California Supreme Court case ruling against the City of San Jose which dealt with the issue of public records requests for cell phone communications. As a result of this ruling, staff has updated our District's Public Records Request Procedure. The attached procedure and frequently asked questions guideline were provided by the ACWA/JPIA and has been customized to our District's operations.

Staff Recommendation

Staff recommends adoption of the attached Public Records Request Procedure and Frequently Asked Questions guidelines.

**HUMBOLDT BAY MUNICIPAL WATER DISTRICT
Public Records Request Procedure**

You may request records by completing the form and submitting it by mail, email or in person to:

Public Records Officer
Humboldt Bay Municipal Water District
PO Box 95 (Mailing) 95502-0095
828 7th Street (Physical) 95501-1114
Eureka, CA
office@hbmwd.com

The Humboldt Bay Municipal Water District (HBMWD) will respond to your request in a diligent manner. However, the nature of some requests requires significant time and resources; therefore, a complete response may take some time. To expedite your request please do the following:

1. **Please be as specific as possible.**
 - a. Because of the expansive information environment at the HBMWD, we cannot accept broad requests for “all records” or similar language. Making your request specific will also enable us to locate the information as quickly as possible.
2. **Be sure that your writing is legible, especially your name and contact information.**
3. **Be sure to include a return address or other contact information.**

**Request for Records from HBMWD
Under the California Public Records Act
And California Information Practices Act**

Name (please type or print): _____

Organization: _____

Mailing Address: _____

E-mail: _____

Phone Number: _____

Records Requested: Please be as specific as possible. Because of the expansive information environment at the HBMWD, we cannot accept broad requests for "all records" or similar language. Making your request specific will also enable us to locate the information as quickly as possible.

(continue on a separate sheet if necessary)

Signature of Applicant:

(signature)

(date)

General Information:

- All requests must be presented to: Public Records Officer, HBMWD, PO Box 95, Eureka, CA 95502-0095 or 828 7th Street, Eureka, CA 95501-1114 or office@hbmwd.com.
- While it is free to review records on site, HBMWD will charge for providing copies of public records in accordance with California law.
- Requests will be satisfied as promptly as possible, however the nature of some requests may require significant time and resources.
- Records will only be conveyed to the individual requesting the information.

Thank you for your request.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT**Public Record Request Policy****Frequently Asked Questions****1. What should I do if I have received a Freedom of Information Act or California Public Records Act request?**

If a Humboldt Bay Municipal Water District (HBMWD) employee or committee member receives a Freedom of Information Act (FOIA) or California Public Records Act (CPRA) request, the employee SHOULD NOT RESPOND DIRECTLY to the requestor. It is very important to IMMEDIATELY NOTIFY the Public Records Officer of the HBMWD, who is responsible for these requests. HBMWD General Manager is the Public Records Officer. The General Manager may delegate the responsibilities of the Public Records Officer to the Business Manager. The law requires certain information be provided to the requesting party within 10 calendar days, so time is of the essence. The Public Records Officer will assist employees or committee members and administer a timely response to the request, and if necessary, establish a reasonable timeframe for submission of documents to comply with the request.

2. Are all records of the District considered to be public records?

Generally, yes. The California Public Records Act broadly defines a “public record” to include any “writing” that “relates to the conduct of the public’s business” and which is “prepared, owned, used, or retained” by a state agency, including the HBMWD.

3. Are records of the District required to be disclosed in response to a public records request?

Generally, yes, unless an exemption applies. Examples of some of the exemptions applicable to typical District records are personal records that “constitute an unwarranted invasion of personal privacy”, and records prohibited from disclosure under federal and state law. Additionally, records may be considered exempt on a case-by-case basis when the HBMWD determines that the public interest served by not disclosing a record clearly outweighs a public interest served in disclosing it; with the burden of justification on the HBMWD.

4. How should I respond to a notice from the Public Records Officer that my records have been requested?

The Public Records Officer will engage the employee or committee member in direct conversations should their records be identified as potentially responsive to a request. The Public Records Officer and the employee or committee member will collaborate to develop an appropriate response approach specifically tailored to the request at hand. It is important that the Public Records Officer administer the request on behalf of the District including consultation with counsel as appropriate; therefore, employees or committee members should NOT attempt to respond to a CPRA request independently.

In preparing a response to the request, the employee or committee member providing information may be asked to sign an affidavit in support of the response to the CPRA request. A sample affidavit may be found at the conclusion of this policy.

5. How should I manage my email communications in light of the potential obligation to disclose public records in the future?

Email is an electronic record and is increasingly our only way to capture business related correspondence. It is the individual's responsibility to apply the same management practices as paper correspondence records. Responsible management of emails means that you discard non-business related emails, identify and classify business related email, store inactive emails in a separate and accessible long term depository such as a server, and adhere to the HBMWD Records Retention policy. Email that relates to HBMWD business may be a public record regardless of whether the originating account was the "...@hbmwd.com" account or a private account.

6. Do I have an obligation to provide text messages in response to a CPRA request?

Text messaging has become an important part of communication. Text messages that relate to District business can be considered public records regardless of whether the originating account was provided by the HBMWD or was private.

Text messages generally fall into two distinct groups; "Transitory Text" and "Non-Transitory Text". A transitory text means a text message that only documents information of temporary, short term value, and that is not needed as evidence of a business transaction. Examples of transitory texts include, without limitation:

- a. Texts that set work meetings or request job related phone calls.
- b. Texts that are akin to voice mail messages.
- c. Texts noting the sender has completed tasks.
- d. Texts informing a coworker/supervisor that the sender will be late to work, late to a meeting, is taking the day off, or other similar message.
- e. Texts that ask another employee to take some form of action. (E.g. Can you please call water district back).
- f. Texts that contain information that is later included in another HBMWD record.

Whether a text message must be retained depends on whether it is transitory (transitory texts need not be retained once they serve their purpose) or non-transitory (non-transitory texts must be retained). Texts that are retained, or texts that exist on a cell phone at the time a CPRA request is received may be subject to disclosure. Non-transitory texts may not be deleted from a cell phone or device until they have been produced, transcribed, or retained in some other manner.

Employees and committee members should limit his or her texting regarding HBMWD business to transitory texts that can be deleted once the message serves its purpose. In the event communications that are more than transitory are necessary, such communications should occur in person, by telephone, by email or by memorandum,

but not by text. Using this approach will avoid complications with archiving and producing texts for the purpose of responding to public records requests.

There are four instances in which an employee is required to produce a text message:

- When the text message is non-transitory and must be retained;
- When a supervisor orders the employee to produce the text message;
- When the Public Records Officer requests a committee member to produce the text message;
- When the text message is maintained on a cell phone or device and the employee or committee member is notified of the existence of a public records request for the text message.

When any of the four requirements is met, the employee or committee member shall produce the text message by either of the following means:

- Forwarding the text to a proper ...@hbmwd.com email address; or
- Taking screen shots of the text and emailing the screen shots to an appropriate ...@hbmwd.com email address.
- Utilizing a pre-approved application on a cell phone or devices that stores or distributes the message to HBMWD owned servers or networks.



**AFFIDAVIT in Support of Response to
Request for Records
Under the California Public Records Act and
California Information Practices Act**

I, (insert name), was presented with the Request for Records under the CPRA and/or CIPA made by (insert name of the requester).

Pursuant to this request I have made a reasonable search for any records in my possession responsive to this request. Based upon my search, I hereby respond as follows:

- I am not in possession of any records which are requested.
- I hereby disclose the following records in my possession which are responsive to this request.
- I hereby disclose the following records with redactions of non-requested information.
- I am in possession of records responsive to the request, however, I am withholding such records.

The following records are provided as my response to this request:

(use a separate sheet if necessary)

I declare under penalty of perjury under the laws of the State of California that the above is true and correct. Executed on _____, 201_, at _____, California.

To: Board of Directors
From: Dee Dee Simpson-Glenn
Date: July 13, 2017
Subject: Summary of Eureka Chamber of Commerce Political Support Positions

Per Board request staff has researched the Eureka Chamber of Commerce political support positions for 2015 and 2016. All Chamber newsletters for 2015 and 2016 were reviewed and a request was made directly to the Eureka Chamber of Commerce for information on candidates and measures that the Chamber has supported. That information was not received before the Board Packets were printed. Staff will forward additional information to the Board once it is available. Below are the results of the research thus far for Board review.

- **February 2016** in Message from Chair – Government Affairs Committee “educated members regarding Measure R” (minimum wage). There was also a story from the California Chamber titled “CalChamber opposition stops 2015 job killer holdovers”
- **April 2016** Eureka Chamber helped defeat Senate Bill 386 (Homeless Campers). “... We will have a recommended slate of candidates and positions on ballot measures. Our guiding principle will be to advocate for business and jobs within the Greater Eureka area.”
- **July 2016** headline: Chamber plans local election forum. “The mission of the Greater Eureka Chamber of Commerce is to advocate for jobs and businesses in the Greater Eureka area. That is why your Chamber has made a decision to again endorse local candidates and recommend local ballot measures to our members.”
- **September 2016** - Hosts Local Candidate Forum.
- **October 2016** - Following forum in September “From the feedback we received at the forum as well as your response to our online survey will dictate how we will endorse on the City Council race and ballot measures.”

That summarizes all political positions for the last two years. Although they indicated they would determine who and what they endorsed based on their member survey, the list of specific candidates and measures that the Chamber supported or endorsed were not listed in the monthly newsletters.

New Business

July 5, 2017

Items we would like to have declared as surplus

From Essex:

DATALINC Equipment (Old Communications Equipment)

- a. 5 - 900 MHz Ethernet radio modem
- b. 4 - Power adaptor 12vdc @ 1.5A
- c. 3 - RG-58U Coax connectors
- d. 3 - CXA-100 100 Ft Coax cable
- e. 3- DSXL-MA Poly Phaser surge protector
- f. 5 - 900 MHz radio modem w/Power supply
- g. 1 - DIAG, 900 MHz radio with Power supply

Westinghouse Numa-Logic Controller (Old PLC Equipment / Parts)

- h. 13 - A to D converter module, 4-20ma, 8 ch, 8 bit
- i. 11 - PC 1100 CPU types PC1100-1022, -1024, -1033, -1042
- j. 11 - ML-1003 Input-output rail, 8 slot
- k. 22 - NL-1003 Input 12-48 VDC, 8 Point
- l. 12 - NL-1263 24VDC Output, 8 Point

From Eureka:

Printer

HP 1525

Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: July 7, 2017

Re: Detailed Evaluations of Dam Appurtenant Structures

Background

Attached is correspondence received from the Department of Water Resources communicating the new regulatory requirement for detailed evaluations of dam appurtenant structures, such as spillways. This is a **form letter** sent to California dam owners that operate high hazard dams. The federal Hazard Potential Classification System for dams is based on the probable loss of human life and the potential for economic losses, environmental damage, and/or disruption to lifelines caused by failure of a dam or its appurtenances. In the unlikely event of the failure of our R. W. Matthews Dam, the inundation area would affect populated areas primarily in Blue Lake and Arcata. This is why our dam is classified as a high hazard dam.

At the May Board meeting, staff shared the attached listing of the components of our Dam Safety Surveillance and Monitoring Report (DSSMR). The DSSMR is an annual evaluation of the safety of our dam. It implements the Dam Safety Surveillance and Monitoring Plan (DSSMP). The DSSMP and DSSMR are dam safety plans required by FERC.

In early May 2017, District staff completed the annual maintenance of the hydro plant which includes many of the components included within the DSSMP. In addition, in June the District staff, District Engineer, and District Qualified Dam Safety Engineering Consultant conducted a visual spillway inspection. During this inspection, some areas were identified for further investigation. Staff will report back to the Board once it has reached its conclusions from its investigative efforts.

Staff will also be preparing the newly required work plan by the September 1, 2017 deadline. A copy will be provided to the Board at the September board meeting.

DEPARTMENT OF WATER RESOURCES

1416 NINTH STREET, P.O. BOX 942836
SACRAMENTO, CA 94236-0001
(916) 653-5791

SECTION 72, PAGE NO. 7

JUN 14 2017

Mr. John Friedenbach, General Manager
Humboldt Bay Municipal Water District
828 Seventh Street
Eureka, California 95502

H.B.M.W.D. JUN 19 2017

Robert W Matthews Dam, No. 1013
Trinity County

Dear Mr. Friedenbach:

As a result of the recent major incidents at Oroville Dam, which led to significant damage and erosion of the Service and Emergency Spillways, Governor Brown issued a plan to bolster the State's dam safety program. To strengthen the State's inspection program, the Governor has ordered detailed evaluations of dam appurtenant structures, such as spillways. This new review is being expedited for dams that have large spillways and structures similar to Oroville Dam. Based on this directive, the Division of Safety of Dams is immediately conducting detailed re-evaluations of large spillways at high-hazard dams.

We completed a reconnaissance-level assessment of the spillway at Robert W Matthews Dam and have noted that the structure may have potential geologic, structural, or performance issues that could jeopardize its ability to safely pass a flood event. Therefore, we are requesting that you perform a comprehensive condition assessment of the spillway as soon as possible. This spillway may also require a site investigation to provide supporting information for completing this assessment.

Please submit a work plan by September 1, 2017, for our review and approval. The scope of the detailed condition assessment of the spillway should include an evaluation of the concrete lining, the existing drainage system, and the potential for slab undermining and hydraulic jacking. The scope of the site investigation should focus on identifying potential geologic hazards associated with the spillway, including characterization of the foundation materials underlying and adjacent to the spillway structure and their susceptibility to erosion and instability.

My staff is available to discuss with you ways to expedite development of the required assessment. The site investigation and condition assessment report must be completed expeditiously. Additionally, any known damage to the spillways must be repaired before the next flood season.

Mr. John Friedenbach

JUN 14 2017

Page 2

If you have any questions or need additional information, please contact Design Engineer Ian Maki at (916) 227-1300 or Project Engineer Daniel Meyersohn at (916) 227-4624.

Sincerely,

Michael Waggoner For

Sharon K. Tapia, Chief
Division of Safety of Dams

cc: Mr. Frank Blackett, P.E., Regional Engineer
Federal Energy Regulatory Commission
100 First Street, Suite 2300
San Francisco, California 94105-3084

R. W. MATTHEWS DAM**FERC Dam Safety Surveillance and Monitoring Report (DSSMR) Components****Daily**

- Unusual visual observations
- Visually monitor the Spillway Plunge Pool during and following floods (20,000 cfs or more)
- Visually observe the Right Abutment Cut Slope
- Collect and review data from the Left Abutment Piezometers and other observation wells

Annual

- Inspection by District Staff of all Floating Log Boom components
- Take Annual Photos of the Right Abutment Cut Slope (from same place)
- Perform sealing and concrete repairs on the Spillway chute and walls
- Clean the Spillway under drains
- Fill the small cracks and repair mortar losses in the Penstock mortar lining

Bi-Annual

- Perform survey of Spillway and Wing Wall
- Perform Dam Crest Monument surveys or after a significant flood (20,000 cfs) or earthquake (magnitude 5.0) event
- Perform Left Abutment slide monuments survey

5-Year

- Inspection by District Engineer of all floating boom components
- Inspection of the Right Abutment Cut Slope and the Left Abutment Landslide by an Engineering Geologist
- Diver inspection of Spillway Plunge Pool or after discharges exceeding 20,000 cfs

Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: July 6, 2017

Re: Procurement of Engineering Services for FEMA Disaster Funding

Background

As a result of the 2017 January and February winter storms, the District incurred damages in several areas around Ruth Lake. They were: 1. Sediment infiltration downstream of the plunge pool and in the hydro plant tail race; 2) Sedimentation encroachment into the lake at the entrance to Sheriff's Cove; 3) Loss of a culvert at the Ruth Head Quarters. The District's Procurement Policy for Federally-Funded Projects requires in part that engineering services be obtained through a request for qualifications process. The District has established a standard operating procedure for this process.

The emergency and time sensitive project of dredging the river course below the plunge pool and in the hydro plant tail race were completed during May. These are covered activities in the District's HCP and LTSAA. Because of the emergency operations need for this activity, our procurement policy provides an exception from the qualifications based selection process for engineering services. This exception was utilized for the engineering services required for these dredging activities. The less time sensitive projects of replacing the culvert and dredging at Sheriff's Cove allow for implementation of our normal engineering procurement practice.

Attached for your reference is a copy of the engineering firm request for qualifications related to the environmental and construction services necessary for dredging of Sheriff's Cove. The responses from the RFQ are due back on Board day, July 13, 2017. Consequently, there is not sufficient time to complete the review and selection process prior to the July Board meeting. Delaying selection approval to the August Board meeting will unnecessarily delay the projects such that staff is concerned that the projects may not be completed prior to the beginning of the fall rainy season.

Recommendation

Staff recommends that the Board authorize the General Manager to negotiate and enter into a contract with the engineering firm selected through our procurement policy qualification based process. Staff anticipates that these services will be under the General Manager's procurement threshold of \$30,000.



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

Request for Qualifications

Sheriff's Cove Dredging, Ruth Lake, California

Engineering, Design, Environmental Review
and Compliance, Permitting,

A. Invitation

You are invited to submit a Statement of Qualifications (SOQ) and other materials, in accordance with the outline below, to be considered for selection by the Humboldt Bay Municipal Water District (District) to:

- 1) complete a variety of engineering, and services for the Dredging of Sheriff's Cove at Ruth Lake

The deadline to submit a SOQ is 4:00 p.m. on July 13, 2017.

B. Categories of Services

The District is seeking a consultant firm or team to provide services necessary to proceed with dredging of Sheriff's Cove located on Ruth Lake near the R. W. Matthews Dam on the east shore. It is anticipated that a single consultant firm or team will be selected encompassing all the required engineering and environmental disciplines. The disciplines that maybe required include:

1. Project planning and preliminary engineering
2. Surveying, topographic mapping
3. Geotechnical evaluation and engineering
4. Environmental – completion of special studies, preparation and circulation of appropriate CEQA document, and support of FEMA's NEPA process
5. Permitting – preparation of all required permit applications and related work to secure required permits
6. Preparation of Plans and Specifications, and cost estimates for project construction
7. Engineering and construction management services during bid process and project construction

C. Project Overview

The proposed project would consist of permitting, bidding and project oversight to cover the work involved in the emergency response and permitting associated with the dredging of the Sheriff's Cove in Ruth Lake. After the winter storms of 2016/2017, it was discovered that the

deposition of sediment caused excessive erosion in the watershed above Sheriff's Cove and deposited hundreds of cubic yards of sediment at the mouth of Sheriff's Cove in Ruth lake.

D. Funding Sources

Funding for this project will be provided from the Federal Emergency Management Agency (FEMA) and the California Office of Emergency Services (CalOES).

E. Selection Process

The District will establish a Selection Committee to review the SOQ submittals received. The Selection Committee will request a price proposal from the most qualified firm/team that is subject to negotiation of a fair and reasonable price. The District's Board of Directors will approve the final proposal.

F. Work to be Completed

The Consultant shall develop the environmental permits, design, plans, specifications, and cost estimates for this project. Required tasks include:

- 1. Project Management**
 - 1.1 Attend and document project meetings
 - 1.2 Draft correspondence
 - 1.3 Manage subcontractors
 - 1.4 Maintain project files
 - 1.5 Manage and direct overall design and environmental teams
- 2. Quality Control and Quality Assurance of all work products**
- 3. Grant Administration**
 - 3.1 Coordinate the FEMA Emergency Disaster grant administration with FEMA and/or CalOES staff
 - 3.2 Ensure scope of the project is consistent with scope defined in the grant agreements
 - 3.3 Ensure compliance with the grant program requirements and funding agreements
 - 3.4 Completion of Quarterly Status Reports for submittal to CalOES documenting progress of the project
- 4. Preliminary Engineering**
 - 4.1 Propose dredging process and cost estimate
 - 4.2 Propose spoils disposal and cost estimate
- 5. Environmental**
 - 5.1 CEQA Cat. Ex. - The successful respondent will complete a Categorical Exemption document for the District to file as part of this work effort. The successful respondent will review and confirm a Categorical Exemption is appropriate for this project under the CEQA maintenance exemptions. Consultant shall then prepare a draft of Cat. Ex. Notification Form for the District's review, incorporate District comments and submit a final Notification Form in digital and hardcopy format for the District to sign and submit with the permit fees to be Humboldt County Recorder's office.

- 5.2 CDFW 1600 Permit- The dredging of Ruth Lake itself is not covered under the District's Long Term Streambed Alteration Agreement (LTSAA) nor its Habitat Conservation Plan (HCP) and therefore a Lake or Streambed Alteration Agreement will need to be filed under Section 1600 of the Fish & Game Code. The successful respondent will prepare a Notification Form (DFW 2023) for submittal to CDFW. The permit application will be for a "Routine Maintenance" project. The successful respondent will also complete the necessary attachments including location maps and project descriptions. The successful respondent will calculate the necessary permit fees, but HBMWD will pay all necessary fees. It is assumed that CDFW would not require a biological or hydrological study for this permit. The successful respondent will work with the HBMWD to determine appropriate erosion control and other suitable mitigation measures to include in the application. The successful respondent will also be available to answer CDFW staff questions and perform a site visit with CDFW (or other regulatory staff) if requested. The proposal should assume sufficient staff time to respond to agency questions and/or perform a site visit.
- 5.3 Army Corps of Engineering Permit – The successful respondent will also prepare an ACOE Section 404 permit for the dredging operation. The successful respondent will first work with the Army corps to permit the project through an existing Nationwide Permit. There are a couple Nationwide Permits (NWP) that may be applicable including; Nationwide Permit 3, which is associated with Maintenance Activity, and Nationwide Permit 19-for Minor Dredging projects. The successful respondent will work with the ACOE to finalize the correct Nationwide General Permit that is applicable. The successful respondent will then prepare an ENG FORM 4345 detailing the proposed project and submit it to the ACOE with applicable attachments. The successful respondent will submit a draft copy of the ENG FORM 4345 to HBMWD for review, will incorporate the District's comments, and then submit a final form to the District for final signatures and forwarding on to the ACOE.
- 5.4 Section 401 Water Quality Certification - For any activity that may result in a discharge of a pollutant into waters of the U.S., prospective permittees must obtain a Section 401 Certification, or waiver thereof, from the State of California State Water Resources Control Board (SWRCB). Section 401 Certification, or waiver, is required prior to the commencement of any activity under a NWP. In accordance with NWP General Condition 25, where States have not previously certified compliance of an NWP with Section 401 of the Clean Water Act, individual 401 Water Quality Certification must be obtained or waived. The terms and conditions of individual 401 Water Quality Certifications are incorporated into the NWP verification by becoming a Special Condition. The SWRCB has not certified either NWP 3 or NWP 19, so an individual Section 401 Water Quality Certificate would be required for this project. The successful respondent will prepare a Clean Water Act Section 401 Water Quality Certification Application Form for submittal to the SWRCB. The application will be completed with all attachments and a Draft copy of the form will be submitted to the District for review. The District's comments will be incorporated and a final application will be submitted to the District for final signature and for forwarding on to the SWRCB with applicable fees.

6. Permitting

- 6.1 Prepare permit applications, coordinate with and respond to requests of the permitting or regulatory agencies, and acquire all necessary permits
- 6.2 The following permits may be required depending on the final design and regulatory jurisdiction:
 - U.S. Army Corps of Engineers Section 404 permit
 - CA Regional Water Quality Control Board Section 401 Certification and NPDES Construction permit
 - CDFW 1600 Permit

7. Project Design

- 7.1 Review utility records or surveys, geotechnical data, and relevant reports to support project scoping and preliminary engineering
- 7.2 Complete necessary surveying
- 7.3 Conduct necessary geotechnical investigations
- 7.4 Develop design documents including plans, specifications, other necessary bid and contract documents & cost estimates at three stages of completion - 60%, 90% and 100%
- 7.5 Document basis of design

8. Bid Assistance

- 8.1 Distribute and advertise Plans and Specifications for a competitive sealed bid process for project construction
- 8.2 Review and evaluate bids for compliance with project specifications. Ensure the low-cost bidder is responsible and responsive (per CA state law), meets the project bond requirements, holds a valid contractor license, is registered with the California Department of Industrial Relations, and is not ineligible for participation in federal assistance programs.
- 8.3 Following review, recommend award to District staff and Board of Directors

9. Inspection and Construction Management Services

- 9.1 Provide inspection and construction observation services to ensure contractor meets obligations of the specifications
- 9.2 Develop agendas and minutes for project construction coordination meetings
- 9.3 Respond to Contractor's Requests for Information
- 9.4 Review and assist District with processing legitimate Change Orders
- 9.5 Review and assist the District with processing Pay Requests
- 9.6 Ensure contractor provides as-built drawings and review for adequacy
- 9.7 Prepare contract closeout documents and file Notice of Completion

G. Consultant Selection Schedule

- | | |
|--|------------------|
| 1. Issue Request for Qualifications: | June 29, 2017 |
| 2. SOQ Submittal Deadline: | July 13, 2017 |
| 3. Selection Committee review: | July 17-21, 2017 |
| 4. Request proposal from most qualified firm/team: | July 24, 2017 |
| 5. District Board approves award: | Aug. 11, 2017 |

H. Statement of Qualifications

Firms or teams who are interested in providing the consultant services described above are to submit a Statement of Qualifications (SOQ) **not exceeding 30 pages in length** (not including cover letter and table of contents) that includes the following:

1. Identification of prime and sub consultants: Include key personnel (those who will provide the majority of the labor hours) and lead persons to be assigned to the project. Please be specific about education and background of the key staff as well as current and past participation directly with the primary applicant. Short resumes of key participants must be included.
2. Demonstration of firm/team technical competency and firm/team capacity to complete the required work.
3. Provide a minimum of two project descriptions of projects that were completed within the last ten years similar to the Sherriff's Cove dredging project. Please provide a reference name and contact information for the project owner.
4. Demonstration of knowledge of Federal, State and local laws, rules, regulations or ordinances relevant for this project.
5. Demonstration of knowledge of FEMA's Emergency Disaster Grant program as it relates to this project. Identification of CalOES or FEMA grant administration staff with whom firm/team has worked.
6. Conceptual approach, and schedule for services requested.
7. Present workload and staff availability.
8. List any potential conflicts of interest and a strategy for negating them.

Applicants shall submit two bound copies of their SOQ, one unbound copy, and one electronic pdf copy on a CD or flash drive.

I. Selection Criteria

The District's Selection Committee will evaluate all submitted SOQs in accordance with the criteria stated below. The District reserves the right to request interviews of the top ranks firms. The Selection Committee will decide which applicant will be invited to submit a proposal. The Selection Committee may also elect to select a consultant team based upon the SOQ submittals. Evaluation and selection criteria will include the following:

1. Consultant firm or team's qualifications and experience on similar projects, including transmission-level water infrastructure, design of industrial pressure relief appurtenances and demolition of industrial steel structures – 20 points
2. Qualifications and experience of the project manager and key personnel – 20 points
3. Consultant's understanding of the project and conceptual approach – 20 points
4. Consultant's experience with FEMA Emergency Disaster Grant Program, including working successfully with grant administration staff – 20 points
5. Consultant Team's present workload and staff availability – 5 points
6. Consultant Team's ability to meet established project schedule – 5 points
7. References for prime and key sub consultants – 5 points

8. Consultant Team's ability to negate any identified conflicts of interest – 5 points

J. Submittal Deadline

Applicants who are interested in providing the services for this project are required to submit a Statement of Qualifications no later than 4:00 pm on July 13, 2017. All SOQs and materials submitted in response to this RFQ will become the property of the District and will not be returned. The District is not responsible for any costs incurred in the preparation of a response to this RFQ. Please submit the SOQ to:

John Friedenbach
General Manager
Humboldt Bay Municipal Water District
828 7th Street
Eureka, CA 95501-1114

Receipt in the above office must be by the deadline regardless of postmark.

RFQ Distribution List - see attached Appendix A

Appendix A

Submittal and Contact Information

John Friedenbach, General Manager, Humboldt Bay Municipal Water District
828 7th Street, Eureka, CA 95501
Telephone: (707) 443-5018
Friedenbach@hbmwd.com
Distribution List

This is not an exclusive list. You may team up with an individual or firm not listed.

Atlas Engineering
252 G Street
Arcata, CA 95521

Baird Engineering
1257 Main Street
Fortuna, CA 95540

GHD
718 Third Street
Eureka, CA 95501

LACO
21 W 4th Street
Eureka, Ca 95501

Omsberg & Preston
434 7th Street
Eureka, CA 95501

Ontiveros & Associates
404 N. Fortuna Blvd.
Fortuna, CA 95504

Oscar Larson & Associates
317 3rd Street
Eureka, CA 95501

Penfold Engineering
2107 1st Street
Eureka, CA 95501

SHN
812 W. Wabash
Eureka, CA 95501

Whitchurch Engineering
610 9th Street
Fortuna, CA 95540

Greenway Partners
1385 8th Street
Arcata, CA 95521

Pacific Affiliates
990 W. Waterfront Drive
Eureka, CA 95501

Planwest Partners
1125 16th Street
Arcata, CA 95521

Points West Surveying Company
5201 Carlson Park Drive
Arcata, CA 95521

Streamline Planning
1062 G Street, Suite I
Arcata, CA 95521

Manhard Consulting
611I Street, Suite A
Eureka, CA 95501

Humboldt Bay Municipal Water District

To: Board of Directors
From: John Friedenbach
Date: July 6, 2017
Re: Drone use Policy and Procedures

Background

The District's fiscal year 2017/18 project budget includes the acquisition of an unmanned aerial system (UAS) which is also commonly called quad copter or drone. The use of a drone includes inherent privacy considerations and regulatory requirements. It is the intention of District staff to be fully compliant with FAA regulations and respectful of individual privacy rights prior to and during operation of any UAS. Consequently, staff has consulted with the ACWA/JPIA and obtained sample policies and best practice guidelines. These have been tailored to the needs of our District when using an UAS. There are a couple of areas within the proposed Policy and Procedures that staff would like input from the Board. These items are highlighted in yellow.

Recommendation

Staff recommends that the Board adopt the attached:

1. Drone Use Policy;
2. Insurance Requirements of Contractors for the Use of UAV'S or Drones;
3. Best Practices guidelines recommended by the ACWA/JPIA.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

DRONE USE POLICY

Purpose of Policy

This policy is intended to establish the rules for the use of unmanned aerial systems (UAS) including retrieval and dissemination of images and data captured by the UAS. This policy applies to the use of UAS by the Humboldt Bay Municipal Water District (HBMWD) and HBMWD contractors.

Definition

An UAS is an unmanned aircraft of any type that is capable of sustaining flight, whether remotely controlled or preprogrammed and all the supporting or attached hardware designed for gathering information through photography, video recording or any other means. It is an aerial system or device that is not designed, manufactured, or modified after manufactured to be controlled directly by a person from within or on the aircraft, aerial system or device. UAS are also commonly referred to as unmanned aerial vehicles, quad copters, or drones.

Policy

It is the policy of the HBMWD to utilize UAS to enhance the district's ability to inspect and maintain district assets and real property including rights of way. Any application of the UAS will be in accordance with Federal, State and City laws, to include constitutional privacy rights, search and seizure regulations and Federal Aviation Administration (FAA) regulations.

Privacy Considerations

Personnel operating UAS shall only collect information using UAS, or use UAS collected information, to the extent that such collection or use is consistent with and relevant to an authorized purpose. Under no circumstances may recordings from UAS be used for personal purposes. The HBMWD is prohibited from using the UAS data to collect information on individuals or private property, except for purposes as strictly defined above as a public safety or public interest purposes.

For all authorized UAS use, HBMWD will retain all UAS collected data for a period not to exceed one year, as defined by 28 Code of Federal Regulation (CFR) Part 23. Exemptions to the data retention limit may be granted by the HBMWD's GENERAL MANAGER in special circumstances.

Authorized Uses

- Inspect district assets
- Assist in the maintenance and operation of district assets
- View and inspect district real property
- View and inspect district rights of way
- Gather data relevant to district operations

Prohibited Uses

The UAS shall not be used for the following:

- To conduct random surveillance activities.
- To target a person based solely on individual characteristics, such as, but not limited to race, ethnicity, national origin, religion, disability, gender or sexual orientation.
- To harass, intimidate or discriminate against any individual or group.
- To conduct personal business of any type.

Prohibited Zones

The UAS may not be used within five miles of an airport unless approved by the FAA.

Authorized Operators and Public Safety

Only personnel who have successfully completed the required training shall be permitted to operate an UAS.

An UAS operator must maintain a visual line-of-sight with an UAS in-flight at all times. UAS may only reach a maximum altitude of 400 feet above ground level. An UAS operator may only operate one UAS at a time.

Any UAS used by the HBMWD may not have any distracting lighting, flagrant coloring, or lasers that may otherwise distract drivers.

Flight Logs

Each authorized UAS operator will maintain a flight log. Operators will log the date, flight time and locations of all UAS deployments. They will also note, case

number, incident type, automated flight or manual flight, and whether photo images or video were captured during the flight.

Program Coordinator

The GENERAL MANAGER will designate the SUPERINTENDENT to oversee the UAS Program. Their duties will include the following:

- Ensuring that policies and procedures conform to current laws, regulations and best practices.
- Establishing a training standard for operators that meet FAA requirements.
- Overseeing the selection and training of operators.
- Maintaining and updating the Certificate of Authorization (COA) with the FAA.
- Overseeing procurement and maintenance of UAS equipment.
- Review of UAS deployments to ensure compliance with policies and operating procedures.
- Conducting audits of flight logs semiannually.

Retention of Data

Photographs and video collected by UAS shall be retained in accordance with HBMWD Records Retention Schedules.

Enforcement

All UAS must adhere to all FAA Temporary Flight Restrictions.

Humboldt Bay Municipal Water District (HBMWD)

Insurance Requirements of Contractors for the Use of UAVs or Drones

Insurance

Owner/Operator shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damage to property which may arise from or in connection with the ownership, maintenance or use of the Unmanned Aerial Vehicle.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

Aviation Liability Insurance-on an "occurrence" basis, including products and completed operations, property damage, bodily injury with limits no less than \$1,000,000 per occurrence, and \$2,000,000 in the aggregate. This coverage may also be provided by endorsement to a **Commercial General Liability** policy. In that event then:

1. **Commercial General Liability (CGL)**: Insurance Services Office Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$2,000,000 per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit.
2. **Workers' Compensation** insurance as required by the State of California, with Statutory Limits, and Employer's Liability Insurance with limit of no less than \$1,000,000 per accident for bodily injury or disease.

If the Owner/Operator maintains broader coverage and/or higher limits than the minimums shown above, the HBMWD requires and shall be entitled to the broader coverage and/or higher limits maintained by the Owner/Operator. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the HBMWD.

Self Insured Retentions

Self-insured retentions must be declared to and approved by the HBMWD.

Other Insurance Provisions

- A. The Aviation Liability or General Liability policy is to contain, or be endorsed to contain, the following provisions:
 1. **The HBMWD, its officers, officials, employees, and volunteers are to be covered as additional insureds** with respect to liability arising out of work or operations
 2. For any claims related to this project, **the Owner's/Operator's insurance coverage shall be primary insurance** coverage at least as broad as ISO CG 20 01 04 13 as respects the HBMWD, its officers, officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the HBMWD, its officers, officials, employees, agents, or volunteers shall be excess of the Owner's/Operator's insurance and shall not contribute with it.
 3. Each insurance policy required above shall provide that coverage shall not be canceled, except with notice to the HBMWD.

Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of no less than A:VII if admitted in the State of California. If coverages are not available from an admitted insurer, the coverage may be written by a non-admitted insurance company. A non-admitted company should have an A.M. Best rating of A:X or higher.

Verification of Coverage

Owner/Operator shall furnish the HBMWD with original certificates and amendatory endorsements, or copies of the applicable insurance language, effecting coverage required by this contract. All certificates and endorsements are to be received and approved by the HBMWD before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Owner's/Operator's obligation to provide them. The HBMWD reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by these specifications, at any time.

Waiver of Subrogation

Owner/Operator hereby grants to HBMWD a waiver of subrogation which any insurer may acquire against HBMWD, its officers, officials, employees, and volunteers, from Contractor / Vendor / Operator by virtue of the payment of any loss. Owner/Operator agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation but this provision applies regardless of whether or not the HBMWD has received a waiver of subrogation endorsement from the insurer.

The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the HBMWD for all work performed by the Owner/Operator, its employees, agents, and subcontractors.

Subcontractors

Owner/Operator shall require and verify that all subcontractors maintain insurance meeting all the requirements stated herein, and Owner/Operator shall ensure that HBMWD is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a format least as broad as CG 20 38 04 13.

BEST PRACTICES FOR PUBLIC ENTITY USE OF DRONES

For public entity owned and operated drones, develop a plan for use, including:

- Maintenance and inspection of drones (including documentation of battery cycles, propeller changes, etc.),
- Record/document operations (logging flight plans),
- Obtaining permission to go on property or providing advance notice to prevent trespass or privacy violations,
- Storage and/or maintenance of any collected information,
- Guidelines for recovering fallen drones
- Maintenance and inspection of drones (including documentation of battery cycles, propeller changes, etc.),
- Record/document operations (logging flight plans),
- Obtaining permission to go on property or providing advance notice to prevent trespass or privacy violations,
- Storage and/or maintenance of any collected information,
- Guidelines for recovering fallen drones

For a public entity that contracts for use of a drone owned and operated by a third party

- Ensure the third party has a certified operator (if drone less than 55 pounds)
- Ensure the third party has a qualified operator and a Section 333 exemption that encompasses the intended operation (if drone is over 55 pounds)
- Confirm that the public entity's operation fits within the third party's Section 333 exemption (if drone is over 55 pounds)
- Ensure insurance coverage/indemnity for any drone accident or incident that may result in liability
- Be wary of accepting volunteer services

If you have questions or comments, please feel free to call Member Services at (916) 786-5742.

BEST PRACTICES FOR PUBLIC ENTITY USE OF DRONES

Procuring ACWA JPIA Coverage.

Information needed to procure property and general liability coverage including:

- UAV/Drone Data: model/year built
- Manufacturer
- Value
- UAV launch method, e.g., airport runway, catapult, roads, field, vertical takeoff, etc.
- How is aircraft controlled, e.g., no pilot, ground-based
- pilot, etc.
- Proposed use of aircraft
- Area of proposed operations

Other Risk Management Considerations

- Establishing a drone utilization policy
- Documenting Operator(s) training, qualification and experience
- Intended use
- Interaction between operator & observer
- Weather & environmental issues
- Video capabilities
- Ensuring drone airworthiness - pre & post flight checks
- Drone maintenance

If you have questions or comments, please feel free to call Member Services at (916) 786-5742.

Engineering

Humboldt Bay Municipal Water District
 Samoa Peninsula Domestic Water Usage - Planning Scenario
 (Daily Use in MGD)

A	B	C			E	B	C	D
		2011	2012	2013				
	Contractual Commitment	Average Daily Use (from Peak-Month)			3-year Avg	Estimated Max Use	Future Needs	Planning Scenario
		2011	2012	2013				
Upstream of Booster Station:								
* Wholesale (Manila CSD)		0.02	0.02	0.02	0.02			
Sierra Pacific		0.08	0.07	0.08	0.08			
Remaining Manila		0.10	0.09	0.10	0.10	0.19	0.21 ?	0.21
* Total Manila CSD	See Ord. 16							
Downstream of Booster Station:								
* Retail								
Town of Samoa	0.230	0.13	0.10	0.10	0.11	0.13	.44 ?	0.44
Pulp Mill (Freshwater)	0.070	0.00	0.00	0.00	0.00	0.00		0.00
US Coast Guard		0.00	0.00	0.01	0.00	0.01		0.01
Eureka Airport		0.00	0.00	0.00	0.00	0.00	?	0.00
Residential		0.04	0.04	0.04	0.04	0.04		0.04
Other (non residential)		0.01	0.01	0.01	0.01	0.01		0.01
Fairhaven Power		0.04	0.37	0.33	0.25	0.37	?	0.37
Sequoia Investments		0.00	0.00	0.00	0.00	0.00	?	0.00
California Redwood Co.		0.00	0.00	0.00	0.00	0.00	?	0.00
* Subtotal Retail		0.23	0.53	0.49	0.42	0.57		0.88
* Wholesale - Humboldt CSD	See Ord. 16	1.10	1.05	1.05	1.07	2.27	2.90	2.90
Total Demands		1.33	1.59	1.54	1.49	2.84		3.78
Pipeline Capacity					4.46	4.46		4.46
Available Capacity					2.97	1.62		0.68

Manila CSD usage is not included in capacity analysis since they are upstream of Samoa Booster Station (and therefore not subject to capacity constraint of 4.46 MGD on peninsula)
 Column B: See Ord. 16 for "Peak Water Use" factors (MGD) for wholesale customers, and capacity commitments for two retail customers who have a contract with District
 Column C-E: The "average daily use" (MGD) associated with the peak monthly usage for each fiscal year (as recorded in retail billing system).
 Column F: 3-year average of the preceding "average daily use" (e.g. average of columns C through E)
 Column G: The Max Daily Use for wholesale customers represents the maximum recorded usage (MGD) over 24-hour period since May 2000 (per SCADA operational data).
 Column H: Preliminary input as to what future needs may be
 Column I: Starting base case for planning purposes - needs to be refined and agreed to

Pat Kaspari

From: David Swartz <swartz@cecusa.net>
Sent: Tuesday, April 08, 2014 3:58 PM
To: Carol Rische
Cc: Pat Kaspari; Dan Johnson; Mike O'Hern
Subject: RE: Town of Samoa Wateruse projects
Attachments: Projected Water & WW Flows.pdf

Follow Up Flag: Follow up
Flag Status: Flagged

Carol,
Here is the most recent calculations that I have regarding the water projections at complete developed condition. Rounding up would take it to a peak of 100,000 gal per day. Let me know if you need anything further.

Dave

From: Carol Rische [mailto:gm@hbmwd.com]
Sent: Tuesday, April 08, 2014 1:46 PM
To: David Swartz
Cc: Pat.Kaspari@ghd.com
Subject: RE: Town of Samoa Wateruse projects

Hi David,

Was wondering if you have had a chance to develop estimate of the Town's water-use when proposed development complete. We would like to include as accurate a projection as possible in the hydraulic model before running scenarios for the Harbor District.

Carol

Carol Rische, General Manager
Humboldt Bay Municipal Water District
P.O. Box 95
828 7th Street
Eureka, CA 95502
Email: gm@hbmwd.com
Phone: (707) 443-5018/Fax: (707) 443-5731

From: David Swartz [mailto:swartz@cecusa.net]
Sent: Tuesday, March 25, 2014 5:32 PM
To: Carol Rische
Cc: Pat.Kaspari@ghd.com; supt@hbmwd.com
Subject: RE: Town of Samoa Wateruse projects

Hi Carol,
Absolutely no problem. The estimates have not really changed much since our last estimates were developed. I will take another look at the water projections and update them as may be necessary, and honestly, I think that following

the coastal commission approval process there are fewer lots that we originally had developed estimates for, however with the new housing component it might work out to be the same. Not sure. When do you need this information?
Dave

From: Carol Rische [<mailto:gm@hbmwd.com>]
Sent: Tuesday, March 25, 2014 12:31 PM
To: David Swartz
Cc: Pat.Kaspari@ghd.com; supt@hbmwd.com
Subject: Town of Samoa Wateruse projects

Hi Dave,

It's been quite some time since we have seen each other or corresponded.

We are in the process of updating our water system hydraulic model for the Samoa Peninsula given potential new development at the former Samoa Pulp Mill site. Dale Davidsen (new Superintendent) and I were in meeting with Dan the week before last. He provided an update regarding the Town of Samoa project. He shared the likely infrastructure grant (congrats!) and addition of a low-income housing component.

We would like to understand the estimated water use (peak and average is possible) for the Town when fully developed. We want to make sure we factor in the best estimate given the updated modeling work.

Carol

Carol Rische, General Manager
Humboldt Bay Municipal Water District
P.O. Box 95
828 7th Street
Eureka, CA 95502
Email: gm@hbmwd.com
Phone: (707) 443-5018/Fax: (707) 443-5731

This e-mail has been scanned for viruses

Financial

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

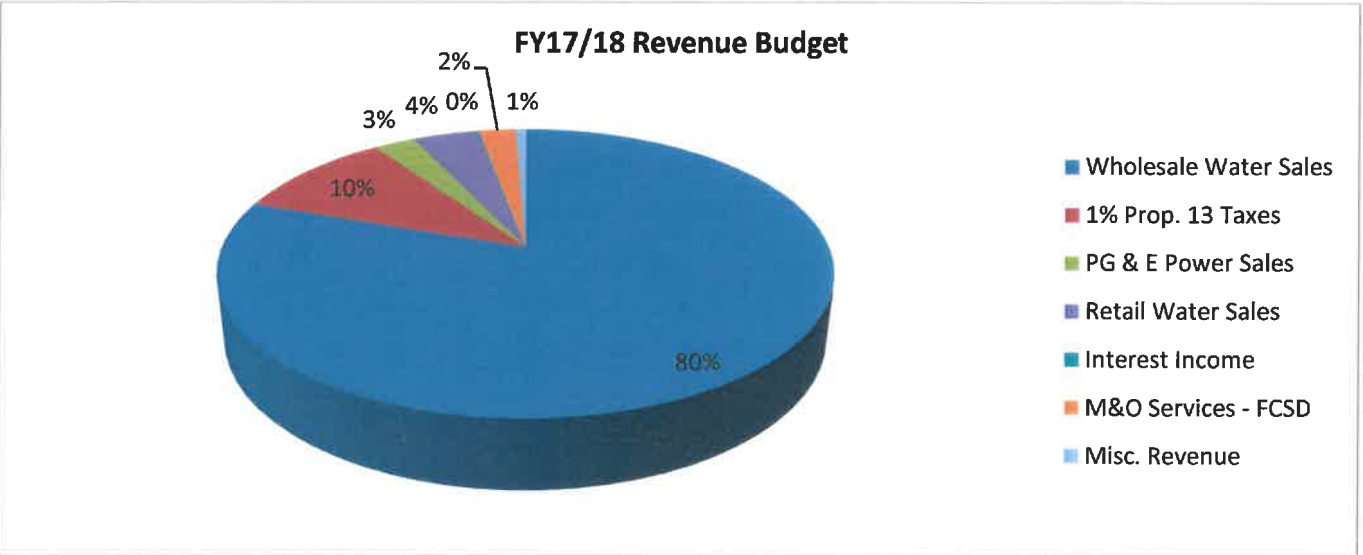
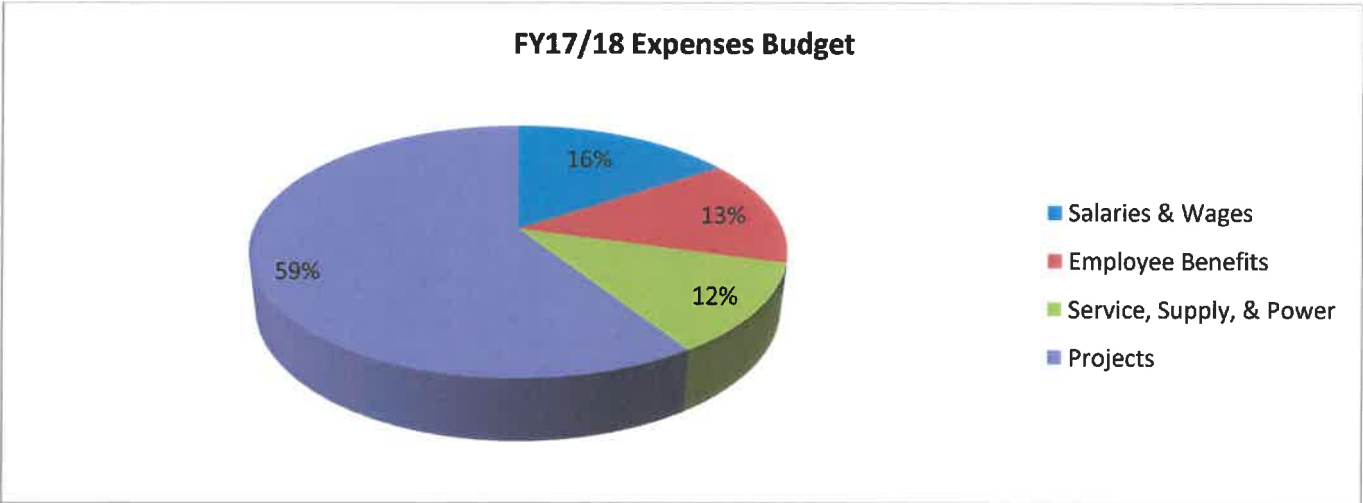
Date: July 13, 2017

From: Chris Harris

RE: Final Budget for FY 2017/2018

During the June 8th board meeting, staff presented the summary draft of the proposed FY17/18 budget for review and discussion. This month, staff would like to present the proposed final version of the FY17/18 budget. This version does include several additions as well as changes made based on new information. Due to the timing of the June financial reports, final analysis for aspects of the Project Budget (Carryover's and Reallocations) are not included in the Blue Book, but will be provided to the Board early in the week, prior to the board meeting.

HBMWD FY17/18 BUDGET SUMMARY GRAPHS



Proposed final budget summary:

- **Service & Supply Budget – No changes.** Based on our last board meeting, the new CSDA membership will be listed separately on the Financials.
 - Total Service & Supply Budget including power is \$1,482,365
 - Change from the FY16/17 budget is \$49,965 or 3.5%

- **Salary and Employee Benefit Budget – Decreased.** Director Rupp has provided updated information regarding the JPIA Benefits Committee and the medical insurance rates for 2018. By modifying the PPO coverage, JPIA was able to limit the PPO rate increase to 4.5%. HMO rates will increase by 8.6%. Staff had previously assumed a 10% increase. JPIA was also able to maintain dental and vision coverage with no increase in rates for 2018. Previous budget assumptions had factored in a 2% increase for dental.
 - Based on our budget discussion on June 8th, items included in the current proposal are: 2.5% COLA; longevity increase at 25 years
 - Items that do not have a financial impact but are also included: management leave; elimination of paid overtime for supervisors; cellphone stipend; and revision of the comp time policy
 - Health care and vision rates have been recalculated resulting in a *decrease* of \$12,900 from original calculations.
 - Total change in the Salary and Employee Benefits Budget is a *decrease* of \$32,300
 - Revised total SEB proposed budget is \$3,742,276, an increase of 4% from FY16/17 budget

- **Revenue Budget – No changes.**
 - Wholesale Contract Revenues are budgeted at \$6,201,988, an 8% *decrease* from FY16/17
 - Other District Revenues are \$1,521,151, an increase of 1.7% from FY16/17
 - Total revenue is \$ 7,723,138 which is a 6.3% *decrease* from FY16/17

- **Project Budget –** There are several additions and changes that have come to our attention since the June presentation. These changes are listed below. Staff will provide additional information at the meeting.

Additions to Project Budget

Project	Budget Amount	Recommended Funding Source	Comment
Add'l Spillway Inspection	\$50,000	Project Budget Reallocation	Based on Spillway Inspection
1MG Valve Replacement*	\$30,000	Funded	Carryover
CIP Review/Analysis*	\$7,200	Funded	Carryover
Dredging at Essex	\$5,200	Project Budget Reallocation	Carryover
Server Upgrade	\$30,000	Project Budget Reallocation	Omitted Previously
Monitors at Directors Stations	\$7,500	Project Budget Reallocation	Omitted Previously

*Found after the Project Budget meeting, but before the Summary Budget Review meeting. These projects are currently funded within the budget.

Explanation of Project Budget Additions:

- **Additional Spillway Inspection** – Staff will discuss this project in greater detail at the meeting. Due to the unforeseen nature and importance of this project, staff is recommending using funds reallocated within the Project Budget
- **1MG Valve Replacement** – This project is a carryover
- **CIP Review/Analysis** – This project is a carryover
- **Dredging at Essex** – This project has been moved to a carryover status due to permitting delays. Staff is recommending using funds reallocated within the Project Budget
- **Server Upgrade** – This project was omitted from the Project Budget. Staff is recommending using funds reallocated within the Project Budget
- **Monitors at Directors Seats/Board Room** – This project was omitted from the Project Budget. Staff is recommending using funds reallocated within the Project Budget

Incorporating these changes into the Project Budget with the recommended funding listed above will result in no changes in charges to the Muni’s. The total proposed Project Budget is:

TOTAL PROJECT BUDGET							
PROJECT EXPENDITURES THIS FY			PROCEEDS FOR PROJECTS			ADDITIONAL CHARGES	RESULTING CUSTOMER CHARGES
TREATMENT	BASE FACILITY	TOTAL	ADVANCE CHARGES (COLLECTED)	GRANTS	RESERVES	DEBIT SERVICE	
\$190,100	\$7,373,390	\$7,563,490	\$1,765,845	\$4,108,900	\$300,000	\$162,200	\$1,550,945

TOTAL BUDGET SUMMARY

	2016/17	2017/18	Difference	
	Budget	Budget	\$	%
<u>BUDGETED COSTS</u>				
Salary & Employee Benefits	\$3,596,134	\$3,742,276	\$146,142	4.1%
Service & Supply	\$792,400	\$814,900	\$22,500	2.8%
Projects	\$5,349,550	\$7,563,490	\$2,213,940	41.4%
Power	\$640,000	\$667,465	\$27,465	4.3%
Debt Service	\$547,337	\$547,337	\$0.00	0.0%
Charges for Reserves	\$200,000	\$350,000	\$150,000	75.0%
Total Expenditures	\$11,125,421	\$13,635,468	\$2,560,047	23.0%
<u>REVENUES</u>				
Wholesale Contract Revenues	\$6,744,410	\$6,169,691	(\$574,719)	-8.5%
Other Revenues	\$1,496,060	\$1,521,151	\$25,091	1.7%
Total Revenues	\$8,240,470	\$7,690,841	(\$549,629)	-6.7%
Use of Grants, Loan and Debt Service Charges	\$2,884,951	\$5,994,627	\$3,109,676	107.8%
Total Sources	\$11,125,421	\$13,635,468	\$2,560,047	23.0%

Staff Recommendation

Staff recommends Board approval of the FY 2017/2018 budget as presented and described in this memo.

Humboldt Bay Municipal Water District

To: Board of Directors

From: Chris Harris

Date: July 13, 2017

Re: Increase of Fixed Asset Threshold

Background

A fixed asset is a tangible asset (structures, improvements, and equipment) that has been purchased or created through construction, which has a life expectancy of greater than one year. The expense of a new fixed asset is spread (depreciated) over multiple years, determined by the "useful life" of the asset. This is the accounting "matching principal", which basically states that expenses are to be recognized in the period during which they generate revenues. For a capital asset, it is assumed that it's use will generate revenues during future periods. The estimated useful life varies (from 3 to 50 years), and is intended to resemble the actual usefulness of the item. Not all items that last more than one year are capitalized. This is decided by the capitalization threshold set by the individual business entity. Capitalization thresholds differ from one organization to the next and are based on materiality and circumstances unique to the entity. As a public entity, depreciation and capitalization thresholds are key factors in accurately reporting the value of capitalized assets.

Discussion

Although there is not necessarily a right or wrong amount in determining the capitalization threshold, the amount should be chosen based on materiality and practicality. Creating too low of a threshold creates additional logistics in tracking low dollar items for years for depreciation purposes. Creating a threshold too high can create inaccurate financial reporting by omitting true assets that do not reach the higher dollar amount.

There are always questions when determining any entity's capitalization threshold. HBMWD currently has a capitalization threshold of \$1,000, while similar agencies like MCSD uses a threshold of \$5,000 and HCSD finds a threshold of \$10,000 to better suit their needs. There is limited guidance available on a state or federal level as well. The CA Secretary of State defines structures and improvements as "having a minimum value of \$5,000 to \$50,000 as established by the fiscal officer of the district," and the IRS states "the threshold varies depending on the business."

Recommendation and Action

Staff recommends that the District capitalization threshold be increased from \$1,000 to \$5,000 effective July 1, 2017. This will allow us to more accurately reflect the value of our true assets without needlessly over burdening our depreciation schedule with low dollar items.



The Place to Be

June 20, 2017

H.B.M.W.D. JUN 22 2017

Mr. John Friedenbach
General Manager
Humboldt Bay Municipal Water District
828 7th Street
Eureka, CA 95501

Dear Mr. Friedenbach:

This letter confirms the engagement of Price Paige & Company by Humboldt Bay Municipal Water District (the "District") as of and for the year ended June 30, 2017.

The professional services we will provide include the following:

We will provide consultation to assist the District in complying with the accounting and financial reporting requirements as prescribed by the Governmental Accounting Standards Board's Statement No. 68 (GASB 68) for the miscellaneous risk pool within California Public Employees' Retirement System's (CalPERS) **Public Agency Cost-Sharing Multiple-Employer Defined Benefit Pension Plan** as of June 30, 2017. This consultation will consist of the following as they relate to GASB 68 requirements:

- Preparing the calculation of net pension liability and pension related deferred outflows and inflows for the District's enterprise fund.
- Preparing the calculation of pension expense for the District's enterprise fund
- Providing the journal entries to record all GASB 68 balances sheet and expense account balances
- Preparing the pension note disclosure specific to the District, which will be provided in Microsoft Word along with a corresponding Microsoft Excel file (The note disclosure will be prepared in the manner and format recommended by the California Committee on Municipal Accounting)
- Preparing all required supplemental information schedules, which will be provided in Microsoft Excel
- Provide a comprehensive audit packet that includes detailed support for all account balances and pension expense.

All workpapers or other documents used by us during this engagement will be maintained in segregated files, and such originals and all copies will be returned to you upon the completion of our engagement.

It is our policy to keep records related to this engagement for a minimum of seven years after the report release date.

677 Scott Avenue
Clovis, CA 93612
tel 559.299.9540
fax 559.299.2344

Our fee to assist the District with the consulting services described above as of June 30, 2017 is \$2,750. The fee is applicable for the services provided with the understanding that the supporting information provided to us is complete and accurate. If further work is necessary due to being provided either incomplete or inaccurate supporting information, the District will be billed at an hourly rate according to our standard billing rates. Additionally, if you request changes to the District's GASB 68 note disclosure beyond what is recommended by the California Committee on Municipal Accounting, the District will be billed at an hourly rate according to our standard billing rates. We will issue a billing statement once the work has been completed. Payments for services are due when rendered and interim billings may be submitted as work progresses and expenses are incurred.

If information becomes known that would make our continued involvement in this engagement inappropriate, or parties involved change, we reserve the right to withdraw from this engagement. In addition, we will refuse to perform any requested act that we deem a violation of law, public policy, or our professional ethical standards, and may, as a result, withdraw from the engagement without penalty.

In no event will our firm be liable for incidental or consequential damages resulting from our performance on this engagement, even if we have been advised of the possibility of such damages.

If these terms are in accordance with your understanding and meet with your approval, then please sign and date one copy of this letter in the space provided. This agreement will become effective when you return the signed copy to us.

If the need for additional services arises, our agreement with you will need to be revised. It is customary for us to describe these revisions in an addendum to this letter.

Sincerely,



Fausto Hinojosa, CPA CFE
Price Paige & Company

RESPONSE:

This letter correctly sets forth the understanding of Humbolt Bay Municipal Water District.

Management Signature

Title

Date

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
Statement of Fund Balances at May 31, 2017

SECTION J2d, PAGE NO. 1

Account Fund Balance at Month End

AT 6-30-17

AT 6-30-16

U.S. BANK ACCOUNTS

- Commercial Account - General Fund Account		967,035.67	455,121.14
- Money Market Account (DWR Contract for SRF Loan)	①	161,334.46	160,218.26
- Certificate of Deposit (DWR Contract for SRF Reserve)	②	547,336.94	547,428.18
Subtotal		<u>1,675,707.07</u>	<u>1,162,767.58</u>

HUMBOLDT COUNTY:

- Investment Account		2,545,334.00	3,165,515.50
- DWFP Reserve (in accordance with Ordinance 16)	④	472,301.09	465,928.39
- MSRA Reserve (Municipal Supplemental Reserve Account)	⑤	422,976.28	417,269.78
- SRF Loan Payment	⑥	48,785.07	48,100.33
- A/B Bond Tax Account		0.00	0.00
- 1% Tax Account	③	0.00	0.00
Subtotal		<u>3,489,396.44</u>	<u>4,096,814.00</u>

L.A.I.F.

		1,610.80	1,600.38
Cash on Hand		650.00	650.00

TOTAL CASH

	<u>\$ 5,167,364.31</u>	<u>\$ 5,261,831.96</u>
--	------------------------	------------------------

Less: Encumbrances & Reserves (Funds Dedicated for Specific Purposes and Projects)

RESTRICTED

Municipal Customers PF2 Prior Year Reconciliation		(445,411.87)	(611,647.90)
1% Tax Account	③	0.00	0.00
Municipal Customer Adv. Chrg. - Ranney Collector 1 & 1A Rehabilitation		0.00	(1,897,764.08)
Municipal Customer Adv. Chrg. - Ranney Collector 2 Rehabilitation		0.00	(125,000.00)
Municipal Customer Adv. Chrg. - Collector 1 Pump Motors		(100,000.00)	0.00
Municipal Customer Adv. Chrg. - 1MG Domestic Reservoir Roof		(625,000.00)	(35,000.00)
Municipal Customer Adv. Chrg. - Replace Ruth Bunkhouse		(403,500.00)	(195,000.00)
Municipal Customer Adv. Chrg. - SCADA System Upgrade		(401,000.00)	0.00
Municipal Customer Adv. Chrg. - Blue Lake/FGCSD River Crossing		(200,000.00)	0.00
Municipal Customer Adv. Chrg. - Surge Tower Replacement		(36,345.00)	0.00
DWR Reserve Fund for SRF Loan	②	(547,336.94)	(547,428.18)
DWR Contract Payment for SRF Loan for DWFP (Drinking Water Filtration Plant-PF1 Charges from Munis)	①	(161,334.46)	(160,218.26)
SUBTOTAL RESTRICTED RESERVES (Net Position)		<u>(2,919,928.27)</u>	<u>(3,572,058.42)</u>

UNRESTRICTED:

Board Restricted:

Paik-Nicely Development		(4,158.00)	(4,158.00)
Sequoia Investments X, LLC (Hog Island Project)		0.00	996.25
DWFP Reserve *	④	(472,301.09)	(465,928.39)
MSRA Reserve (Municipal Supplemental Reserve Account)	⑤	(422,976.28)	(417,269.78)
PG&E REMAT Deposit		(27,000.00)	0.00

Unrestricted Reserves

SRF Loan Payment	⑥	(48,785.07)	(48,100.33)
Techite CalEMA Subgrantee Administrative Allowance		0.00	(30,004.63)
Municipal Customer Accumulation for Debt Service for US Bank			
Ranney & Techite Project Loan Payment		(209.15)	(198.94)
General Fund Reserve		<u>(1,272,006.45)</u>	<u>(725,109.72)</u>

SUBTOTAL UNRESTRICTED RESERVES (Net Position)

	<u>(2,247,436.04)</u>	<u>(1,689,773.54)</u>
--	-----------------------	-----------------------

Total Net Position

	<u>(5,167,364.31)</u>	<u>(5,261,831.96)</u>
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HUMBOLDT BAY MUNICIPAL WATER DISTRICT
 AT JUNE 30, 2017 (12 MONTH - 100%)

SECTION J2d, PAGE NO. 2

	JUNE RECEIPTS	YTD TOTAL AT 6-30-17	BUDGET	% OF BUDGET	YTD TOTAL AT 6-30-16
MISCELLANEOUS RECEIPTS (RETURNED TO CUSTOMERS VIA PF2)					
RETAIL WATER SALES	\$ 24,514.17	\$ 358,141.36	\$309,060	116%	\$ 297,306.51
SUBTOTAL RETAIL WATER SALES	\$ 24,514.17	\$ 358,141.36	\$309,060	116%	\$ 297,306.51
GENERAL REVENUES					
INTEREST	0.00	39,915.84	\$12,000	333%	11,661.29
FCSD CONTRACT FOR MAINT. & OPERATIONS	0.00	234,894.67	175,000	134%	236,541.42
POWER SALES	40,456.09	259,094.31	175,000	148%	142,886.44
MISCELLANEOUS (SEE NEXT PAGE)	\$6,252.54	\$66,553.10	50,000	133%	\$ 62,016.20
SUBTOTAL GENERAL REVENUES	\$ 46,708.63	\$ 600,457.92	\$412,000	146%	\$ 453,105.35
TAX RECEIPTS					
1% TAXES	357,409.59	837,624.20	775,000	108%	849,152.55
TOTAL PF 2 CREDIT	\$ 428,632.39	\$ 1,796,223.48	\$1,496,060	120%	\$ 1,599,564.41
WHOLESALE CONTRACT RECEIPTS					
INDUSTRIAL / HARBOR DISTRICT	\$0.00	\$ 1,108.28	\$50	2217%	\$0.00
TOTAL INDUSTRIAL	\$0.00	\$ 1,108.28	\$50	2217%	\$0.00
CITY OF ARCATA	\$ 94,922.33	\$ 1,147,983.21	\$1,257,114	91%	\$ 1,053,910.89
CITY OF EUREKA	228,386.43	2,752,098.85	3,001,244	92%	2,755,319.05
HUMBOLDT CSD	76,365.90	925,372.60	1,032,162	90%	855,310.86
MANILA CSD	6,191.49	74,504.37	82,399	90%	69,636.97
MCKINLEYVILLE CSD	76,268.37	929,514.50	1,019,529	91%	849,782.20
FIELDBROOK CSD	12,622.33	151,433.88	166,168	91%	148,598.84
BLUE LAKE	13,433.28	162,806.87	185,744	88%	156,426.68
TOTAL MUNIS	\$ 508,190.13	\$ 6,143,714.28	\$6,744,360	91%	\$ 5,888,985.49
A/B BOND TAXES	\$0.00	\$0.00	\$0	0%	\$0.00
TOTAL RECEIPTS	\$ 936,822.52	\$ 7,941,046.04	\$8,240,470	96%	\$ 7,488,549.90

MISCELLANEOUS RECEIPTS

	JUNE	YEAR TO DATE
Administrative		
Parking Lot Rent	\$25.00	\$300.00
Employee Telephone	0.00	166.23
Employee Gas	16.84	97.54
Retirees' Reimbursement of Health Insurance Premium	3,435.63	26,010.90
COBRA Vision Ins & Admin Fee - Retiree	18.93	208.23
COBRA Dental Ins & Admin Fee - Retiree	108.24	1,190.64
Employee on Leave Payment of Health Insurance Premium	0.00	42.26
Water Processing Fees	120.00	540.00
Hydrant Rental Deposit	0.00	0.00
Meter Installations	0.00	10,339.40
Retail Connection Charge	0.00	2,400.00
Mainline Connection Charge	0.00	0.00
Right of Way Fees	0.00	0.00
Special Event Liability Insurance	207.74	569.24
ACWA/JPIA Retrospective Premium Adjustment	0.00	12,845.60
ACWA/JPIA Insurance Claim	0.00	0.00
Dividend Check (Principal Life)	0.00	688.86
Bad Debt Recovery	0.00	72.64
Miscellaneous Payments for Copies &/or Postage Costs	10.20	120.62
Diesel Fuel Tax Refund	24.96	127.54
Park Use Fees	100.00	200.00
Sequoia Investments X, LLC - Hog Island Project	0.00	1,104.75
PG&E - CPUC Mandated Gas Credit	0.00	96.47
IRS -Refund of Payroll Tax Overpayment	0.00	564.33
EDD -Refund of Payroll Tax Overpayment	0.00	33.15
Sale of Surplus Equipment	0.00	60.00
Reimbursement for personal charges to District credit card -P. Helliker	0.00	186.90
PG&E - Energy Efficiency Rebate Program-Pump & Motor Upgrade Collector 3	0.00	2,886.60
ACWA/JPIA HR LaBounty Safety Award	0.00	150.00
Costco - Refund for overpayment of membership fee	5.00	5.00
Ruth Area		
Use of Ruth Cabin	30.00	420.00
RLCSD-Water System Permit Fees	2,050.00	4,100.00
Ruth Area Water Use Permit	100.00	200.00
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	135.00
Don Bridge Lease	0.00	691.20
Miscellaneous		
Other	0.00	0.00
Total Miscellaneous Receipts	\$6,252.54	\$66,553.10
OTHER RECEIPTS or GRANTS		
Prop 84 - Ranney Collector 1	0.00	491,084.33
CalEMA Blue Lake/Fieldbrook Pipeline Crossing	0.00	118,074.71
Quagga Grant 2015/16 on behalf of RLCSD*	0.00	8,235.00

* Not included in PF2 Credits. No charges were expended by HBMWD.
Claim for expenditures was submitted by HBMWD on behalf of RLCSD.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
 TOTAL EXPENDITURES
 AT JUNE 30, 2017 (12 MONTHS - 100%)

SECTION Jad, PAGE NO. 4

	JUNE EXPENSES	TOTAL 6/30/2017	BUDGET	% OF BUDGET	TOTAL 6/30/2016
PAYROLL:					
Regular	\$160,364.19	\$1,916,753.71	\$ 1,917,832	100%	\$ 1,822,789.16
Part-Time	4,532.00	32,018.02	53,600	60%	25,479.02
Overtime	2,175.34	28,282.58	35,000	81%	28,589.14
Standby	6,067.92	77,612.86	80,000	97%	75,161.65
Pay Differential	650.20	10,372.21	11,500	90%	9,320.85
Deferred Compensation	2,550.00	29,475.00	30,600	96%	14,925.00
Employee Assistance Plan	75.20	883.60	1,078	82%	875.18
Director Compensation	2,800.00	21,200.00	26,000	82%	21,968.00
Director - Secretary Fees	262.50	3,150.00	3,200	98%	3,150.00
Taxes/Benefits	103,898.09	1,393,236.36	1,437,324	97%	1,290,455.59
TOTAL PAYROLL	\$283,375.44	\$ 3,512,984.34	\$ 3,596,134	98%	\$ 3,292,713.59
SERVICE & SUPPLY					
O & M					
Engineering	\$6,471.25	\$44,354.25	\$ 75,000	59%	\$74,107.59
Maint., Repairs, Supplies	5,899.53	123,747.84	115,000	108%	117,052.01
TRF Maint, Repairs, Supplies	1,653.16	54,100.18	55,000	98%	35,300.29
Lab	1,480.00	11,704.70	13,000	90%	10,330.16
Auto Maintenance	3,321.68	30,220.82	46,000	66%	36,521.80
Radio Maintenance	2,929.81	12,510.58	10,500	119%	8,845.49
USGS Meter Station	0.00	7,260.00	7,800	93%	6,930.00
Ruth Lake License	0.00	1,500.00	1,500	100%	1,500.00
A&G					
Accounting Services	0.00	20,640.00	\$ 30,000	69%	32,000.00
Legal	0.00	4,684.43	28,000	17%	10,304.50
Professional Services	195.28	5,214.66	20,000	26%	4,245.31
Insurance	207.74	86,387.24	105,000	82%	101,216.00
Telephone/Internet	4,399.08	59,303.02	46,000	129%	49,233.87
Office Building Maintenance	2,165.14	19,547.28	18,000	109%	22,433.38
Office Expense	4,678.36	59,335.76	52,000	114%	53,438.19
Travel & Conference	1,404.17	7,362.99	25,000	29%	9,798.73
Dues & Subscriptions	125.00	15,363.78	15,500	99%	14,094.03
Technical Training	1,359.94	9,266.80	11,000	84%	7,337.44
County Tax Fee	9,522.00	19,044.00	21,000	91%	17,902.00
County Property Taxes	0.00	998.60	1,100	91%	998.60
LAFCO	0.00	7,447.28	4,500	165%	5,847.74
Regulatory Agency Fees	1,835.08	84,632.16	75,000	113%	96,201.54
Ruth Lake Programs	0.00	0.00	5,000	0%	0.00
Miscellaneous	5,626.68	23,873.27	11,500	208%	19,743.87
TOTAL SERVICE/SUPPLIES W/OUT POWER	\$53,273.90	\$708,499.64	\$ 792,400	89%	\$735,382.54
POWER					
Essex Pacific Gas & Electric	\$52,192.50	\$595,666.63			\$ 552,496.70
Fuel For 2 MW Generator	0.00	2,513.59			9,926.48
<i>Subtotal Essex Pumping</i>	<i>\$52,192.50</i>	<i>\$598,180.22</i>	<i>561,863.00</i>	<i>106%</i>	<i>\$ 562,423.18</i>
All Other Pacific Gas & Electric	10,459.75	91,667.42	78,137	117%	81,195.10
POWER EXPENSE SUBTOTAL	\$62,652.25	\$689,847.64	\$ 640,000	108%	\$ 643,618.28
TOTAL SERVICE/SUPPLIES WITH POWER	\$115,926.15	\$1,398,347.28	\$ 1,432,400	98%	\$1,379,000.82
PROJECTS, FIXED ASSETS & CONSULTING SERVICES					
	\$1,953,872.60	\$4,575,738.53	\$ 5,449,550	84%	\$ 2,053,090.53
TOTAL OPERATING	\$2,353,174.19	\$9,487,070.15	\$ 10,378,084	91%	\$ 6,724,804.94
DEBT SERVICE - SRF LOAN (1)	\$273,668.48	\$547,336.96	\$ 547,337	100%	\$821,005.44
TOTAL EXPENDITURES	\$2,626,842.67	\$10,034,407.11	\$ 10,925,421	92%	\$ 7,545,810.38
DEBT SERVICE - US Bank	\$0.00	\$162,188.10	\$ 162,200	100%	\$162,188.10

I. CAPITAL PROJECTS	JUNE EXPENSES	YTD TOTAL 6/30/2017	BUDGET	REVISED BUDGET	% OF BUDGET
A. Projects Charged to All Customers via Price Factor 2 (BWF)					
SCADA System Upgrade - Phase 2 *	\$124,100.76	\$148,771.71	381,100	148,600	100%
SCADA System Upgrade - Advanced Charge (1)	\$401,000.00	\$401,000.00	0	401,000	100%
Replacement of Check Valves for 1-1, 1-2 & 1-4 *	0.00	33,193.60	30,750	33,250	100%
Replace Collector 2, Pump 2-2 Motor	0.00	55,735.85	55,000	55,000	101%
Collector 1 Pump Motors 1.1 and 1.4 - Advanced Charge (6)	100,000.00	100,000.00	0	100,000	100%
Blue Lake/FGCSD River Crossing - Advanced Charge (2)	200,000.00	200,000.00	0	200,000	100%
Surge Tower Replacement - Advanced Charge (3)	36,345.00	36,345.00	0	36,345	100%
Replace 12Kv Switchgear Roof *	0.00	0.00	2,250	0	0%
Mainline Valve Replacement *	0.00	0.00	100,000	0	0%
Electrical Shop Upgrade - Phase 2 *	2,790.79	5,082.62	7,250	4,300	118%
1 Mg Domestic Water Reservoir Roof & Painting *	2,001.00	78,344.23	602,000	135,000	58%
Replace 1 MG DW Reservoir Roof - Advanced Charge (4)	625,000.00	625,000.00	0	625,000	100%
Replace Chlorine Booster Pumps	222.58	12,027.90	12,250	12,250	98%
New Valve below 1 Mg Domestic Reservoir *	0.00	0.00	30,000	0	0%
Replace Ruth Bunkhouse *	0.00	0.00	403,500	195,000	0%
Replace Ruth Bunkhouse - Advanced Charge (5)	208,500.00	208,500.00	0	208,500	100%
Replace Ruth HQ Septic System *	0.00	0.00	15,000	0	0%
Plan to Replace Ruth Hydro Protective Relays *	0.00	0.00	15,000	0	0%
SUBTOTAL A:	\$1,689,960.13	\$1,904,010.91	1,654,100	2,154,245	88%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
TRF SCADA System Upgrade - Phase 2 *	0.00	0.00	100,000	0	0%
Raise Containment Wall Around Sodium Hypochlorite Tank *	894.11	2,087.12	6,500	2,100	99%
SUBTOTAL B:	\$894.11	\$2,087.12	106,500	2,100	99%
C. Projects Funded by Other Sources (BWF)					
Blue Lake/FGCSD River Crossing Funded by Prop 84 & FEMA Grants	\$117,324.96	\$144,089.53	630,000	630,000	23%
Ranney Collector 1 & 1A Laterals Partially funded through Prop 84 Grant & Adv. Charges	150.00	2,041,394.03	2,140,500	2,140,500	95%
SUBTOTAL C:	\$117,474.96	\$2,185,423.56	2,770,500	2,770,500	79%
TOTAL CAPITAL PROJECTS:	\$1,818,329.20	\$4,091,521.59	4,531,100	4,926,845	83%

- * Per Board Mid-Year 2016/17 Budget Review and Modifications 6/8/2017
- * Added SCADA System Upgrade - Advanced Charge (1)
- * Added Blue Lake/FGCSD River Crossing - Advanced Charge (2)
- * Added Surge Tower Replacement - Advanced Charge (3)
- * Added 1 MG DW Reservoir Roof - Advanced Charge (4)
- * Added Replace Ruth Bunkhouse - Advanced Charge (5)
- * To Board for approval 7/13/2017 Add Collector 1 Pump Motors 1.1 & 1.4 - Advanced Charge (6)

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

FY2014/15 Annual Limit	\$ 1,191,703
Total charged to date	\$ 1,906,098
Balance Remaining	<u><u>(714,395)</u></u>

While the total projects expenditures are budgeted at \$5,349,550, the actual wholesale customer charges are \$2,464,600. Capital Projects C and Professional & Consulting Services 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	BUDGET	REVISED	% OF
A. Projects Charged to All Customers via Price Factor 2 (BWF)		EXPENSES	6/30/2017	BUDGET	BUDGET	BUDGET
Essex - Replace Two Administrative Computers	\$0.00	\$3,860.14	4,500	4,500	86%	
Essex - Replace Two Laptop Computers -Ruggedized *	0.00	3,487.64	6,500	3,500	100%	
Collector 3 Emergency Generator Connection *	414.19	414.19	3,750	450	92%	
Replace Ingersoll Rand Mobile Air Compressor	0.00	24,901.51	22,500	22,500	111%	
Purchase Shop Manual & Diagnostic Equipment to service Heavy Fleet Vehicles *	0.00	847.24	9,750	850	100%	
Replace Unit 15 *	0.00	29,492.40	46,250	29,450	100%	
Purchase Precision Measuring Equipment	1,144.24	2,861.34	3,500	3,500	82%	
Purchase Engine Driven Air Compressor for Unit 8	673.23	2,343.78	2,500	2,500	94%	
Replace Towable Portable Restroom *	0.00	1,069.09	3,500	1,100	97%	
Replace Warren Creek Pipeline Meter Manifold	639.45	7,865.97	8,000	8,000	98%	
Conduit Bending Machine *	0.00	6,992.85	8,000	7,000	100%	
Eureka - Replace Computer - Part 1	0.00	2,154.55	2,500	2,500	86%	
Eureka - Replace Computer - Part 2	0.00	2,154.54	2,500	2,500	86%	
Eureka - Ergonomic Desk *	0.00	1342.52	0	1,345	100%	
SUBTOTAL A:	\$2,871.11	\$89,787.76	123,750	89,695	100%	
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
TRF Spare Parts Inventory	\$0.00	\$3,269.37	4,000	4,000	82%	
SUBTOTAL B:	\$0.00	\$3,269.37	4,000	4,000	82%	
TOTAL FIXED ASSETS PROJECTS:	\$2,871.11	\$93,057.13	127,750	93,695	99%	

* Per Board Mid-Year 2016/17 Budget Review and Modifications 6/8/2017

II. MAINTENANCE PROJECTS		JUNE	YTD TOTAL	BUDGET	REVISED	% OF
A. Charged to All Customers via Price Factor 2 (BWF)		EXPENSES	6/30/2017	BUDGET	BUDGET	BUDGET
Paint Collector 3 *	\$0.00	\$17,323.21	19,250	17,350	100%	
Pipeline Maintenance *	0.00	797.20	13,500	800	100%	
12KV Electric System Maintenance	0.00	0.00	4,000	4,000	0%	
Mainline Meter Flow Calibration *	0.00	2,395.53	6,000	2,400	100%	
Technical Support & Software Updates to Include Control System *	0.00	8,873.05	19,250	8,950	99%	
Generator Service *	0.00	34.28	3,500	100	34%	
Hazard & Diseased Tree Removal *	2,305.00	2,305.00	6,250	1,550	149%	
Cathodic Protection *	0.00	0.00	6,500	0	0%	
Maintenance Emergency Repair	40,901.34	46,945.22	50,000	50,000	94%	
Fleet Paint Repairs *	0.00	1,076.00	5,000	1,100	98%	
AC Pipe Disposal	8,950.00	8,950.00	8,500	8,500	105%	
Replace Two Doors at Essex *	0.00	2,576.87	5,000	2,600	99%	
Repair/Upgrade Line Shed 6 *	0.00	17,546.12	28,250	16,950	104%	
Brush Abatement at Ruth Dam *	9,726.12	0.00	5,540	0	0%	
Ruth HQ Tree Removal *	0.00	0.00	4,250	0	0%	
Ruth HQ Remodel Project *	1,882.58	2,046.45	4,000	1,200	171%	
Ruth Hydro - Howell Bunger Valve Inspection *	0.00	0.00	1,110	0	0%	
SUBTOTAL A:	\$63,765.04	\$110,868.93	189,900	115,500	96%	
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
TRF - Generator Service	\$0.00	\$149.21	500	500	30%	
TRF Litorque Valve Retrofit Supplies - Phase 1 *	0.00	14,349.36	15,750	14,350	100%	
SUBTOTAL B:	\$0.00	\$14,498.57	16,250	14,850	98%	
TOTAL MAINTENANCE PROJECTS:	\$63,765.04	\$125,367.50	206,150	130,350	96%	

* Per Board Mid-Year 2016/17 Budget Review and Modifications 6/8/2017

III. PROFESSIONAL & CONSULTING SERVICES	JUNE EXPENSES	YTD TOTAL 6/30/2017	BUDGET	REVISED BUDGET	% OF BUDGET
A. Charged to All Customers via Price Factor 2 (BWF)					
Collector 1 Transformer & Electrical Evaluation *	\$0.00	\$0.00	5,000	0	0%
Collector 1 Pump & Motor Upgrades *	0.00	0.00	13,000	0	0%
Collector 1 Lateral Evaluation Report *	0.00	0.00	5,000	0	0%
Crane Testing/Certification	0.00	6,802.04	6,500	6,500	105%
Essex Trolley/Cable Car Inspection *	0.00	7,534.75	10,000	7,600	99%
Essex Septic System Construction Assistance *	0.00	450.00	4,000	500	90%
Essex Mad River Cross-Sectional Survey	0.00	9,761.75	10,000	10,000	98%
Mad River Watershed Regulatory Compliance *	0.00	0.00	50,000	10,300	0%
Spill Prevention Control & Countermeasure Plan Updates (Ruth Marina & Essex) *	0.00	5,041.25	6,500	5,000	101%
CIP Financial Plan Update *	2,375.00	17,620.19	25,000	15,200	116%
Catholic Protection Review/Inspection	0.00	8,579.44	9,500	9,500	90%
Techite Pipeline Replacement - Final Inspection & Report *	0.00	6,600.75	9,000	6,600	100%
Dune Monitoring Program - Component of Coastal Conservancy Climate Ready Grant	0.00	2,000.00	2,000	2,000	100%
GIS/Facilities Information System *	0.00	0.00	10,000	0	0%
GIS/Facilities Information System - Ruth *	0.00	0.00	4,000	0	0%
Backflow Tester Training *	0.00	830.00	3,000	1,850	45%
Control Software Training	10,824.60	12,656.44	15,000	15,000	84%
Technical Training	0.00	3,861.19	5,750	5,750	67%
Industrial Water Reservoir Condition Assessment *	1,352.50	5,248.25	8,000	5,200	101%
Licensed Timber Operator *	0.00	2,895.00	5,000	2,900	100%
FERC Dam Safety Surveillance & Monitoring Report(DSSMR)/FERC Dam Safety Review (Part 12)	0.00	3,137.75	3,000	3,000	105%
FERC Chief Dam Safety Engineer *	4,182.00	4,612.50	10,000	4,740	97%
FERC Part 12 - GEI *	0.00	8,924.50	10,000	8,900	100%
FERC Part 12 - Cardno *	0.00	6,637.80	20,000	6,600	101%
FERC Part 12 Independent Consultant Inspection and Engineering Support - GHD *	0.00	6,064.55	11,000	6,000	101%
Grant Applications	9,990.50	9,990.50	20,000	20,000	50%
Public Education *	0.00	1,081.86	5,000	1,100	98%
Water Resources Planning *	0.00	1,942.59	50,000	1,950	100%
SUBTOTAL A:	\$28,724.60	\$132,273.10	335,250	156,190	85%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
Chlorine System Maintenance *	\$122.75	\$10,125.06	16,100	10,000	101%
SUBTOTAL B:	\$122.75	\$10,125.06	16,100	10,000	101%
C. Projects Funded by Other Sources (BWF)					
Surge Tower Replacement - CEQA, Bidding & Construction Assistance Funded by FEMA Grant *	\$24,314.45	\$42,584.35	50,000	46,660	91%
Quagga Grant/RLCSD] CA Dept of Boating & Waterways	0.00	0.00	9,150	9,150	0%
SUBTOTAL C:	\$24,314.45	\$42,584.35	59,150	55,810	76%
TOTAL PROFESSIONAL & CONSULTING SERVICES:	\$53,161.80	\$184,982.51	410,500	222,000	83%

* Per Board Mid-Year 2016/17 Budget Review and Modifications 6/8/2017

IV. INDUSTRIAL SYSTEM PROJECTS		JUNE	YTD TOTAL	BUDGET	REVISED	% OF
A. Charged to All Customers via Price Factor 2 (BWF)		EXPENSES	6/30/2017	BUDGET	BUDGET	BUDGET
- Maintain Water Supply to Industrial Pump Station (Pump Station 6) During Low-Flow Months *		\$0.00	\$0.00	13,250	0	0%
SUBTOTAL A.		\$0.00	\$0.00	13,250	0	0%
B. Charged to Municipal Customers via PF2 (DWTF)						
SUBTOTAL B.		\$0.00	\$0.00	0	0	0%
TOTAL INDUSTRIAL SYSTEM PROJECTS:		\$0.00	\$0.00	13,250	0	0%

* Per Board Mid-Year 2016/17 Budget Review and Modifications 6/8/2017

CARRY-OVER PROJECTS FROM 2015/16		JUNE	YTD TOTAL	BUDGET	REVISED	% OF
I. CAPITAL PROJECTS		EXPENSES	6/30/2017	BUDGET	BUDGET	BUDGET
A. Charged to All Customers via Price Factor 2 (BWF)						
Replace Essex Septic System		\$0.00	\$5,060.73	5,000	5,000	101%
Repair/Upgrade Park Restrooms		755.95	771.46	1,700	1,700	45%
Upgrade Ethernet Radio Modems/PLC Systems at Samoa Booster Pump Station		0.00	4,818.71	1,500	1,500	32.1%
Repair Ruth HQ Master Bath/Laundry Room		438.12	1,500.00	1,500	1,500	100%
Ruth Hydro - Install Auto Synchronizer System *		0.00	0.00	4,500	0	0%
SUBTOTAL A.		\$1,194.07	\$12,150.90	14,200	9,700	125%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
Remodel TRF Line Shed 5		\$0.00	\$1,443.49	1,800	1,800	80%
SUBTOTAL B.		\$0.00	\$1,443.49	1,800	1,800	80%
Subtotal Capital Projects		\$1,194.07	\$13,594.39	16,000	11,500	118%
I. FIXED ASSETS						
A. Charged to All Customers via Price Factor 2 (BWF)						
Install Signal Amplifier at Mt. Pierce *		\$0.00	\$0.00	2,000	0	0%
SUBTOTAL A.		\$0.00	\$0.00	2,000	0	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B.		\$0.00	\$0.00	0	0	0%
Subtotal Fixed Assets Projects		\$0.00	\$0.00	2,000	0	0%

CARRY-OVER PROJECTS FROM 2015/16 Continued

II. MAINTENANCE PROJECTS						
A. Charged to All Customers via Price Factor 2 (BWF)						
Replace Eyewash/Shower Station and Drain System				800		81%
Large Business & Fire Service Meter Calibration & Maintenance *	\$645.11			15,000	8,410	117%
Ruth Spillway Bridge Painting	1,406.44			5,000	5,000	100%
SUBTOTAL A.	\$1,406.44	\$15,460.95	20,800	14,210		109%

B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B.	\$0.00	\$0.00	0	0		0%
Subtotal Maintenance Projects	\$1,406.44	\$15,460.95	20,800	14,210		109%

III. PROFESSIONAL & CONSULTING SERVICES						
A. Charged to All Customers via Price Factor 2 (BWF)						
Crane Operator Training	\$13,144.94	\$13,144.94	7,000	12,300		107%
Focused Engineering Studies *	0.00	6,236.75	10,000	6,250		100%
Hydro Assessment & Analysis	0.00	32,372.77	5,000	32,400		100%
SUBTOTAL A.	\$13,144.94	\$51,754.46	22,000	50,950		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	\$13,144.94	\$51,754.46	22,000	50,950		102%
2015/16 CARRYOVER PROJECTS TOTAL	\$15,745.45	\$80,809.80	60,800	76,660		105%

PROJECTS GRAND TOTAL:	\$1,953,872.60	\$4,575,738.53	5,349,550	5,449,550		84%
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Less Projects Funded from Other Sources (Grants/Loans/Advanced Charges/Reserves)	\$141,789.41	\$2,228,007.91	2,829,650	2,826,310		79%
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PF2 Project Total Charged to Customers excluding Debt Service (US Bank)	\$1,812,083.19	\$2,347,730.62	2,519,900	2,623,240		89%
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* Per Board Mid-Year 2016/17 Budget Review and Modifications 6/8/2017

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2017

SECTION J2d PAGE NO. 10

Memo	Amount
ACWA/JPIA	
Special Event Liability Insurance	-207.74
Total ACWA/JPIA	-207.74
Advanced Display & Signs	
Ruth - District Spillway Bridge Sign	-71.01
Total Advanced Display & Signs	-71.01
Advanced Security Systems	
installation of security equipment at TRF	-17,351.84
Total Advanced Security Systems	-17,351.84
AirGas NCN	
replace defective maintenance shop ladder	-360.18
Total AirGas NCN	-360.18
Almquist Lumber	
repair and upgrade park restrooms	-509.85
Total Almquist Lumber	-509.85
Arcata Stationers	
Essex office supplies	-122.18
Total Arcata Stationers	-122.18
AT & T	
Ruth HQ	
TRF	
Essex office	
Eureka office	-84.49
Ruth Hydro	
Valve Building Samoa	
Ruth HQ	-8.92
TRF	-6.55
Essex office	-281.44
Eureka office	-6.35
Ruth Hydro	-498.01
Valve Building Samoa	-91.95
Total AT & T	-977.71
AT&T	
Eureka/Essex Landline	-34.95
Arcata/Essex Landline	-34.95
Samoa/Essex Landline	-234.36
Blue Lake Meter Signal	-60.34
Eureka Office Modem	-135.35
Eureka Office Alarm	-40.64
Samoa booster Pump	-78.15
Valve Building	-135.34
Eureka Office	-319.73
Essex Office	-856.89
TRF	-133.12
Ruth Dataline	-130.56
Total AT&T	-2,194.38
AT&T Advertising Solutions	
white page listing	-21.00
Total AT&T Advertising Solutions	-21.00
ATS Communications	
SCADA System upgrade - Phase 2	-220.00
Total ATS Communications	-220.00

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2017

Memo	Amount
B&B Portable Toilets	
Annual Ruth Maintenance	-40.00
Annual Ruth Maintenance	-40.00
Total B&B Portable Toilets	-80.00
Bartle Wells Associates	
Professional Services related to CIP	-2,375.00
Total Bartle Wells Associates	-2,375.00
Brian's Smog Brake & Tune	
smog certificate old Unit 15	-55.00
Total Brian's Smog Brake & Tune	-55.00
Buckles-Smith	
Rockwell training - S. Marshall April 2017	-2,180.00
Rockwell training L. Ahmad and M. Palmero May 2017	-3,900.00
Control Software Training - D. Corral June 2017	-2,590.00
Control Software Training - P. Jorgensen June 2017	-2,154.60
Total Buckles-Smith	-10,824.60
Campton Electric Supply	
Eureka office building maintenance	-21.77
Eureka office lighting maintenance	-717.12
Electrical Shop Upgrade - Phase 2	-683.55
Total Campton Electric Supply	-1,422.44
Chris Harris	
expense reimbursement Board Project Budget Meeting	-32.10
expense reimbursement office maintenance	-213.90
Total Chris Harris	-246.00
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	-879.00
Total Coastal Business Systems Inc.	-879.00
Coastal Tree Service	
Park 4 tree trimming and removal	-2,305.00
Total Coastal Tree Service	-2,305.00
Corey Borghino	
auto mileage reimbursement April - June 2017	-91.54
Total Corey Borghino	-91.54
Costco Wholesale	
Membership	-125.00
Total Costco Wholesale	-125.00
Crane & Equip Regulatory Training	
Crane certification and training	-12,425.00
Total Crane & Equip Regulatory Training	-12,425.00
Dave Perkins	
expense reimbursement for safety shoes	-25.00
expense reimbursement for safety shoes	-25.00
auto mileage reimbursement	-124.55
Total Dave Perkins	-174.55

Humboldt Bay Municipal Water District
Expenses by Vendor Detail
June 2017

SECTION J2d, PAGE NO. 12

Memo	Amount
Davidson Brothers Lock & Safe	
Door keys for Esses	-35.26
Repair and Upgrade Line Shed 6	-309.23
new door locks for TRF chemical building	-950.38
Total Davidson Brothers Lock & Safe	-1,294.87
Eel River Disposal	
disposal of waste materials	-205.50
Total Eel River Disposal	-205.50
Eureka-Humboldt Fire Ext., Co, Inc	
replace/update Eureka office fire extinguishers	-149.73
Total Eureka-Humboldt Fire Ext., Co, Inc	-149.73
Eureka Overhead Door Company, Inc	
repairs and upgrade to Line Shed 6	-6,456.38
Total Eureka Overhead Door Company, Inc	-6,456.38
Eureka Oxygen	
cylinder rental	-107.30
refill gases	-258.74
welding supplies	-26.54
Total Eureka Oxygen	-392.58
Eureka Readymix	
Raise Containment wall around Sodium Hypochlorite Tank	-349.12
Total Eureka Readymix	-349.12
Eureka Rubber Stamp	
Fieldbrook-Glendale CSD bank endorsement stamp	-29.24
Total Eureka Rubber Stamp	-29.24
Fastenal Company	
purchase 20ft extension ladder	-215.63
Total Fastenal Company	-215.63
FEDEX	
return ACWA/JPIA training tape	-7.92
Total FEDEX	-7.92
Frontier Communications	
Ruth HQ	-50.34
Ruth Hydro/Ruth Dataline	-158.78
Total Frontier Communications	-209.12
GEI Consultants, Inc	
FERC Qualified Dam Safety Engineer	-4,182.00
Total GEI Consultants, Inc	-4,182.00
GFS Chemicals, Inc	
turbidity standards	-551.34
Total GFS Chemicals, Inc	-551.34

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2017

SECTION 52d, PAGE NO. 13

Memo	Amount
GHD	
(83004) 1 MG Reservoir Roof Replacement Design, Bidding & Construction...	-2,001.00
(83002) Inspection and Report for 1 MG Industrial Water Reservoir	-1,352.50
(82808) Surge Tower Replacement	-19,650.95
(83001) Surge Tower Replacement	-4,663.50
(83008) Ruth - R.W. Matthews Dam Storm Damage	-2,489.75
(82878) 12KV Switchgear Grant Application	-9,990.50
(83003) General Engineering - Essex	-1,910.00
(83003) General Engineering - Eureka	-1,226.75
(83003) General Engineering - Ruth Storm Damage	-382.00
(83003) General Engineering - Grant Application	-462.75
(83005) Blue Lake/Fieldbrook-Glendale CSD Emergency Pipeline Crossing ...	-117,324.96
Total GHD	-161,454.66
GR Sundberg, Inc	
Emergency clean out of river channel and tailrace below Ruth Hydro Plant-...	-15,075.00
Emergency clean out of river channel and tailrace below Ruth Hydro Plant-...	-8,474.50
Total GR Sundberg, Inc	-23,549.50
Hensel Hardware	
safety supplies - Lock/Out Tag Out	-43.95
right of way maintenance	-28.50
maintenance supplies	-21.66
Total Hensel Hardware	-94.11
Hensell Materials	
raise containment wall around Sodium Hypochlorite tank	-64.93
Total Hensell Materials	-64.93
Hilfiker Co.	
truck rental to set septic tank	-150.00
Total Hilfiker Co.	-150.00
Humboldt Fasteners	
safety supplies	-69.86
Precision Measuring Equipment	-263.66
maintenance supplies	-41.59
TRF security project	-55.34
Total Humboldt Fasteners	-430.45
Humboldt Redwood Company, LLC	
Mt Pierce Lease site	-262.65
Total Humboldt Redwood Company, LLC	-262.65
Humboldt Waste Management Authority	
dispose of green waste	-9.00
dispose of green waste - Essex yard	-27.00
dispose of green waste - Eureka office	-9.00
Total Humboldt Waste Management Authority	-45.00
Industrial Electric	
Fuel storage building light	-46.35
Fuel storage building light	-85.53
TRF security system	-49.45
Total Industrial Electric	-181.33

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2017

SECTION J2d, PAGE NO. 14

Memo	Amount
John Friedenbach	
auto mileage reimbursement	-438.71
expense reimbursement Joint RLCSD meeting supplies	-11.24
expense reimbursement General Manager training	-36.54
expense reimbursement for vandalism of vehicle in Eureka office parking lot	-175.74
Total John Friedenbach	-662.23
Kernen Construction	
replace Warren Creek Meter Pipeline Manifold	-639.45
Total Kernen Construction	-639.45
Lisa Newell	
auto mileage reimbursement	-19.05
Total Lisa Newell	-19.05
Mad River Union	
Maintenance Worker position advertisement - 3 issues	-270.00
Program and Regulatory Analyst position advertisement - 2 issues	-200.00
Total Mad River Union	-470.00
Mario Palmero	
equipment repair	-2.03
maintenance supplies	-4.85
Essex office supplies	-126.61
Essex office maintenance supplies	-6.78
Raise containment wall around sodium hypochlorite tank	-1.94
Total Mario Palmero	-142.21
Matthews Paints, Inc.	
pressure washer maintenance	-23.55
Total Matthews Paints, Inc.	-23.55
McMaster-Carr Supply	
safety supplies	-200.16
Total McMaster-Carr Supply	-200.16
Mendes Supply Company	
Eureka office maintenance supplies	-119.30
Total Mendes Supply Company	-119.30
Miller Farms Nursery	
right of way equipment maintenance	-77.14
purchase new weed eater	-537.09
Total Miller Farms Nursery	-614.23
Mission Linen	
maintenance supplies	-50.72
Uniform Rental	-574.10
Total Mission Linen	-624.82
Munnell & Sherrill, Inc.	
chlorine booster pump repair	-122.75
Total Munnell & Sherrill, Inc.	-122.75
Napa Auto Parts	
equipment supplies	-16.56
Unit 2 repair/maintenance	-228.20
Purchase and install engine driven air compressor for Unit 8	-66.69
equipment maintenance	-29.35
Total Napa Auto Parts	-340.80

Humboldt Bay Municipal Water District Expenses by Vendor Detail

June 2017

SECTION J2d, PAGE NO. 15

Memo	Amount
Network Management Services	
Essential Care Computer Support Service for Eureka office	-342.00
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 - assistance with computer issues	-195.28
Total Network Management Services	-835.26
North Bay Auto	
Unit 12 service	-203.56
Total North Bay Auto	-203.56
North Coast Journal, Inc	
position advertisement - Maintenance Worker	-420.00
position advertisement - Program and Regulatory Analyst	-280.00
Total North Coast Journal, Inc	-700.00
North Coast Laboratories	
lab tests	-810.00
lab tests	-670.00
Total North Coast Laboratories	-1,480.00
North Coast Railroad	
Fiber Optic Lease Fee	-1,835.08
Total North Coast Railroad	-1,835.08
North Valley Labor Compliance	
Collectors 1 & 1A Lateral Replacement	-150.00
Total North Valley Labor Compliance	-150.00
Northern California Safety Consortium	
membership fee	-50.00
Total Northern California Safety Consortium	-50.00
Pacific Gas & Electric Co.	
Eureka Office	-475.54
Jackson Ranch Rectifier	-20.17
299 Rectifier	-115.91
West End Rd. Rectifier	-131.83
TRF	-8,715.64
Ruth Valve Control	-26.51
Ruth Hydro	-93.99
Samoa Dial Station	-802.48
Samoa Dial Station	-25.45
Essex Pumping 5/1/2017 to 5/31/2017	-52,192.50
Ruth Bunkhouse	-52.23
Total Pacific Gas & Electric Co.	-62,652.25
Peterson Tractor Co.	
equipment repair-storm damage	-264.54
Total Peterson Tractor Co.	-264.54
Pierson Building Center	
Eureka office maintenance	-48.69
equipment maintenance	-27.10
plywood for broken window at Eureka office	-28.46
TRF sludge rake repair	-19.52
Eureka office handicap parking space maintenance	-28.17
Ruth HQ remodel	-2,320.70
Total Pierson Building Center	-2,472.64

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

June 2017

SECTION J2d, PAGE NO. 16

Memo	Amount
Pitney Bowes	
postage meter supplies	-66.39
refill postage meter	-500.00
Total Pitney Bowes	-566.39
Platt Electric Supply	
Raise containment wall around Sodium Hypochlorite Tank	-157.12
Collector 3 Generator Connection	-414.19
Eureka office port connection	-21.77
electrical supplies	-93.01
TRF security project	-496.51
Total Platt Electric Supply	-1,182.60
Powell Concrete Pumping	
Raise containment wall around Sodium Hypochlorite Tank	-321.00
Total Powell Concrete Pumping	-321.00
Power Industries, Inc	
Unit 5 repair	-44.04
Total Power Industries, Inc	-44.04
Rebecca J. Moyle	
Safety Award	-52.64
Project Budget Meeting & BBQ	-35.70
Storm Damage Photos	-10.07
Eureka office supplies	-27.23
auto mileage reimbursement	-23.01
Total Rebecca J. Moyle	-148.65
Recology Arcata	
Essex Garbage Service	-533.69
Total Recology Arcata	-533.69
Recology Humboldt County	
Eureka office garbage/recycling service	-82.30
Total Recology Humboldt County	-82.30
Renner Petroleum	
cardlock fuel- pumping & control	-385.43
cardlock fuel - water quality	-385.44
cardlock fuel - maintenance	-385.44
cardlock fuel - customer service	-385.43
hydraulic oil for Unit 5	-182.39
Total Renner Petroleum	-1,724.13
Sequoia Gas	
Ruth HQ propane tank rental	-69.25
Total Sequoia Gas	-69.25
Sherrie Sobol	
auto mileage reimbursement	-17.12
Total Sherrie Sobol	-17.12
Sitestar Nationwide Internet	
Essex Internet	-52.90
Total Sitestar Nationwide Internet	-52.90

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

June 2017

SECTION J2d, PAGE NO. 17

Memo	Amount
Six Rivers Communications	
labor to repair Eureka office radio	-1,800.00
replace Maintenance shop radio	-617.16
Total Six Rivers Communications	-2,417.16
Springville Safety/Supply	
template for handicap parking space - Eureka office	-180.82
Total Springville Safety/Supply	-180.82
Staples	
Eureka office supplies	-420.35
Total Staples	-420.35
Streamline	
Website maintenance April membership fee	-450.00
Total Streamline	-450.00
Sudden Link	
TRF internet	-100.38
Eureka office internet	-204.95
Fieldbrook-Glendale CSD Internet	-170.68
Fieldbrook-Glendale - Morris Subdivision Internet	-85.34
Essex Internet	-124.95
Total Sudden Link	-686.30
SWRCB-DWOCP	
Water Treatment Certification T3	-90.00
Total SWRCB-DWOCP	-90.00
Telstar Instruments, Inc	
SCADA Upgrade - Phase 2 - Progress Payment 3	-123,880.76
Total Telstar Instruments, Inc	-123,880.76
Thavisak Syphanthong!	
expense reimbursement TAP workshop	-18.18
auto mileage reimbursement	-21.51
Total Thavisak Syphanthong!	-39.69
The Mill Yard	
safety supplies	-42.28
repair and upgrade park restrooms	-246.10
repair and upgrade Line Shed 6	-2,960.51
Total The Mill Yard	-3,248.89
The Times-Standard	
Position Advertisement - Maintenance Worker	-1,974.68
Position Advertisement - Program & Regulatory Analyst	-1,699.55
Total The Times-Standard	-3,674.23
Thrifty Supply	
replace chlorine booster pumps	-222.58
meter installation- Humboldt Bay retail	-737.06
TRF washwater basin fire hose supply valve replacement	-81.96
replace large business meter	-1,406.44
plumbing repair	-34.71
Total Thrifty Supply	-2,482.75
Trinity County General Services	
Pickett Peak site lease	-250.00
Total Trinity County General Services	-250.00

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

June 2017

SECTION Jad PAGE NO. 18

Memo	Amount
Trinity County Solid Waste	
Ruth HQ dump fees	-23.30
Ruth Hydro dump fees	-23.30
strom damage brush disposal	-75.00
Total Trinity County Solid Waste	-121.60
U.S. Bank Corporate Payment System	
Board Project Budget meeting and BBQ	-157.19
Electrical Shop Upgrade - Phase 2	-1,017.49
Ruth Storm Damage - equipment repair	-11.79
Chlorine decontamination kit	-50.65
General Manager training	-433.40
Employee recognition lunch	-223.30
ACWA/JPIA Conference	-1,240.47
equipment repair	-80.65
Essex office supplies	-319.02
Crane Operator Certification Training	-201.94
Electrical Shop Upgrade - Phase 2	-1,089.75
Essex computer supplies	-109.38
Purchase Precision Measuring Equipment	-880.58
Purchase & Install Engine Driven Air Compressor for Unit 8	-606.54
computer supplies	-48.72
Water Quality Certification course	-100.00
Essex office supplies	-83.49
QBooks Payroll Subscription	-617.37
CSDA General Manager Training	-163.70
Bookkeeping Class - 1 employee	-595.00
Maintenance Work - Position Advertisement	-10.00
Program & Regulatory Analyst - Position Advertisement	-105.00
Total U.S. Bank Corporate Payment System	-8,145.43
USTI, Inc	
Humboldt Bay eBilling Utility Billing System	-2.64
Fieldbrook eBilling Utility Billing System	-6.32
Total USTI, Inc	-8.96
Verizon Wireless	
Operations 1	-0.59
Superintendent	-80.63
Unit 3	-14.62
Electrician	-0.22
Operations 2	-0.82
Water Operations Supervisor - Unit 11	-33.70
Maintenance Supervisor	-40.66
Electrician	-12.91
Unit 6	-4.80
Unit 6	-4.80
Assistant Water Operations Supervisor	-44.62
Spare Operations	-0.22
General Manager	-40.08
Total Verizon Wireless	-278.67
Wahlund Construction	
transport and dispose of asbestos pipe	-8,950.00
Total Wahlund Construction	-8,950.00
West Coast Plumbing	
plumbing repair	-27.09
Total West Coast Plumbing	-27.09

Humboldt Bay Municipal Water District
Expenses by Vendor Detail
June 2017

<u>Memo</u>	<u>Amount</u>
William B. Newell	
Expense Reimbursement - Safety gear	-16.16
Expense Reimbursement - Safety gear	-16.15
expense reimbursement - equipment maintenance	-59.12
expense reimbursement - mail Ruth Hydro oil samples	-12.51
expense reimbursement - storm damage photos	-6.49
expense reimbursement - Ruth HQ garage and plumbing repairs	-42.52
expense reimbursement - equipment maintenance	-23.65
expense reimbursement for attending Crane Training and Certification	-518.00
expense reimbursement Joint RLCSD meeting	-14.00
auto mileage reimbursement	-165.63
auto mileage reimbursement	-165.63
<u>Total William B. Newell</u>	<u>-1,039.86</u>
William Wardrip	
Water Treatment Certification T4 renewal	-105.00
<u>Total William Wardrip</u>	<u>-105.00</u>
<u>TOTAL</u>	<u><u>-489,227.35</u></u>

07/07/17

Humboldt Bay Municipal Water District
 Monthly Expenditures
 June 2017

	Jun 17
Ordinary Income/Expense	
Expense	
00 · Payroll	
11 · Salaries & Wages	
01 · Wages-Regular	162,593.97
02 · Wages-Part-time	4,532.00
03 · Wages-Overtime	2,175.34
04 · Wages-Standby	6,067.92
05 · Wages-Holiday	832.72
07 · Shift Differential	650.20
Total 11 · Salaries & Wages	176,852.15
158 · Employee Benefits	
160 · Emp Ben - FICA	10,958.64
161 · Emp Ben- PERS	
161a · PERS -Unfunded AccruedLiability	1.82
161 · Emp Ben- PERS - Other	21,908.06
Total 161 · Emp Ben- PERS	21,909.88
162 · Emp Ben-Med/Life	
162a · Retiree Medical	8,881.06
162 · Emp Ben-Med/Life - Other	54,278.16
Total 162 · Emp Ben-Med/Life	63,159.22
163 · Emp Ben - UI	187.38
164 · 457b District Contribution	2,550.00
165 · Emp Ben- Dental	2,747.39
166 · Emp Ben - Medicare	2,562.92
168 · Emp Ben-LTDisability	1,296.33
169 · Emp Ben-Vision	593.94
172 · Emp Ben -EAP	75.20
173 · HSA	482.39
Total 158 · Employee Benefits	106,523.29
Total 00 · Payroll	283,375.44

Humboldt Bay Municipal Water District
Overtime Pay

June 2017

	54TRF		51		52		56		58		TOTAL	
	Hours	Jun 17	Hours	Jun 17	Hours	Jun 17	Hours	Jun 17	Hours	Jun 17	Hours	Jun 17
Employee Wages, Taxes and Adjustm...												
Gross Pay												
Double Time		0.00		58.91		0.00		0.00		0.00		1.00
Overtime	4	201.10	10.5	482.74	18	1,007.34	9.25	347.67	1.5	77.58	43.25	58.91
Total Gross Pay	4	201.10	11.5	541.65	18	1,007.34	9.25	347.67	1.5	77.58	44.25	2,116.43
Adjusted Gross Pay	4	201.10	11.5	541.65	18	1,007.34	9.25	347.67	1.5	77.58	44.25	2,175.34
Net Pay	4	201.10	11.5	541.65	18	1,007.34	9.25	347.67	1.5	77.58	44.25	2,175.34
Employer Taxes and Contributions		0.00		0.00		0.00		0.00		0.00		0.00

SECTION J2d PAGE NO. 21

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

Operations

Memo to: HBMWD Board of Directors
From: Dale Davidsen, Superintendent
Date: July 5, 2017
Subject: Essex/Ruth June 2017 Operational Report

Ruth Lake, Upper Mad River and Hydro Plant

1. The high flow at Mad River above Ruth Reservoir (Zenia Bridge) was 29 cfs on June 8th and the low flow was measured on June 30th at 2.7 cfs.
2. The conditions at Ruth Lake for the month of June were as follows:
 - a. The lake level on June 30th was 2648.67 feet which is:
 1. 2.98 feet lower than May 31st, 2017
 2. 1.71 feet lower than June 30th, 2016
 3. 2.33 feet lower than the ten year average
 4. 5.33 feet below the spillway
3. We measured 1 inch of rain at Ruth Headquarters for the month of June with a high reading of 0.86 inch measured on June 8th.
4. Ruth hydro power production was 340,800 kWh for the month of June with no shutdown and no lost power.
5. The high discharge flow from the lake for the month of June was 147.1 cfs on June 5th and the low release flow from the lake was 40.3 cfs on June 19th.

Winzler Control, TRF and Lower Mad River

6. The river at Winzler Control Center for the month of June reached a high recorded flow of 454 cfs and a level of 22.1 feet on June 9th. The low river flow was on June 29th with a flow of 156 cfs and a level of 21.7 feet.
7. The domestic water conditions as of June 30th were as follows:
 - a. The monthly turbidity average was 0.29 NTU, which meets Public Health Secondary Standards.
 - b. We metered 266.873 million gallons at an average of 8.896 MGD.
 - c. The maximum metered daily municipal customer use was 10.989 MGD on June 24th.
8. The Turbidity Reduction Facility was offline in June.
9. June 5th – 7th – Crane operator certification class. 7 Maintenance personnel attended.
10. June 8th – Crane operator written exam – Every one passed

11. June 9th
 - a. Rigging and Signal person training
 - b. Thavisak and I attended the Wave 4 Water Loss TAP Conference Call

12. June 16th – Crane Operator Practical exam – Everyone passed

13. June 21st
 - a. Safety meeting – Fork lift Safety class and practical exam
 - b. Dennis H. from Stillwater Sciences did the pre channel work survey

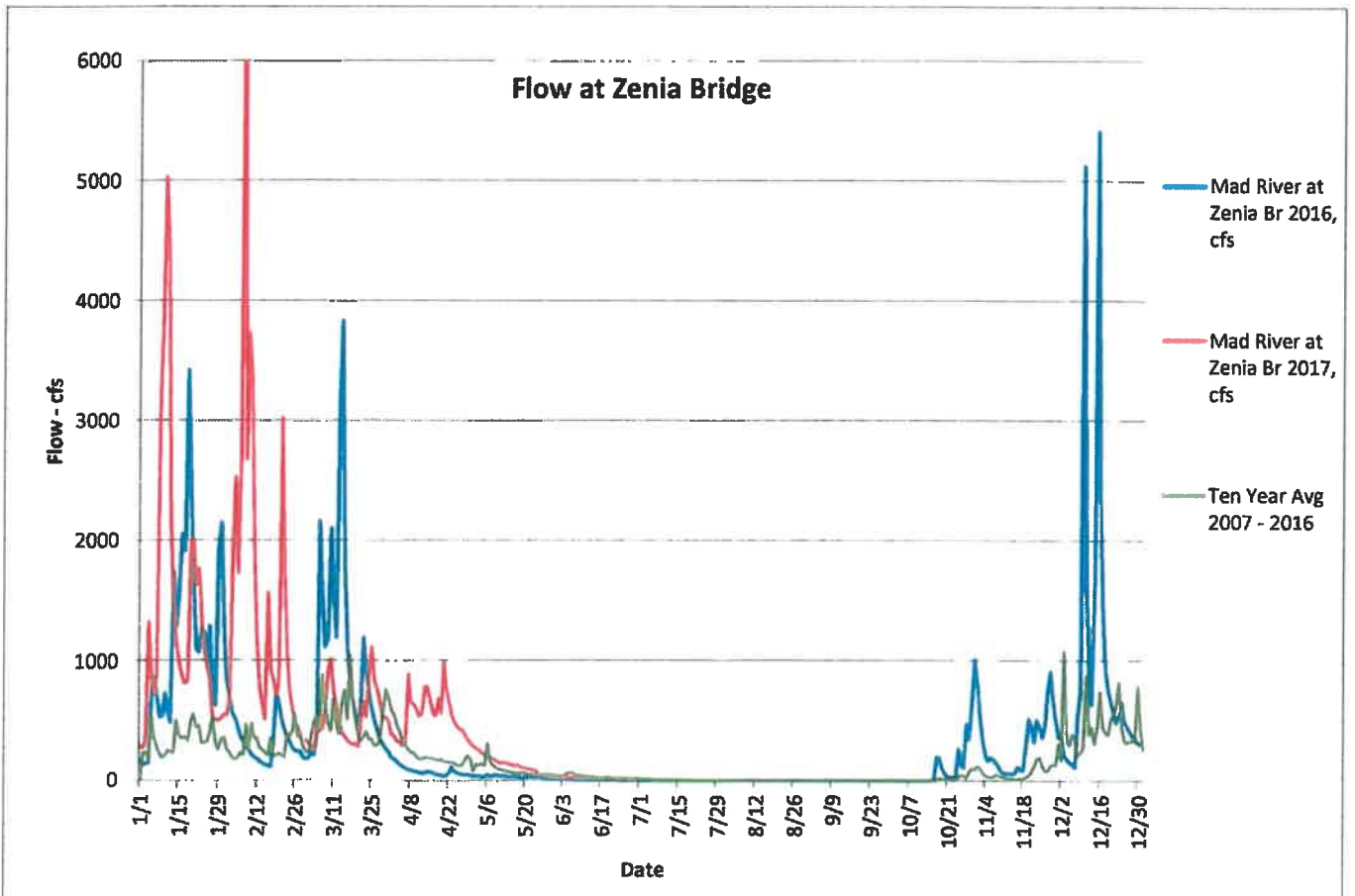
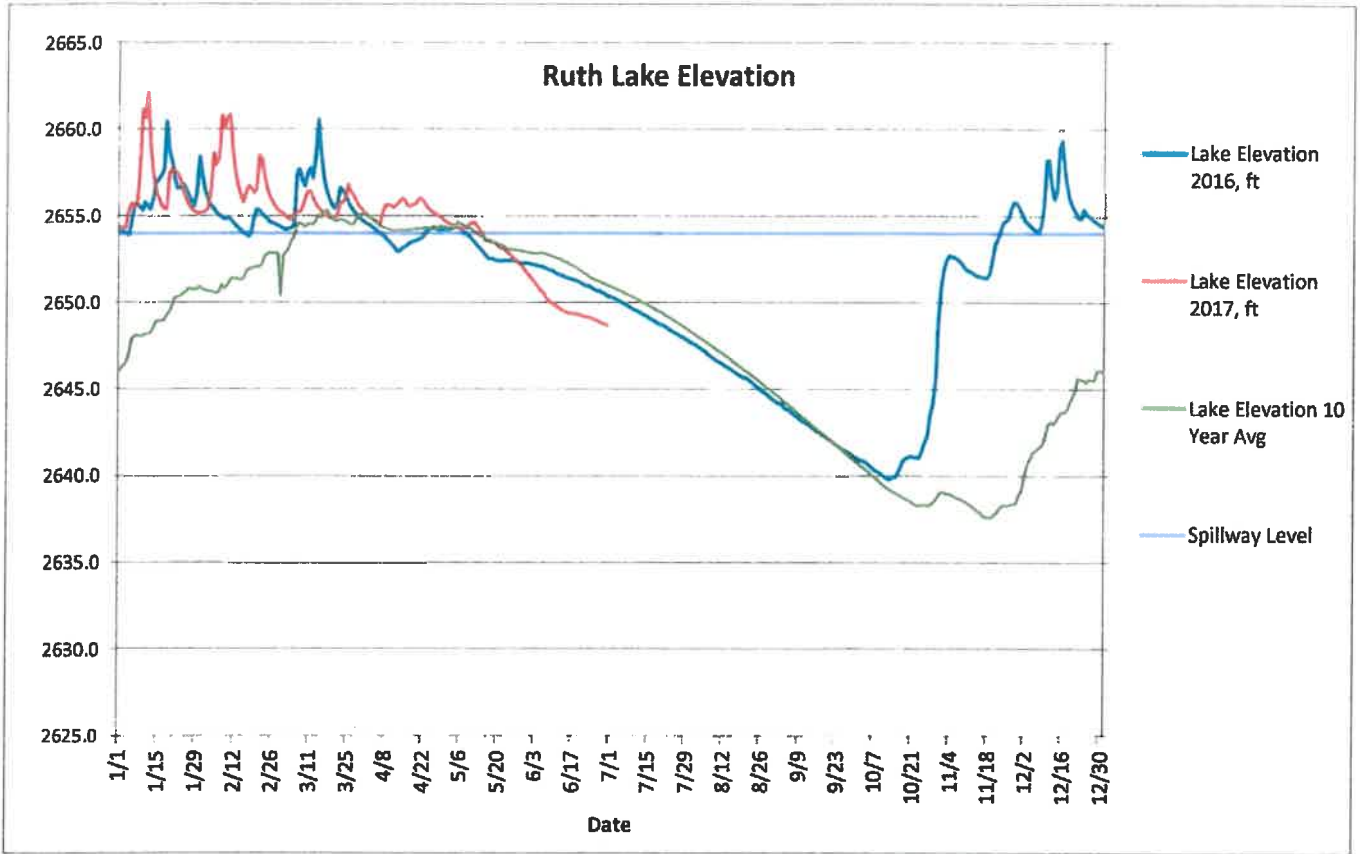
14. June 22nd – River channel, Pre construction meeting at Essex, No outside agencies attended.

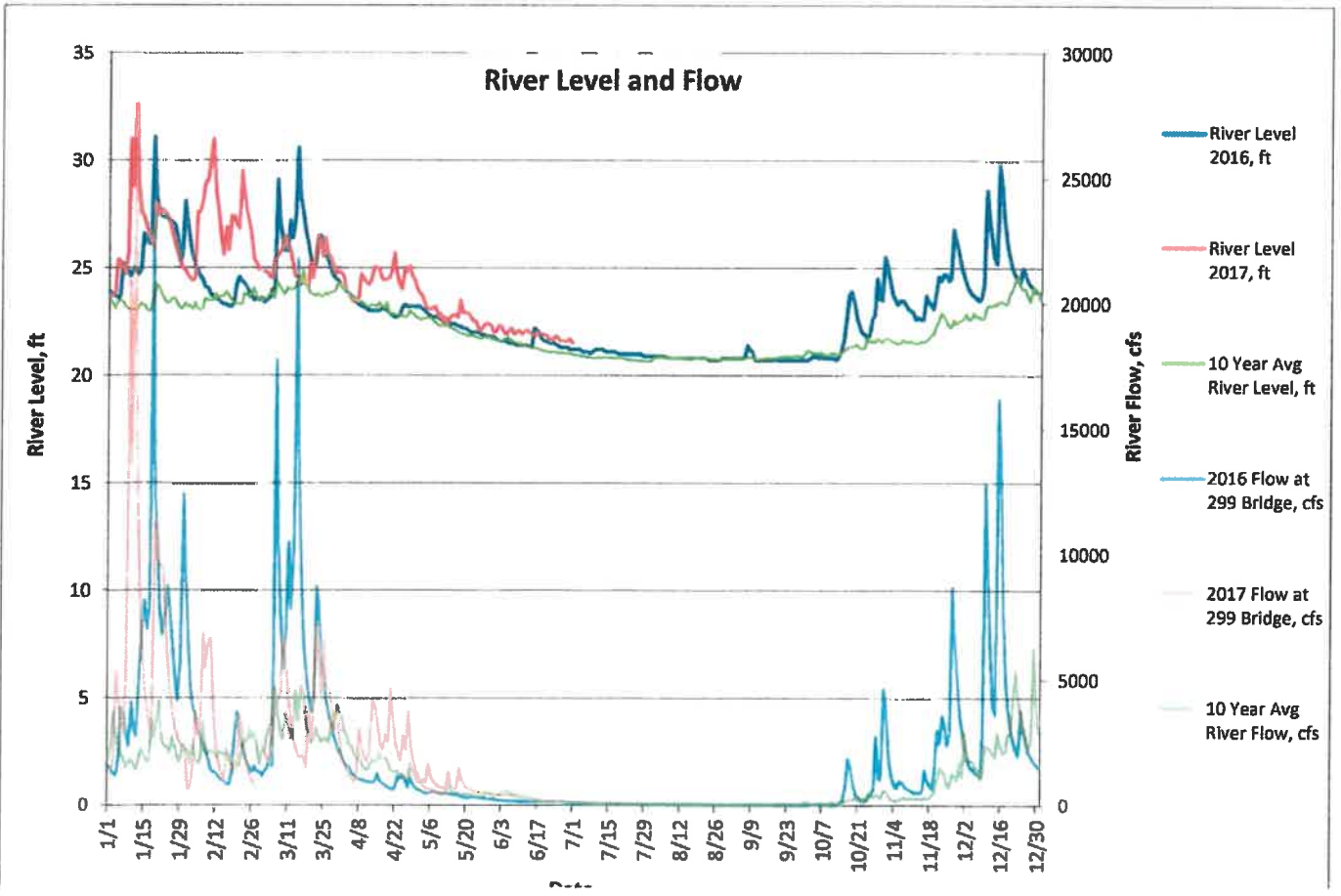
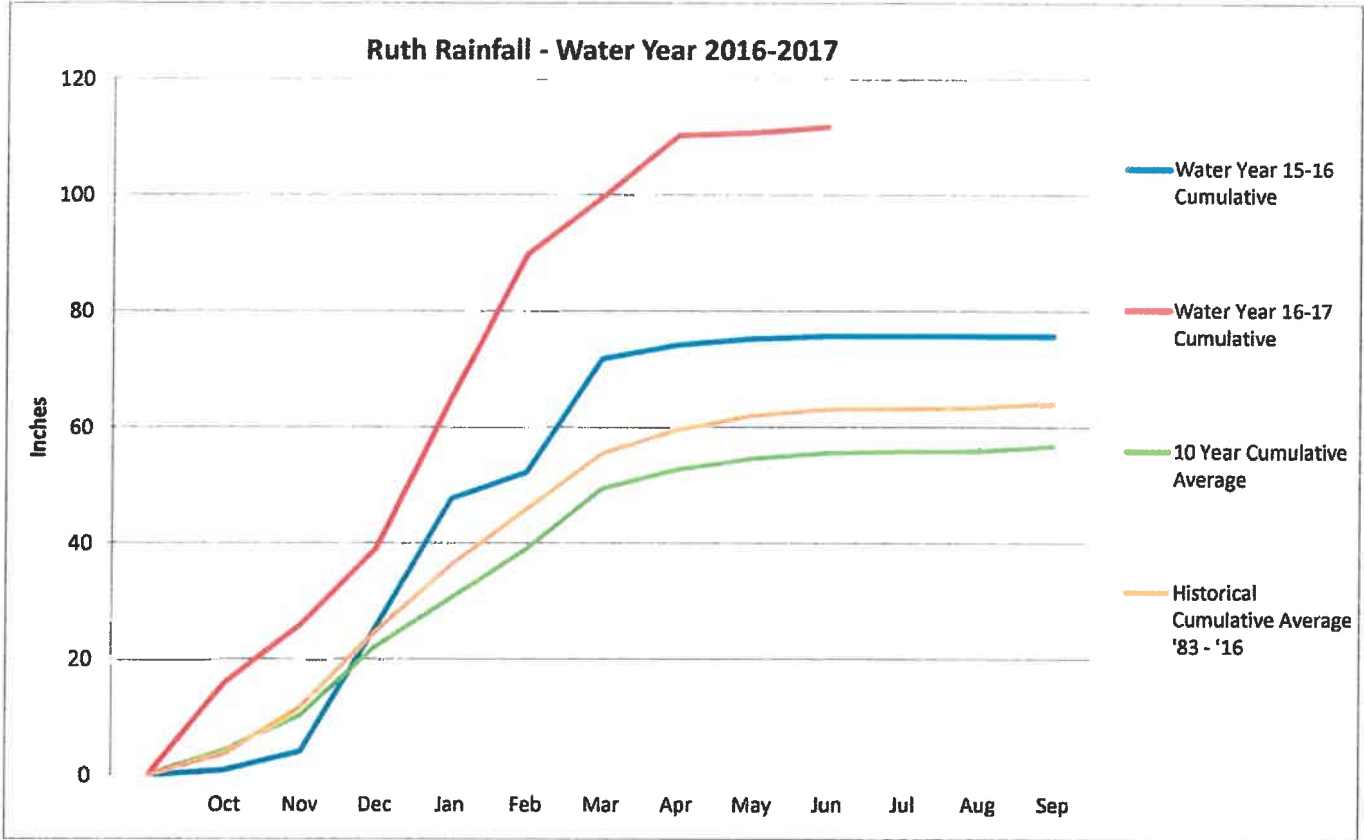
15. June 26th – 30th – Rockwell Training for SCADA project
 - a. Paul went to San Ramon for training – All Week
 - b. David went to Fresno for training – All Week

16. June 27th and 29th – Interviews for Maintenance Worker Position.

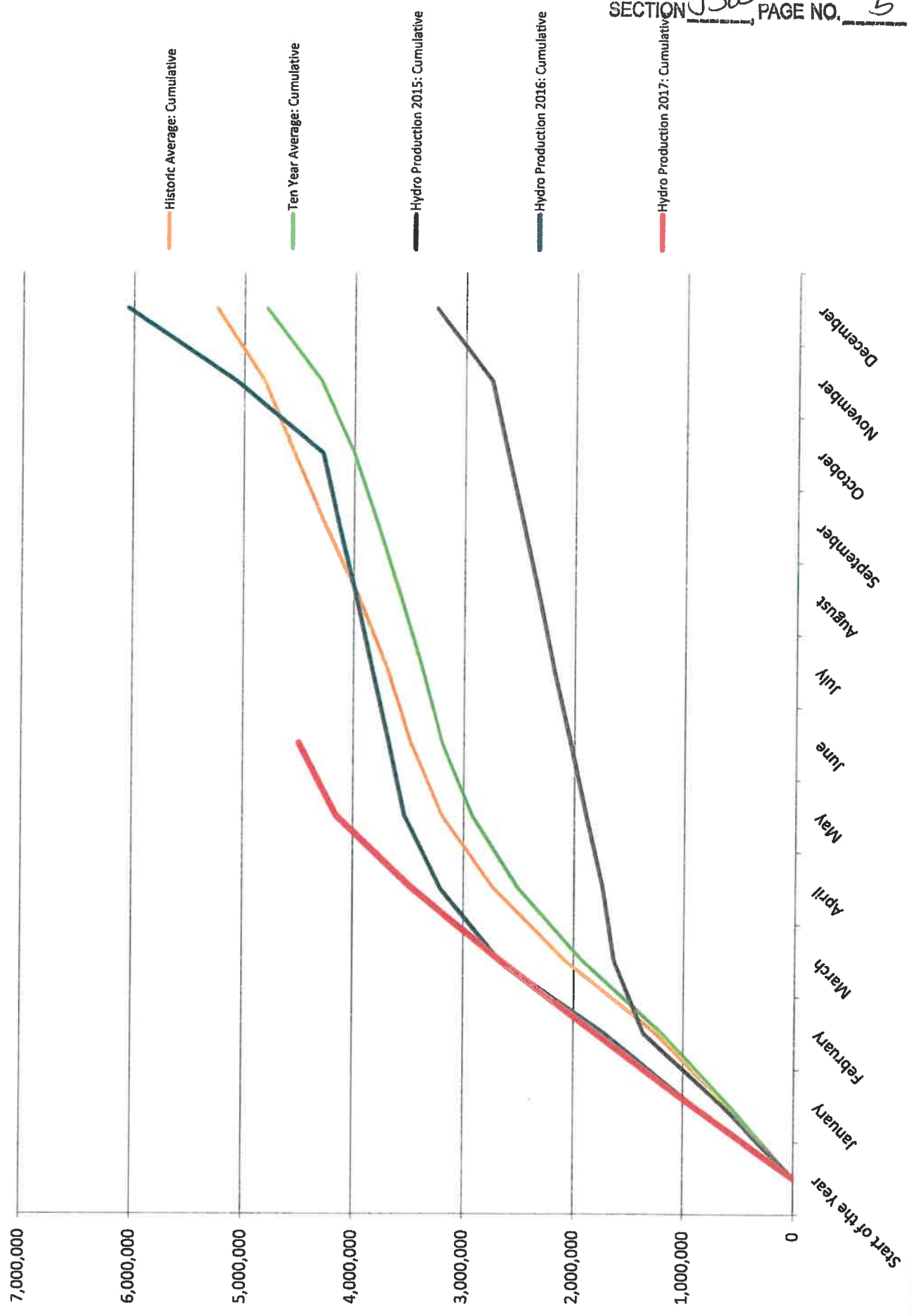
17. June 28th – Spillway inspection by Bill Rettburg (Chief Dam Safety Engineer), Pat Kaspari, Nathan Stephens (GHD) Ryan and I.

18. June 28th - River channel work was planned but canceled due to concerns of CDFW. Will re-schedule.





Ruth Hydro Production: kW per Month





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

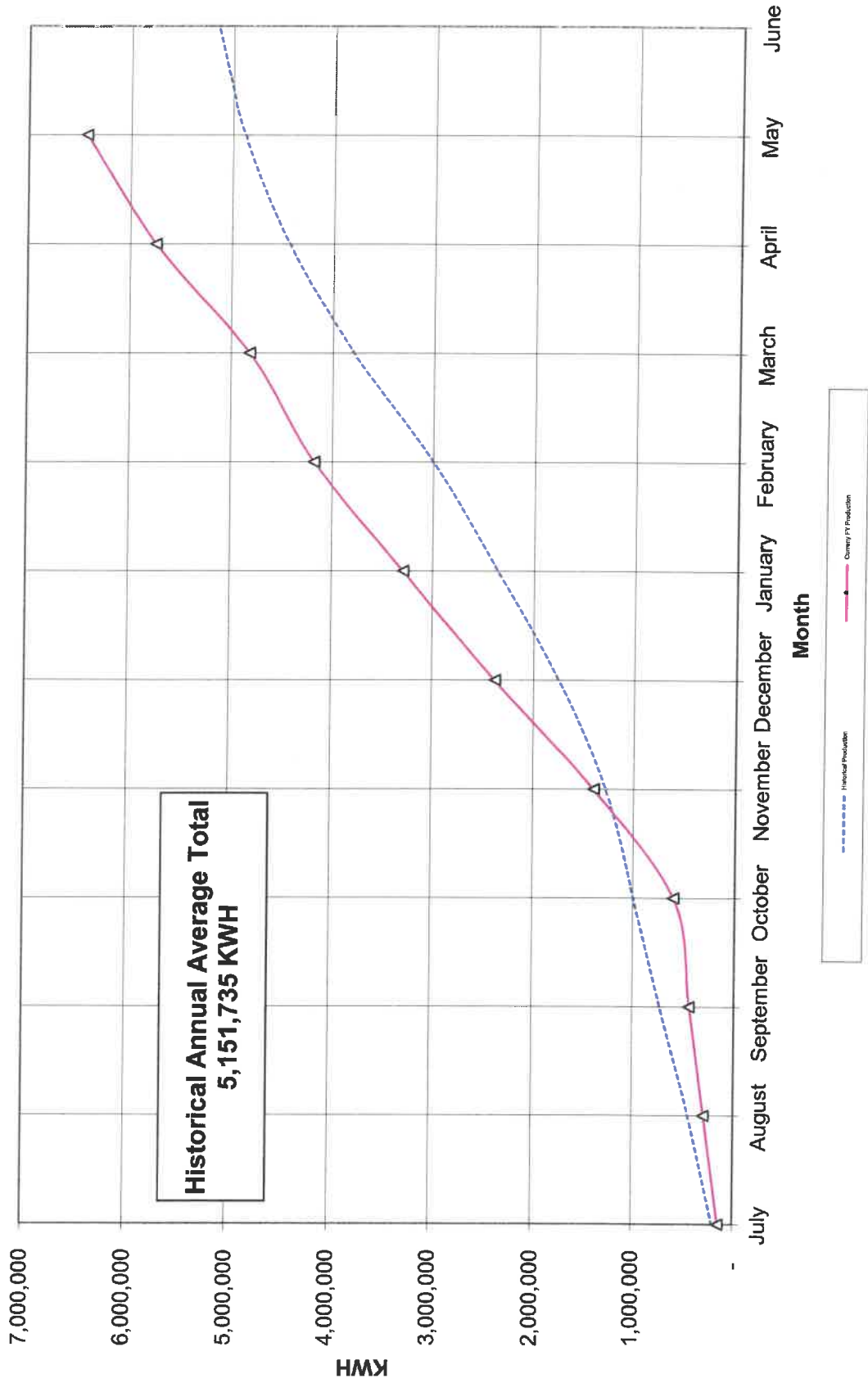
	Total Kwh Production	Production for Period Ending 5/31/2017	Average Monthly Kwh Production
On Peak	11,630,086	134,877	28,575
Part Peak	58,575,072	161,644	143,919
Off Peak	83,856,378	331,110	206,035
Super Off Peak	26,796,680	54,917	65,840
Grand Total	180,858,216	682,547	444,369

Grand Total Revenues \$8,790,377.99

No. of Months of Operation 407

Average \$/Kwh \$0.0486

**Historical vs. Actual Cumulative Production
Gosselin Hydroelectric Plant @ Ruth Lake
All Data In Kilowatt Hours**



 <p>Pacific Gas and Electric Company Purchase / Sales Invoice Invoice Number: 95540</p> <p>Delivery Period Start: 05/01/2017 Delivery Period End: 05/14/2017 Invoice Date: 06/09/2017 Due Date: 06/30/2017</p> <p>Log Number: 19H051 Account Code: 2320900 Meter Channel: LJ600B Contract Start: 04/10/1983</p>	<p>From: Pacific Gas and Electric Company 77 Beale Street San Francisco, CA 94105</p> <p>Contract Manager: Nancy Breckenridge Phone: 415-973-4092 Email: NJB6@pge.com</p> <p>Settlement Analyst: Marshall Hutzelman Phone: 415-973-8032 Fax: 415-973-9505 Email: MKHi@pge.com</p>	<p>To: HUMBOLDT BAY MUNICIPAL WATER DISTRICT P. O. Box 95 Eureka, CA 95501</p> <p>Project Name: HUMBOLDT BAY MWD Payment Method: CHECK Vendor Number: 1024538</p> <p>Contact: Steve Marshall Phone: 707-822-2918 Fax: Email: ops@hbmwd.com</p>
--	--	---

Payment Name	Quantity	Unit	Amount
Energy Payment 05/01/2017 - 05/14/2017	293.044	MWh	\$-8,112.05
As-Delivered Capacity Payment	238.127	MWh	\$-1,955.97
Net Total			\$-10,068.02

Total Amount Due to HUMBOLDT BAY MUNICIPAL WATER DISTRICT on Due Date: 06/30/2017 USD \$ 10,068.02

293044 (kWh)
 + 389,503.3 Remark 5/15-5/31/17 (kWh)

 682,547.3

Previous Format

SELLER:
 Humboldt Bay Municipal Water District
 828 7th Street
 Eureka, CA 95501
 Attention: General Manager

Electric Statement

Invoice prepared	2017-06-05 03:27:57
Invoice period	2017-05
Contract reference	33R403RM
Executed	2016-10-16
Payment due	2017-06-30
Meter id	LOWGAP_7_QFUNTS
Channel	WH3_REC
Project	Matthews Dam Hydro

PURCHASER:
 Pacific Gas and Electric Company
 P.O. Box 770000
 Mail Code N12E
 San Francisco, CA 94177
 Attention: Azmat Mukhtar
 (ASM3@pge.com), Mgr. Bilateral
 Settlements

Summary Invoice

PK
 PP
 OP

Charge	Gen (kWh)	Sold (kWh)	TOD factor	TOD \$/kWh	Energy (\$)
Day	0.0	0.0	1.270	0.00000000	0.00
Shoulder	0.0	0.0	0.280	0.00000000	0.00
Night	0.0	0.0	1.040	0.00000000	0.00
Peak	96,070.1	96,070.1	1.000	0.11332210	10,886.87
Mid-day	113,974.6	113,974.6	1.000	0.02498443	2,847.59
Night	179,458.6	179,458.6	1.000	0.09279920	16,653.61
Totals	389,503.3	389,503.3	0.000	0.07801750	30,388.07

Manual Adjustment Description

Peak - 5 minute meter data was not available, settlement computed manually from hourly data supplied by Denise Chan, PG&E

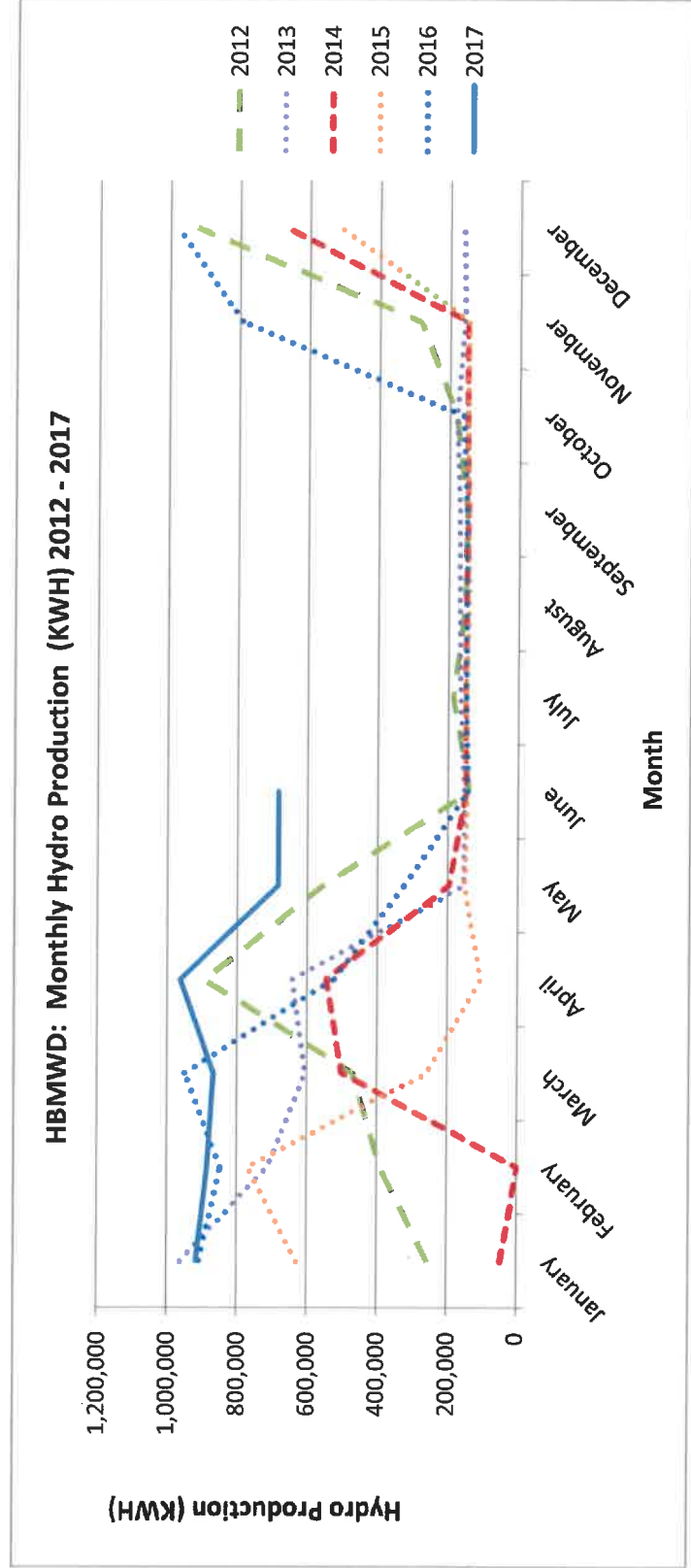
Mid-day - 5 minute meter data was not available, settlement computed manually from hourly data supplied by Denise Chan, PG&E

Night - 5 minute meter data was not available, settlement computed manually from hourly data supplied by Denise Chan, PG&E

New Format

**Humboldt Bay Municipal Water District
Monthly Hydro Electric Production (KWH) for CY2012 - 2017**

Month	2012	2013	2014	2015	2016	2017
January	255,300	962,724	47,002	632,611	907,103	916,562
February	390,898	713,055	0	769,170	848,575	884,477
March	470,351	605,327	501,812	261,555	950,250	866,400
April	892,452	642,402	545,893	106,258	523,573	962,033
May	553,888	152,795	196,968	151,803	323,636	682,547
June	138,181	152,044	147,630	143,055	142,248	
July	186,027	164,775	149,503	150,599	147,564	
August	151,424	168,428	148,220	140,977	147,531	
September	147,850	169,768	145,020	145,468	148,770	
October	179,706	178,812	148,715	147,574	159,930	
November	282,768	157,195	148,816	145,196	793,097	
December	923,766	160,936	665,823	510,915	978,889	
Total Annual	4,572,611	4,228,261	2,845,402	3,305,181	6,071,166	1,801,039



Management



California Special
Districts Association
Districts Stronger Together

CSDA's 2017
**GENERAL
MANAGER
LEADERSHIP
SUMMIT**

June 25 – 27, 2017 • Hyatt Regency Newport Beach

2017 AGENDA

= RAFFLE

SUNDAY, JUNE 25	EVENT	ROOM
8:00 a.m. – 4:00 p.m.	Pre-Conference Workshop: So You Want to Be a General Manager? <i>Separate registration and payment required</i> <i>Sponsored by the Special District Leadership Foundation (SDLF)</i>	Plaza III
5:30 – 7:00 p.m.	Welcome Reception with the Exhibitors and Registration <i>Registration sponsored by Liebert Cassidy Whitmore</i>	Plaza Arbor
5:30 – 7:00 p.m.	Ask the Legal Experts <i>Sponsored by Richards Watson Gershon</i>	Plaza III
MONDAY, JUNE 26		
8:00 a.m.	Conference Registration	Plaza Arbor
8:00 – 9:00 a.m.	Continental Breakfast with the Exhibitors <i>Sponsored by Umpqua Bank</i>	Plaza Arbor
9:00 – 10:30 a.m.	Opening Keynote, Keni Thomas “Get It On! What It Means to Lead the Way” <i>Sponsored by Townsend Public Affairs</i>	Plaza I
10:30 – 10:45 a.m.	Break and Networking with Exhibitors	Plaza Arbor
10:45 a.m. – 12:00 p.m.	BREAKOUT SESSIONS	
	Purpose & Productivity: How Special District Leaders Build a Winning Team Erin Gihuly and Nick Janes, CV Strategies	Plaza I X
	Crisis Mode: Practical Advice for Special District Leaders for Handling Board Disputes Thomas Rice and John Brown, Best Best & Krieger LLP	Plaza II
	Creating a Powerful Combination: Energy Project Financing Nicki Tallman – Brandis Tallman, Bill Morton – Municipal Finance, and Michael Kerkorian – Utility Cost Management	Plaza III
12:00 – 1:15 p.m.	Networking Lunch with Exhibitors <i>Sponsored by Bank of the West</i>	Plaza Arbor
1:30 – 3:00 p.m.	BREAKOUT SESSIONS	
	How Your Board Can Set Clear Direction and Build Your District’s Future Around Its Core Priorities Martin Rauch, Rauch Communication Consultants	Plaza I
	Officials and Staff Personal Devices – When are the Contents of Your Personal Device a Public Record? Joan Smyth and Edward Kang, Kane Ballmer & Berkman	Plaza II X
	Power of the Pen: How Leaders Create Effective Documentation in the Workplace Kelly Trainer and Traci Park, Burke, Williams & Sorensen LLP	Plaza III
3:00 – 3:30 p.m.	Break and Networking with Exhibitors <i>Sponsored by Special District Risk Management Authority (SDRMA)</i>	Plaza Arbor

AGENDA continued

3:30 – 4:30 p.m.		
BREAKOUT SESSIONS		
	GM Innovations: Making Good Technology Decisions for Your District Sloane Dell'Orto and Mac Clemmens, Digital Deployment	Plaza I
	Special District Leader's Guide to Prevailing Wage Updates Deborah Wilder, Contractor Compliance and Monitoring	Plaza II X
	Development of Board Governance Guidelines Ensuring Smooth Operations and Avoiding Liability Dennis Timoney, SDRMA	Plaza III
4:45 – 6:30 p.m.		
	Food & Wine Experience Reception <i>Sponsored by Special District Risk Management Authority (SDRMA)</i>	Plaza Arbor
TUESDAY, JUNE 27		
8:00 – 9:00 a.m.		
	Continental Breakfast with Exhibitors <i>Sponsored by Novus AGENDA</i>	Plaza Arbor
9:00 – 10:15 a.m.		
	General Session Keynote, "Communication 360 Starts with YOU!" Michael Grabow, CPS HR Consulting <i>Sponsored by the Special District Leadership Foundation and CPS HR Consulting</i>	Plaza I
10:15 – 10:30 a.m.		
	Break and Networking with Exhibitors	Plaza Arbor
10:30 a.m. – 12:00 p.m.		
BREAKOUT SESSIONS		
	The Balance (and Value) of Interagency Relationships William Curley, Lozano Smith	Plaza I
	The GM Toolbox: Doing Business Contracts Yourself with Confidence Heather DeBlanc, Liebert Cassidy Whitmore	Plaza II
	Making the Pieces Fit: How Leaders Integrate Board Planning, Agency Direction, and Even Their Own Evaluation Brent Ives, BHI Management Consulting	Plaza III X
12:00 – 1:15 p.m.		
	Networking Lunch (<i>Exhibitor Raffle</i>) <i>Sponsored by Kane, Ballmer & Berkman</i>	Plaza Arbor
1:30 – 2:45 p.m.		
BREAKOUT SESSIONS		
	Employment Relationships: What Every CalPERS Employer Should Know Renee Ostrander, CalPERS	Plaza I
	Succession Planning: Be on the Crest of the Baby Boomer Wave Kevin Hardy, Koff & Associates	Plaza II X
	Disruptive Behavior at Board Meetings: Balancing the Constitutional Rights of Citizens with the Duty to Conduct Meetings in an Orderly Manner Sean DeBurgh and Scott Huber, Cota Cole & Huber LLP	Plaza III
3:00 – 4:00 p.m.		
	Closing Session: State Capitol Insights for District Leaders Kyle Packham, CSDA	Plaza I
4:00 p.m.		
	Event Adjourns	

guidebook



Thanks to the Special District Risk Management Authority for their Technology Sponsorship of the General Manager Leadership Summit. Be sure to download Guidebook – our mobile app, charge your mobile devices at our charging station, and all special district attendees have received an SDRMA flash drive with the conference breakout session materials.

SAVE THE DATE!

2018 General Manager Leadership Summit

June 24 – 26, 2018
at the Resort at Squaw Creek

ACWA



MEMORANDUM

TO: ACWA Public Agency Members
General Managers and Board Presidents

CC: ACWA Board of Directors

FROM: ACWA Nominating Committee

DATE: June 7, 2017

SUBJECT: Call for Candidates Nominations for the 2018-2019 Term

ACWA's Nominating Committee is responsible for submitting a slate for the Association's statewide positions of President and Vice President to the general membership meeting at Fall Conference.

Nominations must be received in the ACWA office by **Friday, September 1, 2017** to be considered by the committee.

The following criteria must be met for names to be considered:

- At the time of their election, the President and Vice President will each be an elected or appointed member of the governing body or commission of a member agency of the Association.
- An official nominating resolution from the Association member agency on whose board the nominee serves will accompany all nominations for the position of President and Vice President. An authorized signatory of the member agency's Board of Directors will sign said resolution.
- Each nomination will include a statement of qualifications or resume highlighting the candidate's qualifications for the position.

Additional letters or resolutions of support from other agencies may be submitted but are not required.

ACWA's Bylaws and Board policies establish the criteria set forth above, which also govern nominations from the floor. ACWA Bylaws (Article 9, Section 9) and Board Policy 2.3.3 require that all nominations received for the positions of ACWA President and Vice President will be accompanied by a nominating resolution from the ACWA member agency on whose board the nominee serves, and signed by an authorized signatory of the member agency's Board of Directors. This policy applies to nominations received in the ACWA office prior to election, as well as to all nominations received from the floor at general session during the floor nomination process.

We appreciate your interest and participation in this process to find the best qualified individuals to serve in representing the statewide membership of ACWA.

Nominating Committee members include:

- Steve Cole, Region 8
- John Coleman, Region 5
- Shannon Cotulla, Region 3
- David Coxey, Region 2
- Rick Gilmore, Region 5
- Matthew Hurley, Region 6 & 7
- Joone Lopez, Region 10
- Bruce Rupp, Region 1
- Sue Stephenson, Region 5
- Nancy Wright, At-large representative

We ask that Nominating Committee members not be approached to solicit their support of any candidate.

Important Dates

- Deadline to receive candidate nominations: **Friday, September 1, 2017**
- Tentative date for candidate interviews: **Monday, September 11, 2017**
- Election of ACWA's President and Vice President: **Wednesday, November 29, 2017**, at Fall Conference

To nominate a candidate, send a copy of the agency resolution and the candidate's background by September 1 to:

John Coleman, Nominating Committee Chair
c/o Donna Pangborn, ACWA
910 K Street, Suite 100
Sacramento, CA 95814

Nominations also may be emailed to ACWA Clerk of the Board Donna Pangborn at donna@acwa.com.

Should you have any questions regarding this process, please contact Clerk of the Board Donna Pangborn at the ACWA office at 916-441-4545 or donna@acwa.com

Enclosures:

1. ACWA Officers' Nominee Information: Board Policy GO-2.3, Board Officers
2. Sample Resolution to Nominate Candidate for ACWA President or Vice President
3. Sample Resolution to Support Candidate for ACWA President or Vice President



ACWA Officers' Nominee Information Board Policy GO-2.3, Board Officers

GO-2.3 Board Officers

The President and Vice President are the elected officers of the Association.

2.3.1 President

The President is an elected officer of the Association and presides at all meetings of the Board, the Executive Committee, and the general membership. The President is responsible to the Board of Directors and the general membership for the duties established by the Bylaws.

2.3.1.1 Duties and Authority

Within the limits of Bylaws and the Duties and Authorities established for Board members, and in coordination with the Executive Director, the President:

- Serves on the ACWA Board and presides at all meetings.
- Serves as the chair of the Executive Committee and presides at all meetings.
- Schedules special Board and Executive Committee meetings.
- Presides over all general membership meetings.
- Serves as a non-voting *ex officio* member of each committee, but will not be an *ex officio* member of the Nominating Committee or the region boards.
- Appoints members of all committees upon recommendation from members and regions as communicated by the region chairs.
- Appoints the chair and vice chair of each committee, each of whom will be subject to ratification by the Board.
- Appoints Nominating Committee, whose purpose will be to nominate qualified individuals for the offices of President and Vice President of the Association for the succeeding term.
- Appoints special committees, work groups, and task forces from time to time as needed to accomplish a specific task or assignment, consistent with and supportive of the mission of the Association.
- Participates in the Association's spring and fall conferences.
- Represents and supports the Association's official policies and positions when acting in capacity of President.

- Represents and promotes the Association's purposes, policies, and goals at a variety of Association functions/events, including visits to member agencies for ceremonies, meetings, and retention efforts in coordination with the Executive Director.
- Represents and promotes the Association's purposes, policies, and goals at a variety of external functions/events, including speaking engagements, event participation, and news media and other contacts in coordination with the Executive Director.
- Performs other responsibilities assigned by the Board.
- Authorizes expenditures from the Executive Director's contingency fund in conjunction with the Vice President and Finance Committee Chair.
- Reviews and approves the Executive Director's monthly expense reports in conjunction with the Finance Committee Chair.

2.3.1.2 Qualification

The President will be an elected or appointed member of the governing body or commission of a member agency of the Association at the time of his/her election.

2.3.1.3 Term of Office

The members of the Association will elect the President at its fall conference in each odd-numbered year. The President will take office on January 1 of the calendar year following election and will hold office until December 31 of the following odd numbered year two years later or until his/her successor takes office or is appointed. An elected President is not permitted to succeed himself/herself to that office.

2.3.1.4 Vacancy

Should a vacancy occur in the President's office, the Vice President will assume the duties of that office and succeed the President for the unexpired term. Should the Vice President not be able to assume this role, the Board will appoint a person to fill the office for the unexpired term thereof.

2.3.1.5 Compensation

The President will serve without compensation by the Association. The Association will reimburse the President for necessary, actual, and reasonable expenses incurred in the performance of his/her duties while on Association business. The Association will reimburse the President for expenses incurred for attending conferences, meetings, seminars, and workshops or other events and which are mutually beneficial to the officer and the Association and have been authorized by either the Board or the Executive Director.

2.3.2 Vice President

The Vice President is an elected officer of the Association and is a voting member of the Board. The Vice President is responsible to the Board of Directors and the general membership for the duties established by Bylaws.

2.3.2.1 Duties and Authority

Within the limits of the Bylaws and the Duties and Authorities established for ACWA Board members, and in coordination with the Executive Director and President, the Vice President:

• Serves as a voting member of the Board.

- Serves as a voting member of the Executive Committee.
- Performs the duties of the President in the President's absence.
- Succeeds the President for an unexpired term if vacancy occurs.
- Serves on the ACWA/JPIA's Executive Committee.
- Participates in the Association's spring and fall conferences.
- Represents and supports the Association's official policies and positions when acting in capacity of Vice President.
- Represents and promotes the Association's purposes, policies, and goals at a variety of Association functions/events, including visits to member agencies for ceremonies, meetings, and retention efforts in coordination with the Executive Director.
- Represents and promotes the Association's purposes, policies, and goals at a variety of external functions/events, including speaking engagements, event participation, and news media and other contacts in coordination with the Executive Director.
- Authorizes expenditures from the Executive Director's contingency fund in conjunction with the President and Finance Committee Chair.
- Serves as a chair/vice chair or participant on committees or task forces as appointed by the President or Board.
- Performs other responsibilities assigned by the Board and President.

2.3.2.2 Qualification

The Vice President will be an elected or appointed member of the governing body or commission of a member agency of the Association at the time of his/her election.

2.3.2.3 Term of Office

The members of the Association will elect the Vice President at its fall conference in each odd-numbered year. The Vice President will take office on January 1 of the calendar year following election and will

hold office until December 31 of the following odd numbered year two years later or until his/her successor takes office or is appointed.

2.3.2.4 Vacancy

Should a vacancy occur in the Vice President's office, the Board will appoint a person to fill the office for the unexpired term thereof.

2.3.2.5 Compensation

The Vice President will serve without compensation by the Association. The Association will reimburse the Vice President for necessary, actual, and reasonable expenses incurred in the performance of his/her duties while on Association business. The Association will reimburse the Vice President for expenses incurred for attending conferences, meetings, seminars, and workshops or other events and which are mutually beneficial to the officer and the Association and have been authorized by either the Board or the Executive Director.



Sample Resolution to Nominate Candidate for
ACWA President or Vice President

RESOLUTION OF THE BOARD OF DIRECTORS OF

TO NOMINATE AND SUPPORT

AS A CANDIDATE FOR THE POSITION OF ACWA _____

WHEREAS, ACWA has announced that a Nominating Committee has been formed to develop a slate for the Association's statewide positions of President and Vice President; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, _____ has served in a leadership role as a member of the _____ Board of Directors since _____; and

WHEREAS, (list positions held to demonstrate knowledge of water and leadership)

WHEREAS,

WHEREAS,

WHEREAS, it is the opinion of the _____ Board of Directors that _____ possesses all of the qualities needed to fulfill the duties of the office of ACWA _____.

NOW, THEREFORE, BE IT RESOLVED, that the _____ Board of Directors does hereby nominate and support _____ as a candidate for the office of ACWA _____, pledging the District's support of his/her endeavors in fulfilling the duties of this office if elected.

PASSED AND ADOPTED by the _____ Board of Directors at a regular meeting of said Board held on the _____ day of _____, 2017, by the following vote:

Ayes: Directors

Noes: Directors

Absent: Directors



Sample Resolution to Support Nomination ACWA President or Vice President Candidate

RESOLUTION OF THE BOARD OF DIRECTORS OF

IN SUPPORT OF THE NOMINATION OF

AS A CANDIDATE FOR THE POSITION OF ACWA _____

WHEREAS, ACWA has announced that a Nominating Committee has been formed to develop a slate for the Association's statewide positions of President and Vice President; and

WHEREAS, the individual who fills an officer position will need to have a working knowledge of water industry issues and concerns, possess strength of character and leadership capabilities, and be experienced in matters related to the performance of the duties of the office; and

WHEREAS, this person must be able to provide the dedication of time and energy to effectively serve in this capacity; and

WHEREAS, _____ has served in a leadership role as a member of the _____ Board of Directors since _____; and

WHEREAS, (list positions held to demonstrate knowledge of water and leadership)

WHEREAS,

WHEREAS,

WHEREAS, it is the opinion of the _____ Board of Directors that _____ possesses all of the qualities needed to fulfill the duties of the office of ACWA _____.

NOW, THEREFORE, BE IT RESOLVED, that the _____ Board of Directors wholeheartedly supports _____ for nomination as a candidate for the office of ACWA _____.

PASSED AND ADOPTED by the _____ Board of Directors at a regular meeting of said Board held on the _____ day of _____, 2017, by the following vote:

Ayes: Directors

Noes: Directors

Absent: Directors



[Click here to view it in your browser.](#)

OUTREACH ADVISORY

June 13, 2017

Little Hoover Commission Schedules Final Hearing on Special Districts

Updated Fact Sheet Available to Educate Public on Water Agencies' Functions

The Little Hoover Commission has scheduled the third and final public meeting regarding its Special Districts Study. The roundtable meeting is set for Thursday, June 22, 1:30 – 3:30 p.m. in Sacramento.

The study, launched 10 months ago, seemed headed in a positive direction highlighting efforts by water and wastewater districts to prepare for climate change. In recent weeks, however, some members of the commission have raised questions about special district governance, reserves and other topics, which led commission staff to agree to hold one final public meeting prior to re-writing the draft Special Districts Study.

To help ACWA members educate their customers and other audiences on the important role of public water agencies, ACWA has an updated fact sheet available that outlines in layperson's terms the functions of water agencies and the various ways they are funded.

The one-page fact sheet – “Public Water Agencies At Your Service” – outlines the critical role water agencies play in building local infrastructure, planning for future water resources and managing budgets in a transparent, accountable manner. ACWA members are encouraged to use the fact sheet to help tell your agency's story.

Specifically, the new ACWA fact sheet explains how public water agencies:

- Have invested billions in projects to boost local supplies;
- Set customer rates through public processes; and
- Operate transparently.

The one-page fact sheet is available [here](#). The Little Hoover Commission hearing will be held in the Lower Level Conference Room of 925 L St. in Sacramento. While this is a public meeting, there is limited space due to room size.



[Click here to view it in your browser.](#)

OUTREACH ADVISORY

June 14, 2017

PPIC Report Validates Local Drought Planning and Storage Investments

ACWA Members Encouraged to Share Findings with Key Audiences

A newly released report from the Public Policy Institute of California says local water suppliers were well-prepared for the most recent drought due to extensive investments in local supplies and programs. The study also asserts that state-mandated conservation was a “blunt instrument” that disrupted some local programs and created uncertainties about future state and local roles.

The PPIC report affirms many points made by ACWA and the water community over the past 18 months. It also offers recommendations that may inform the discussion as lawmakers consider bills to strengthen drought preparedness and long-term water-use efficiency.

ACWA is encouraging its members to share the findings of the PPIC report – titled “Building Drought Resilience in California’s Cities and Suburbs” – with key audiences, customers and local media. In addition, members are encouraged to attend a PPIC webinar on the report set for Friday, June 16, in which the findings will be discussed in detail. Webinar details can be found [here](#).

The report’s findings largely validate ACWA’s and its members’ stance that local water managers are best positioned to develop and execute drought contingency plans and investments.

Among the report’s key findings:

- Local water districts helped to build drought resiliency through their supply investments and short-term demand management, thereby reducing the risk of extreme shortages;
- The state’s conservation mandate was a blunt instrument that in some case created a disconnect between the mandate levels and local conditions;

- The state’s conservation mandate intensified the financial impacts of the drought;
- Most utilities were prepared for extended drought without mandatory conservation;
- The state did not see significant economic disruption during the drought, and California’s economic expansion during that time outpaced growth of the national economy as a whole;
- The state could best support local drought resiliency by supporting local investments, facilitating water trading and leaving rationing decisions to local utilities; and
- In some cases, the state’s mandated conservation disrupted local programs and created uncertainties about future state and local roles.

ACWA suggests that its member agencies disseminate the findings through their newsletters, social media channels, and upcoming public meetings and events. Members who are contacting their Senate and Assembly members regarding long-term conservation legislation are encouraged to reference the report findings during those communications as well.

Questions:

Questions may be directed to ACWA Director of Communications Lisa Lien-Mager at (916) 441-4545 or ACWA Director of State Regulatory Relations Dave Bolland at (916) 441-4545.

CONTACT
Lisa Lien-Mager
ACWA Director of Communications
(916) 441-4545

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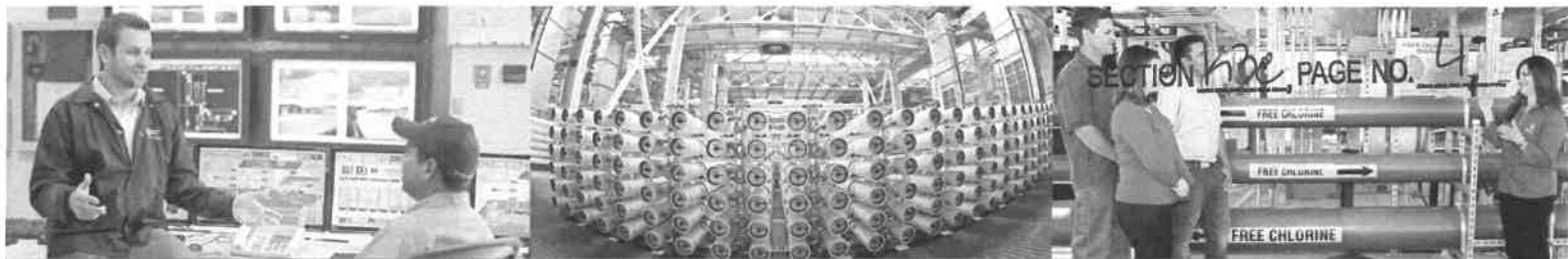
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PUBLIC WATER AGENCIES AT YOUR SERVICE

Meeting Local Needs for Safe, Reliable Water

For nearly as long as California has existed, public water agencies have delivered the product that no community, farm or business can survive without: safe and reliable water.

Water agencies are tailor-made to meet the needs of their communities. They carry out highly specialized functions that protect public health, enhance local economies and maintain a high quality of life. The majority of California's public water agencies receive their water from a local public water agency.

Since the days of the earliest irrigation districts more than a century ago, local communities have entrusted public water agencies to work on their behalf. As the job of managing and delivering water has grown more complex, local water agencies have become increasingly sophisticated. Today, they are aggressive proponents of water-use efficiency, leaders in water quality research and treatment, and innovators of new technologies such as advanced water purification and desalination.

Since the 1990s, local water agencies have invested billions in projects to boost local water supplies, improve drought resilience, and ensure long-term water-use efficiency. While the state's most recent drought focused the public's attention on California's water agencies like never before, it also demonstrated the true value of these smart investments by allowing California's economy to remain relatively unscathed during the historic five-year drought.

California's public water agencies are committed to serving the public through transparent and locally-accountable management of the state's water resources.

One Purpose, Multiple Roles

Water agencies are as diverse as the communities they serve. Providing irrigation water to grow fruits and vegetables in Madera County, for example, is different from recharging groundwater basins in Orange County for drinking water. For that reason, they vary in size, structure and function, just like the towns and cities they were created to serve.

Unlike general purpose governments such as cities and counties, water agencies have a more focused purpose. Some provide a wide range of water resource management activities, while others focus exclusively on water delivery, flood control or groundwater management. Types of water agencies include irrigation districts, municipal water districts, county water agencies, community service districts, wholesalers and retailers, to name a few.

Local Dollars Reinvested Locally

With state and federal budgets facing severe constraints, local agencies are playing an increasingly vital role in planning, building, maintaining and operating the water infrastructure needed for their communities. In the past two decades, the majority of water investment has occurred at the local level, with an estimated 2.4 million acre-feet of water supply created through local strategies such as recycling, groundwater banking and conjunctive use, water-use efficiency, and desalination of brackish water. According to the Public Policy Institute of California, local water and wastewater agencies

invest more than \$25 billion a year on water projects and programs, putting ratepayer dollars to work to maintain and upgrade infrastructure, develop drought-proof supplies, protect against floods, replenish and clean up groundwater basins and deliver high-quality drinking water. These critical local investments account for 84% of California's annual water spending.

Trusted Managers of a Finite Resource

Local water agencies are actively developing groundwater management plans required by the Sustainable Groundwater Management Act and pursuing strategies such as water transfers to make the most of existing water supplies. Several innovative conjunctive use projects, which store surface water underground during wet years for later use in dry times, have come on line in recent years and many more are planned around the state.

Because they operate in an arid state prone to drought, California water agencies have led the way in conservation and water recycling efforts to make the most of our limited resource. Many have invested in water recycling and advanced water purification facilities, and implemented rate systems that reward conservation and discourage waste.

Fiscally Diverse, Locally Accountable

Water agencies fund most of their operations through direct rates or charges for services provided. The rate, or fee, is established by the agency and, under state law, must be reasonable and directly reflect the cost of providing that service. Special assessments on new service connections often pay for construction and maintenance of major water and wastewater facilities.

Rates are set through public processes that require extensive customer notification and engagement. Transparent public hearings are held on proposed rate changes, and customers have the opportunity to provide input before any changes are approved. Agencies proactively post information about their rates and the cost of providing water service on their websites. On average, a gallon of reliable California water costs less than a penny. Compared to the cost of other monthly household services such as cellular phones and cable television, water is clearly one of the most reasonable deals around.

Some water agencies also rely on property tax revenues to support community-related services where fees are not collected, such as flood control, groundwater management and fire protection. However, over the last several decades some of this property tax revenue has been shifted away from water agencies by the state Legislature to backfill education.

Many water agencies maintain prudent budget reserves that allow them to continue their reliable service, while keeping customers' rates stable. Much of the money held in reserves by water agencies is legally encumbered to pay bonds, loans, and fund long-term construction of water infrastructure. Without these prudent reserves, it would be much more difficult for agencies to pay ongoing bills, fund new facilities, maintain existing infrastructure, or respond to emergencies such as floods or wildfires.

Water agencies are accountable to local voters and are subject to the state's Public Records Act, open meetings requirements under the Brown Act, and a full suite of laws and regulations governing elections, rate setting, financial reporting and compensation.

Region Ties

Water agencies have a proud history of working collaboratively with other water agencies and other forms of local government to meet regional and statewide needs. Sometimes, voluntary consolidations have occurred to enable agencies to operate more efficiently and comply with safe drinking water and clean water regulations.

From: ACWA <acwabox@acwa.com>
Sent: Thursday, July 06, 2017 4:21 PM
To: Sherrie Sobol
Subject: Outreach Alert: Signatures Requested on AB 1667 Opposition Letter



[Click here to view it in your browser.](#)

OUTREACH ALERT

July 6, 2017

Signatures Requested on AB 1667 Opposition Letter

Conservation Bill Amended to Include Problematic Budget Trailer Bill Language

As you may be aware, AB 1667 (Friedman) was amended earlier this week to include the Brown Administration's revised budget trailer bill language related to urban water use target setting and drought planning, response and reporting. Among other highly problematic provisions, the amendments to AB 1667 would grant the SWRCB the authority to:

- Adopt and revise standards for indoor residential use and residential/CII outdoor irrigation.
- Adopt and revise "performance measures" for CII water use.
- Enforce these standards through cease-and-desist orders and misdemeanor penalties.

We are asking organizations opposed to these and other problematic provisions in AB 1667 to sign the coalition letter attached here that expresses opposition to the July 3 amendments. Please respond by close of business tomorrow, July 7, if your organization would like to be added to this letter.

AB 1667 is set to be heard in the Senate Natural Resources and Water Committee next Tuesday, July 11. In addition to signing on to the attached letter, we encourage your organization to send a

representative to testify in opposition to AB 1667 and in support of AB 1654, the water community-developed alternative to the Administration’s proposal on drought planning, response and reporting.

Action Needed Now

Please take a look at the draft coalition letter and let Regional Water Authority Legislative and Regulatory Affairs Program Manager Adam Robin know by close of business Friday, July 7, if you want your agency’s name added to the letter.

Questions on the bill may be directed to Whitnie Wiley at whitniew@acwa.com or (916) 441-4545.

To sign onto the letter, please reply to Adam Robin at ARobin@rwah2o.org or (916) 967-7692.

CONTACT
Whitnie Wiley
Senior Legislative Advocate
(916) 441-4545

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SECTION *k3d* PAGE NO. *3*
HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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GENERAL MANAGER

JOHN FRIEDENBACH

July 6, 2017

The Honorable Robert M. Hertzberg
Chairman, Senate Committee on Natural Resources and Water
State Capitol, Room 4038
Sacramento, CA 95814

RE: AB 1667 (Friedman): Water Management Planning –
OPPOSITION TO THE JULY 3 AMENDMENTS
Senate Natural Resources and Water Committee – July 11, 2017

Dear Senator Hertzberg:

On behalf of the Humboldt Bay Municipal Water District, I am writing to express our opposition to the July 3, 2017, amendments to AB 1667.

As amended July 3, AB 1667 would grant certain state agencies extraordinary and unprecedented authorities over how Californians use water in urban communities. Specifically, the State Water Resources Control Board (“SWRCB”) would be granted unlimited authority to set standards for water use, including indoor water use and outdoor irrigation for residential, commercial, industrial and institutional (“CII”) water users.

The amendments would also give the SWRCB the authority to adopt “performance measures” for CII water use that include, but are not limited to: water audits, requirements to convert mixed CII irrigation accounts to dedicated irrigation meters, and undefined “water management planning” requirements for CII water users. Finally, the amendments would also grant SWRCB the authority to adopt new water use standards and CII performance measures every five years, creating economic uncertainty and making planning for both water agencies and CII water users extremely difficult. Moreover, these standards would be imposed upon your constituents, upon businesses, and upon the California economy without any legislative review, approval or oversight to ensure they are appropriate.

The July 3 amendments would also grant the SWRCB unnecessarily punitive enforcement authorities. The SWRCB would be granted the authority to issue cease-and-desist orders for a violation of any SWRCB regulation including, after July 1, 2026, water use standards and CII performance measures. Additionally, the amendments would allow for a person to be held civilly liable in an amount up to \$20,000 plus \$500/day for failure to comply with the SWRCB’s water use standards, even though the standards are intended to be measured at the water supplier level and not at an individual customer

level. Water agencies have and will continue to take the appropriate actions to encourage greater water use efficiency within their service areas, but these new enforcement authorities will not help them do that.

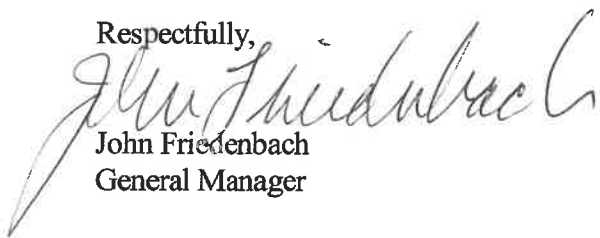
The July 3rd amendments also raise other concerns:

- There is a lack of protection for water rights;
- The provisions related to recycled water and potable reuse do not go far enough to encourage the level of reuse the state needs to improve drought resiliency;
- There is no consideration of the data needed to ensure an accurate calculation of or compliance with the standards; and
- There is insufficient flexibility in the standard setting. Unique community factors and the water supply associated with them are not required to be considered. Water used in urban communities for things such as livestock, agricultural use, increases in population due to seasonal changes, water required to sustain wildlife, use of evaporative cooling, and irrigation of vegetation for fire protection are not required to be considered, but are important, valid and often efficient and proper management uses of water within California's urban communities.

Our organization supports increasing water use efficiency. Granting permanent and unlimited authority to set urban water use targets to a state agency—without any legislative oversight—risks impacts to California's economy and our citizens' quality of life with no voter rights for redress.

For these reasons, our organization opposes the July 3, 2017, amendments to AB 1667 **and asks you to vote "NO"** when the bill is heard in the Senate Natural Resources and Water Committee on July 11th.

Respectfully,



John Friedenbach
General Manager

Cc: Senator Mike McGuire
Senate Committee on Natural Resources and Water
Assemblymember Jim Wood
ACWA
CSDA

RCEA, RREDC, *NCRP*



Redwood Coast Energy Authority

SECTION K4, 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

Humboldt Bay Municipal Water District Office
828 7th St, Eureka, CA 95501

June 19, 2017
Monday, 2:15 p.m.

RCEA will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Barbara Garcia at 269-1700 by noon the day of the meeting.

SPECIAL MEETING AGENDA

2:15 P.M.

- I. ROLL CALL**
- II. 2017-18 BUDGET STUDY SESSION**
- III. ADJOURNMENT**

REGULAR MEETING AGENDA

3:15 P.M.

- 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 15, 2017 Board Meeting.**
- B. Approve attached Warrants.**
- C. Accept attached Financial Reports.**

V. REMOVED FROM CONSENT CALENDAR ITEMS

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

VI. NEW BUSINESS

A. Financial Management Policy

Adopt Resolution 2017-3 adopting RCEA Financial Management Policy.

VII. OLD BUSINESS

A. Fiscal Year 2017-18 Budget

Adopt RCEA Fiscal Year 2017-18 Budget.

COMMUNITY CHOICE ENERGY (CCE) BUSINESS (Confirm CCE Quorum)

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighting voting as established in the RCEA joint powers agreement.

VIII. NEW CCE BUSINESS

A. Providing cost-competitive service for non-residential Peak Day Pricing customers

Approve proposed 2017 Peak Day Pricing Customer Bill Protection Program.

IX. OLD CCE BUSINESS

A. CCE Program Updates (informational)

- Launch Progress
- DG Fairhaven Negotiations
- New Local Renewables Development

X. STAFF REPORTS

A. Executive Director

XI. ADJOURNMENT



*II.A.
(pg.1)*

REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION
Regular meeting of the Board of Directors
At the Prosperity Center 520 E Street, Eureka
June 26, 2017 at 6:30 pm
AGENDA

- I. **Call to Order & Flag Salute**
- II. **Approval of Agenda and Minutes**
 - A. Approval of Agenda for June 26, 2017
 - B. Approval of Minutes of the Board of Directors for May 22, 2017
- III. **Public Input for non-agenda items**
- IV. **Program – County of Humboldt Economic Development Division: Update Process on Comprehensive Economic Development Strategy**
- V. **Consent Calendar**
 - A. Acceptance of Agency-wide Financial Reports: May 31, 2017
- VI. **Reports – No Action Required**
 - A. Loan Portfolio Report: May 2017
 - B. Executive Director’s Report
- VII. **Old Business**
 - A. Discussion and Possible Action on Housing Affordability in Humboldt County – Update by RREDC Contractor Lynette Mullen
- VIII. **New Business**
 - A. Resolution and Vote for SDRMA’s Board of Directors
- IX. **Closed Session: PUBLIC EMPLOYEE REAPPOINTMENT: Government Code Section 54957: Title: Executive Director**
- X. **Reconvene in Open Session**
- XI. **Member Reports**
- XII. **Agenda/Program Requests for future Board of Directors Meetings**
- XIII. **Adjourn**

The Redwood Region Economic Development Commission will, on request, make agendas available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the Board Secretary at (707) 445-9651. Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements for accommodations.



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County of Humboldt · Hoopa Valley Tribe · Redwoods Community College District