



# HUMBOLDT BAY MUNICIPAL WATER DISTRICT

**Board of Directors Meeting**

**August 2022**



District Watercraft

**Humboldt Bay Municipal Water District  
828 7<sup>th</sup> Street, Eureka**



**Agenda for Regular Meeting of the Board of Directors  
August 11, 2022  
Meeting Start Time: 9:00 am**

**District Mission**

*Reliably deliver high quality drinking water to the communities and customers we serve in the greater Humboldt Bay Area at a reasonable cost. Reliably deliver untreated water to our wholesale industrial customer(s) at a reasonable cost. Protect the long-term water supply and water quality interests of the District in the Mad River watershed.*

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**COVID-19 Notice**

The Board room at 828 7th street will be open to the public at reduced capacity to accommodate social distancing. An online option will also be available.

**Members of the public may join the meeting online at:**

<https://us02web.zoom.us/j/86710296323?pwd=MjZldGxRa08wZ0FWOHJrUINhZnFLQT09>

**Or participate by phone: 1-669-900-9128 Enter meeting ID: 867 1029 6323 Enter password: 484138**

If you are participating via phone and would like to comment, please press \*9 to raise your hand.

**How to Submit Public Comment:** Members of the public may provide public comment via email until 5 pm the day before the Board Meeting by sending comments to office@hbmwd.com. Email comments must identify the agenda item in the subject line of the email. Written comments may also be mailed to 828 7th Street, Eureka, CA 95501. Written comments should identify the agenda item number.

These comments will be read during the meeting. Comments received after the deadline will be included in the record but not read during the meeting. If participating in the meeting, public comment will also be received during the meeting.

<b>Time Set Items:</b>	<b>11.4</b>	<b>Mgmt-Presentation to Employee</b>	<b>9:05 am</b>
	<b>8.2</b>	<b>McNamara &amp; Peepe</b>	<b>9:15 am</b>
	<b>8.1.a.iii</b>	<b>MOU with MCSD</b>	<b>10:00 am</b>
	<b>8.4</b>	<b>Park 1 Agreement with FOP</b>	<b>10:30 am</b>
	<b>10.1</b>	<b>Engineering</b>	<b>11:00 am</b>
	<b>9.2</b>	<b>Financing Consultant</b>	<b>11:15 am</b>
	<b>8.3</b>	<b>Closed Session – Anticipated Litigation (DTSC)</b>	<b>1:30 pm</b>

**The Board will take a scheduled lunch break from 12:00 pm to 1:30 pm.**

**1. ROLL CALL**

**2. FLAG SALUTE**

**3. ACCEPT AGENDA**

**4. PUBLIC COMMENT**

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

## 5. MINUTES

Minutes of the July 14, 2022 Regular Meeting\* - discuss and possibly approve

## 6. CONSENT AGENDA - *These matters are routine in nature and are usually approved by a combined single vote unless an item is pulled for discussion*

6.1 Media articles of local/water interest (Articles A – N)\* - possibly approve

## 7. CORRESPONDENCE

7.1 ACWA Oppose – Unless – Amended : SB 222 (Dodd) Water Rate Assistance Program\* -discuss

7.2 Appeal of Partial Grant Denial for Quagga Grant C22Q0803\* -discuss

## 8. CONTINUING BUSINESS

8.1 Water Resource Planning - status report on water use options under consideration\*

a. Local Sales

i. Nordic Aquafarms\* – discuss

ii. Trinidad Rancheria Mainline Extension – discuss

iii. Draft MOU with McKinleyville CSD\* – discuss and possibly approve (**Time Set 10:00 am**)

b. Transport\* - discuss

c. Instream Flow – discuss

8.2 McNamara & Peepe\* - discuss (**Time Set 9:15 am**)

8.3 **CLOSED SESSION** - Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation pursuant to paragraph (4) of subdivision (d) of § 54956.9 (DTSC) (**Time Set 1:30 pm**)

8.4 Park 1 Agreement with Friends of the Pleistocene\*-discuss and possibly approve (**Time Set 10:30 am**)

## 9. NEW BUSINESS

9.1 District Conflict-of-Interest Code\*-discuss and possibly approve

9.2 Financing Consultant\* -discuss (**Time Set 11:15 am**)

9.3 North Coast Resource Partnership grant application\*-discuss

9.4 DBW Quagga Grant Appeal\* - discuss

## 10. REPORTS (from STAFF)

### 10.1 Engineering (Time set 11:00 am)

a. 12 kV Switchgear Relocation (\$858,332 District match) – status report

i. FEMA Approval of Additional Funding\*-discuss

ii. Final Contractor Pay Request\*-discuss

b. TRF Generator Project (\$517,819 District match) – status report

c. Matthews Dam Advance Assistance Seismic Stability Project – status report

d. Status report re: other engineering work in progress

### 10.2 Financial

a. July 2022 Financial Statement & Vendor Detail Report\* – discuss and possibly approve

b. HBMWD Letter to Municipal Customers

re: Estimated wholesale water charges, price factor 2\* - discuss

### 10.3 Operations

a. Monthly report on projects and operations\* – discuss

b. Request to surplus Unit 9, 2000 Ford F-350\*-discuss and possibly approve

c. Request to add project to FY23 budget in the amount of \$2,750.00\*- discuss and possibly approve

## 11. MANAGEMENT

- 11.1 FERC Training\* -report out
- 11.2 ACWA Energy Committee\*-report out
- 11.3 Lease Lot 43, Ponnay-status update
- 11.4 Presentation to Employee (**Time Set 9:05 am**)

## **12. DIRECTOR REPORTS & DISCUSSION**

### **12.1 General - comments or reports from Directors**

### **12.2 ACWA**

- a. Director report out, if any
- b. Article re: Region 1 Hosts North Coast Water Forum in Eureka\*- discuss
- c. ACWA Fall Conference Agenda\*-discuss

### **12.3 ACWA – JPIA**

- a. Director report out, if any
- b. Articles re: President Jerry Gladbach\* -discuss

### **12.4 Organizations on which HBMWD Serves**

- a. RCEA \* - status report
- b. RREDC\* - status report

## **ADJOURNMENT**

ADA compliance statement: In compliance with the Americans with Disability Act, if you need special assistance to participate in this meeting, please contact the District office at (707) 443-5018. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting. (Posted and mailed August 5, 2022.)

# MINUTES

**Humboldt Bay Municipal Water District  
828 7<sup>th</sup> Street, Eureka, CA**



**Minutes for Regular Meeting of the Board of Directors  
July 14, 2022**

**District Mission**

*Reliably deliver high quality drinking water to the communities and customers we serve in the greater Humboldt Bay Area at a reasonable cost. Reliably deliver untreated water to our wholesale industrial customer(s) at a reasonable cost. Protect the long-term water supply and water quality interests of the District in the Mad River watershed.*

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**1. ROLL CALL**

President Woo called the meeting to order at 9:02 am. Director Rupp conducted the roll call. Directors Fuller, Latt, Lindberg, Rupp and Woo were present. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris and acting Board Secretary Sherrie Sobol were present. District Engineer Nathan Stevens was present for a portion of the meeting.

**2. FLAG SALUTE**

President Woo led the flag salute.

**3. ACCEPT AGENDA**

Mr. Friedenbach stated item 8.1a shows a time set of 10:00. This is incorrect and there is no time set for this item. On motion by Director Rupp, seconded by Director Lindberg, the Board voted 5-0 to accept the agenda, as modified.

**4. PUBLIC COMMENT**

There were no public comments.

**5. MINUTES**

Minutes of the May 31, 2022 Special Meeting and Minutes of the June 9 Regular Meeting  
Director Fuller requested a correction to the May 31<sup>st</sup> Special Meeting minutes under the Continuing Business, Instream Flow Update section. The notes refer to permit applications. This needs to be corrected to petition application. No other corrections were requested. On motion by Director Lindberg, seconded by Director Rupp, the Board voted 5-0 to approve both sets of minutes, as amended for May 31<sup>st</sup> meeting.

**6. CONSENT AGENDA**

Media articles of local/water interest (Articles A – J)  
On motion by Director Rupp, seconded by Director Fuller, the Board voted 5-0 to approve the Consent Agenda.

**7. CORRESPONDENCE**

HBMWD Letter regarding transfer of Lease Lot 43  
Mr. Friedenbach shared the letter he sent to the Ruth Lake CSD Board of Directors regarding Lease Lot 43. He briefly discussed previous concerns regarding encroachment onto District property. The District is supportive of the lease transfer, however, no lease lot improvements will be done until the land survey is completed with boundaries for the lease lot clearly delineated.

CalOES Response to Storm Damage

Ms. Harris shared the District received additional funding for the Storm Damage project in the amount of \$10,413.85. She stated that this was due to FEMA having more money available for this disaster.

**8. CONTINUING BUSINESS**Water Resource PlanningLocal SalesNordic Aquafarms

The Local Sales Committee (Directors Latt and Rupp and Mr. Friedenbach) had a meet and greet with Brenda Chandler, the new interim CEO of Nordic. The meeting was very positive and consensus was that Ms. Chandler and Nordic are continuing to consult and collaborate with the District in a meaningful way.

Trinidad Rancheria Mainline Extension

The project is moving forward, next step is to get an MOU with McKinleyville CSD. The MOU was initially intended to be on the July agenda for McKinleyville CSD and will now be scheduled on the August agenda. Mr. Friedenbach stated there will be some proposed changes and these will come back to our Board most likely at the August 11 meeting.

Other local sales

Mr. Friedenbach and Mr. Davidsen met with Harbor District staff regarding their proposed Master Development Plan. The discussions regarding water usage were very preliminary and focused mainly on the proposed Wind Farm customer. Staff suggested infrastructure changes for the Harbor District that would benefit not only the Wind Farm but other potential customers as well. It was made clear that the District will not be responsible for funding the changes. The District is responsible for maintaining the pipeline up to the meter. The Board agreed that it is important that the Harbor District understand our District is not paying for their infrastructure to serve their tenants. A letter from the Board will be sent to the Harbor District outlining this.

Transport

There are no updates.

Instream Flow

The Instream Flow Committee met earlier this week and will meet with the water rights attorney tomorrow to work towards finalizing the instream flow dedication petition. They inquired if the Board would like a special meeting to discuss the outcomes of the meeting or not. After a brief discussion, the Board opted not to have a special meeting and just discuss it at the regular meeting in August.

McNamara & Peepe/ Royal Gold Initial Study and Proposed CEQA MND comment letters

President Woo recused herself due to a conflict of interest and left the room. The Board discussed the comment letters sent to the Humboldt County Planning and Building Department re: the Initial Study and Proposed Mitigated Negative Declaration for the Royal Gold Soil Operation. They also discussed new documents posted by the Department of Toxic Substances Control (DTSC) to Envirostor including: Storm Water Sample Results, April 2022 Storm Event; Private Offsite Groundwater Well Sampling Results; and the Standard Voluntary Agreement with Royal Gold LLC for Document Review. The Board expressed a great deal of concern as some hot spot areas seemed to have dioxin levels increased by a factor of 13 after recent storms. Jen Kalt of Baykeeper addressed the Board and also expressed their concern regarding the information in the Storm Water Sample reports. She stated there is a lot of new information to be considered. President Woo returned to the Board room when the discussion was over.

Drought Update

Mr. Friedenbach shared the most recent water conservation emergency regulation fact sheets as well as the joint letter from ACWA/CMUA to the State Water Resources Control Board. The Governor has mandated that water agencies implement phase 2 of their water shortage contingency plan. The District is not currently required to reduce water supply to wholesale customers due to our ample water supply in Ruth Lake and the fact that our water consumption is well below our water shortage contingency plan phase 2 amount. Each jurisdiction is responsible for implementing their own conservation and/or enforcement efforts.

Resolution 2022-07: Quagga/Zebra Mussel Prevention Grant

District staff applied for another Quagga /Zebra Mussel Prevention Grant and received partial funding for the project in the amount of \$50,506.61. One of the requirements to receive funding is an approved Resolution. Staff recommended approval of the Resolution for Application and Funding Agreement 2022. Director Rupp read the Resolution. On motion by Director Lindberg, seconded by Director Rupp the Board voted 5-0 by roll call vote to approve Resolution 2022-07.

CLOSED SESSION - Conference with Legal Counsel – Anticipated Litigation: Initiation of litigation pursuant to paragraph (4) of subdivision (d) of § 54956.9 (DTSC)

President Woo recused herself due to a conflict of interest. The Board entered into Closed Session at 1:34. No public comment was received prior to entering closed session. The Board returned to Open Session at 1:49 pm. Vice-President Latt reported there was no reportable action.

**9. NEW BUSINESS**SMART Workforce Center

District Staff was approached by staff from the SMART Workforce Center for possible collaboration on projects in Trinity County on District property around Ruth Lake related to the August Complex Fire. This program assists job seekers in finding employment. The SMART Workforce Center provides labor at zero cost, including all wages, payroll taxes, workers compensation insurance, and basic training to program participants. The funding limits work to be August Complex fire related projects. Potential jobs around Ruth Lake include wood debris removal around the lake and fuel reduction. Staff recommended the Board authorize District staff to collaborate with staff from SMART Workforce Center. The Directors asked several questions, including if drug testing was required. Mr. Friedenbach stated we could require drug testing. On motion by Director Fuller, seconded by Director Lindberg, the Board voted 5-0 to authorize staff to collaborate with SMART Workforce at no cost to the District.

**10. REPORTS (from STAFF)**Engineering

Director Rupp thanked Mr. Stevens and GHD for the sponsorship of the Madaket cruise for the ACWA Region 1 event. It was greatly appreciated.

12 kV Switchgear Relocation (\$858,332 District match)

Mr. Stevens stated CalOES approved the District's request for a project time extension through September 2023. The project should be closing out in the next few months and looks good. The final pay request was received less the five percent retention (about \$140,000). The retention will be released as soon as the punch list items are completed.

TRF Generator Project (\$517,819 District match)

There was no update.

Matthews Dam Advance Assistance Seismic Stability Project

There was no update.

Status report re: other engineering work in progress none to report.

Nothing to report.

FinancialFY 2021/22 Budget Reallocation

Ms. Harris reviewed the FY21/2022 budget reallocation totaling \$565,400. On motion by Director Rupp, seconded by Director Lindberg, the Board voted 5-0 to approve to FY 21/22 Budget Reallocation.



June 2022 Financial Statement & Vendor Detail Report

Ms. Harris reviewed the June 2022 financial statement and highlighted a few key areas. She noted the District Reserves have increased to \$2.9 million in General Reserves. The Miscellaneous Revenue is accrued taxes, however, the actual amount is not really known since the County has not provided any data yet. Overtime Expenses are higher than in the past. This is due mainly to COVID and the 12kV project. Professional Services is over budget due to the hiring of SWAPE for the McNamara and Peepe site. The Project Progress report is approximately \$35,000 under budget and noted that any credits go back to Municipal Customers. Director Lindberg reviewed the bills and commented on the large quantity of bills to review. He stated he had no questions and all were in order, just lots of bills. Ms. Harris stated the July bill review is always the largest as it is the end of the fiscal year.

On motion by Director Rupp, seconded by Director Lindberg, the Board voted 5-0 to accept the June 2022 Financial Report and vendor statements in the amount of \$673,237.30.

FY 2022/23 Budget

Ms. Harris provided a recap of the 2022/2023 budget. The Board did not have any questions. President Woo thanked both staff and the Board for the tremendous work that goes into the budget process. She commended all on a job well done. On motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 to approve the FY 2022/2023 Budget.

Operations**11. MANAGEMENT**FERC Training

Mr. Friedenbach shared that FERC has revamped the regulations/requirements for Part 12 reporting. He and Ms. Sobol attended training via a webinar on the new requirements. He discussed the new changes and how it will impact the District both financially and in regards to staff time. He will be attending additional FERC in-person training in Sacramento next week regarding their new risk assessment requirements.

NASA Proposal for Lidar Derivatives

Mr. Friedenbach stated the District was approached by staff from the North Coast Resource Partnership for a possible collaboration with on a NASA proposal for Lidar derivatives in the USGS Northern California project. Benefits of this collaboration would be in forestry management practices around Ruth Lake and other areas in the Mad River basin. There would be no cost to the District other than staff time. Given the brief window of opportunity to join the collaboration, staff chose to join given the long-term benefits that would become available to the District.

**12. DIRECTOR REPORTS & DISCUSSION**General - comments or reports from Directors

Director Lindberg stated Director Fuller did a great job presenting the instream flow at the ACWA Region 1 event. He also thanked Director Rupp and staff for the effort put into making it a great event. Director Rupp concurred it was a wonderful event and represented by approximately 40 people from all over the state. He thanked Mr. Friedenbach and acknowledged the sponsors including Trinidad Rancheria, GHD and US Bank.

ACWAACWA Fall Conference

On motion by Director Rupp, seconded by Director Lindberg, the Board voted 5-0 approve attendance at the Fall 2022 Conference by Directors and appropriate staff.

Region 1 Event

This was discussed under the General comments section.

**ACWA – JPIA**

**May/June Perspective newsletter**

Director Rupp elaborated on some of the articles in the newsletter. He noted that insurance premiums are increasing and costs will continue to increase in the near future. One exception is the cost of the Employee Benefit PPO plan which could decrease up to ten percent. Cyber security is a big concern and JPIA is considering offering cyber security risk insurance.

**ACWA JPIA 2022 Wellness Grant**

Ms. Harris stated the District was successful in getting another Wellness Grant. This year, as in the past few years, employees will be able to use grant funds to purchase fitness related items such as running shoes, workout attire, weights etc. The employees are appreciative of the grant funds.

**Organizations on which HBMWD Serves**

**RCEA News and Updates**

President Woo reported out on the meeting. She stated they are experiencing supply chain issues that are delaying projects.

**RREDC**

Director Latt reported out on the meeting. The program speaker was Lulu Mickelson of CERC Housing Collaborative and the need for additional housing was discussed. The new RREDC chair is Heidi Benzonelli of Humboldt Community Services District.

**ADJOURNMENT**

The meeting adjourned at 1:50 pm.

Attest:

\_\_\_\_\_  
Sheri Woo, President

\_\_\_\_\_  
J. Bruce Rupp, Secretary/Treasurer

# CONSENT

# MULTIAGENCY TASK FORCE PREPARES FOR 2022 CANNABIS ENFORCEMENT SEASON



Multiagency Task Force Prepares for 2022 Cannabis Enforcement Season

PUBLIC NEWS

JUL 05 2022 12:42 PM

Source: California Department of Fish and Wildlife

The California Department of Fish and Wildlife (CDFW), Department of Cannabis Control (DCC) and State Water Resources Control Board (SWRCB), have aligned their enforcement teams for the 2022 cannabis growing season.

As authorized by California [Fish and Game Code, section 12029](#), CDFW, DCC and SWRCB, established a Watershed Enforcement Program to address environmental impacts associated with cannabis cultivation.

Funded by voter approved [Proposition 64 \(PDF\)](#), the multiagency task force focuses on priority watersheds and areas with sensitive habitat and/or threatened or endangered species. County, state and federal partners also play an important role in ensuring the success of these objectives through enforcement support and the judicial process.

The environmental impacts from unlawful water diversions and habitat destruction associated with cannabis cultivation can have detrimental effects on fish and wildlife and their habitats, which are held in trust by the state for the benefit of the people.

California's streams, which are common victims to illegal water diversions, play an important role in ecosystem biodiversity and habitat value. Tributary streams are often critical in providing clear, cold water for larger waterways. Many sensitive aquatic species such as southern torrent salamanders, coastal tailed frogs, steelhead and coho salmon rely on these tributaries in the late summer months to maintain water quality and temperatures necessary for survival.

Disruption of stream systems also has significant physical, biological and chemical impacts that extend into the surrounding habitat adversely affecting not only the fish and wildlife species dependent on the stream itself, but also the plants and wildlife in the surrounding area that rely on the adjacent habitat for feeding, reproduction and shelter.

With continued drought conditions, protection of our water resources is paramount for the long-term survival of the plants, fish and wildlife that depend on them.

Throughout the state, CDFW, DCC, SWRCB, county partners and local code enforcement agencies, among others are actively addressing illegal cannabis cultivation and unauthorized construction activity to protect these resources.

For more information about becoming a licensed commercial cannabis farmer, visit the DCC website at [cannabis.ca.gov](http://cannabis.ca.gov), call (844) 61-CA-DCC (844-612-2322) or send an email to [info@cannabis.ca.gov](mailto:info@cannabis.ca.gov). To report suspected illegal cannabis activity, visit [cannabis.ca.gov/resources/file-complaint](http://cannabis.ca.gov/resources/file-complaint).

To learn more about CDFW's cannabis program, visit [wildlife.ca.gov/cannabis](http://wildlife.ca.gov/cannabis) or email [askcannabis@wildlife.ca.gov](mailto:askcannabis@wildlife.ca.gov). To report environmental crimes, such as pollution, illegal water diversions and poaching, please call the CalTIP hotline at (888) 334-2258 or text information to "TIP411" (847411).

### **Comments from Task Force and Partners**

"The environmental impacts of illegal cannabis operations can last decades and cause irreparable harm to our natural resources," said David Bess, CDFW Deputy Director and Chief of the Law Enforcement Division. "Those not complying with state laws and disregarding the environmental impacts associated with illegal cultivation practices will be subject to enforcement actions."

"CDFW fully supports the regulated cannabis market and applauds those taking steps to comply with state laws," said Sarah Paulson, Acting Cannabis Program Director. "With the second year of drought conditions, our native plants, fish and wildlife are feeling the pressure to feed, breed and survive. Protecting our natural resources is more important than ever."

"Building and maintaining a safe, legal cannabis industry in California protects public health and safety and preserves our natural resources," said Bill Jones, Deputy Director of Enforcement at the Department of Cannabis Control. "Our law enforcement team is proud to partner with state and local agencies to combat the illicit cannabis market and protect California's land and people."

"Complying with the state's cannabis regulations is even more critical in drought conditions when limited water supply is available and water quality impacts are magnified," said Yvonne West, Director, Office of Enforcement for the State Water Resources Control Board. "I am proud to work with so many individuals in the cannabis community dedicated to regulated and environmentally conscientious cultivation. The State Water Board is committed to taking enforcement action against those who harm our precious water resources."

"My office is committed to criminal and civil enforcement to protect the environment and public safety," said Santa Barbara County District Attorney Joyce Dudley. "Environmental harms from cannabis cultivation can be severe and long-term, including exposure to dangerous pesticides, water quality degradation, and wildlife injury. Moreover, cultivators who violate the law should not have an unfair competitive advantage over lawful cultivators who expend time and resources to stay in compliance. My office will continue to collaborate with our local and state agency partners to ensure compliance with the law."

## **MORE THAN 150 ENVIRONMENTAL CRIMES DOCUMENTED DURING CANNABIS ENFORCEMENT OPERATION IN TRINITY COUNTY, SAYS CDFW**

July 13, 2022 Kym Kemp Redheaded Blackbelt



*[Photos from CDFW]*

### **Press release from the California Department of Fish and Wildlife (CDFW):**

During the week of June 26, officers with the California Department of Fish and Wildlife (CDFW), Trinity County Sheriff's Office and Humboldt County Sheriff's Office collaborated to serve 34 search warrants in the Mad River, Kettenpom and Zenia areas of southern Trinity County. The warrants were part of an investigation into environmental crimes associated with illegal cannabis cultivation.

Additional support for the operation was provided by the California National Guard, Siskiyou County Sheriff's Office, State Water Resources Control Board and CDFW environmental scientists.

Prior to serving the search warrants, a records check was conducted on the properties to determine what steps may have been taken to secure a state cannabis cultivation license. In all 34 cases, no county permits or state licenses to cultivate or manufacture commercial cannabis had been issued.

When the final numbers were tallied, CDFW scientists who assisted in the operation documented more than 150 environmental violations, including illegal water diversions, large scale illegal grading, sediment discharge to streams, introduction of petroleum products and trash into watersheds, and the use of dangerous rodenticides and pesticides. Many of these violations were directly impacting national forests.

“Our staff and county partners did an exceptional job in conducting these investigations in a very rural area of Trinity County,” said CDFW Deputy Director and Chief of the Law Enforcement Division David Bess. “The numerous environmental crimes associated with these operations is staggering but not surprising. Illegal operators of this nature are a detriment to our native fish and wildlife and those legally cultivating cannabis.”

In total, officers eradicated 84,150 illegal cannabis plants and destroyed more than 5,419 pounds of illegally processed cannabis. Six firearms were also seized and one butane honey oil extraction lab was dismantled.

Several subjects were detained, interviewed and later released pending charges with the Trinity County District Attorney’s Office.

Since 2018, CDFW and its partners have eradicated more than 19.2 million illegal cannabis plants and destroyed 918,591 pounds of illegally processed cannabis statewide.

CDFW encourages the public to report environmental crimes such as illegal water diversions, water pollution and poaching to the CalTIP hotline by calling (888) 334-2258 or by texting information to “TIP411” (847411).

ISABELLA VANDERHEIDEN / 07/12/22 @ 3:15 P.M.

TODAY in SUPES: Nordic Aquafarms' New Interim CEO Underscores Commitment to Local Land-Based Fish Farm, Despite Abrupt Shift in Leadership

Despite a recent change in leadership, Nordic Aquafarms plans to move forward with its land-based fish farm on the Samoa Peninsula. The Humboldt County Board of Supervisors received an update on the trajectory of the project during this morning's regular meeting.

During a presentation to the board, Planning and Building Director John Ford briefly acknowledged the unexpected departure of the company's founder and president Erik Heim and his wife, Executive Vice President/Commercial Director Marianne Naess, but focused his attention on the Final Environmental Impact Report (FEIR) for the project that was released just days before the couple parted ways with the company.

The 1,080-page document, which was prepared by GHD engineering, addresses the project's anticipated environmental impacts and responds to hundreds of comments submitted by the public and various regulatory agencies following the release of the Draft Environmental Impact Report (DEIR) in December.

Many of the comments were repetitive, Ford said. Rather than "responding the same way over and over again" to each question, GHD opted to include a list of "master responses" to common issues including energy usage, greenhouse gas emissions, truck traffic/road safety, fish escape, marine outfall, waste handling/disposal and the composition of the fish feed.

Nordic's interim CEO and former Maine-based Chief Financial Officer Brenda Chandler was present during this morning's meeting and introduced herself to the board. "[I'm] still getting up to speed on many of the aspects for California," she said. "I have a great team behind me — those that have been working through the FEIR process and the other permits that are required for the fish farm to proceed. I just wanted to thank everybody [who has worked on this project] up to this point and we plan on continuing with a great team."

Supervisor Mike Wilson acknowledged that the change in leadership "has raised some questions" from community members about the continuity of the project moving forward. "How are we feeling about this?" he asked. "[Should] we expect any other changes?"

Scott Thompson, Nordic's local project manager, has worked on the project for the last two years and will continue to do so, Chandler said.



“Actually, we had already hired project leaders ... for projects on both coasts – Belfast and Samoa,” she continued. “I will continue to be the face of the organization ... but that project lead had already been in place, essentially, and his name is Steven Sachs. He has worked on some very large projects on the East Coast and, in terms of the more technical aspects of all of this, he kind of picks up that leadership for project management with Scott, or local person on the ground.”

Lynette Mullen, an independent consultant who has worked as a community liaison for Nordic in Humboldt County, addressed the board and emphasized that the change in leadership does not mean that the project itself has changed.

“I think it’s just important for people to know that the team working on this project has been mixed kind of on both coasts from the beginning. ...The people on the ground doing the work are still here,” she said, referring to local engineering firms SHN and GHD. “The other thing that I think it’s important for people to know is that a lot of the agreements that have been put in place in the last couple of years working with environmental groups ... and all those things really are in the FEIR.”

Supervisor Rex Bohn noted that the Belfast and Samoa projects would undergo construction at the same time and seemed to express concern about Nordic’s ability to finance two massive projects.

Chandler acknowledged that the company’s Norwegian facility only produces a fraction of the salmon that the Samoa facility would produce per year (1,000 metric tons per year compared to 23,000 metric tons per year) but said the difference “is how you scale it” because the project is modular.

Bohn seemed satisfied with that answer and said, “I love the program.” He added that he would like to see a few things change, but “overall it’s a great idea.”

Supervisors Steve Madrone and Michelle Bushnell asked about the next steps for the project and what happens after the Planning Commission’s July 28 hearing. Ford explained that a coastal development permit could be approved by the Planning Commission, but it could also be appealed to the Board of Supervisors or the California Coastal Commission.

“There’s a little bit of uncertainty there about what an opponent may want to do,” he said. “We don’t know that there are opponents who will appeal at this point, but those are the two options that would be available.”

Ford added that the Coastal Commission itself must issue permits for the plant’s water intake, as well as its discharge of water back into the sea.

Bushnell moved to accept the report. The motion was seconded by Wilson and approved in a unanimous 5-0 vote.

North Coast Journal July 14, 2022 news

## Quantifying Impact

### Environmental review for massive Samoa fish farm heads to planning commission

BY ELAINE WEINREB

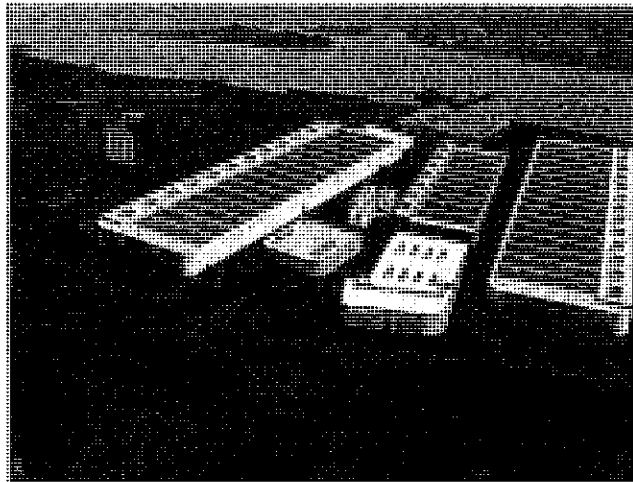
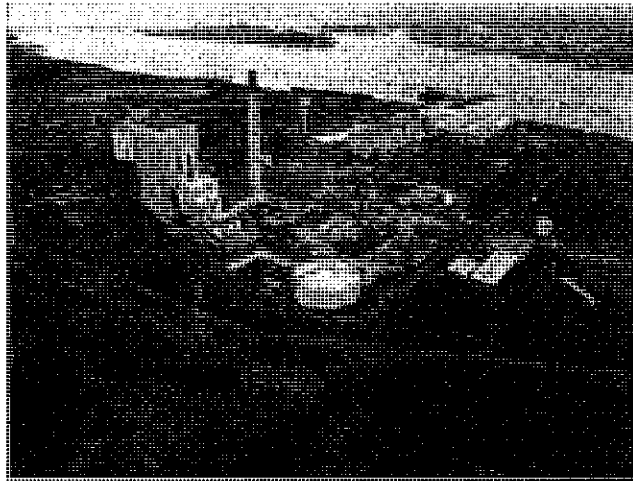
In 2019, Nordic Aquafarms approached the county with a unique proposal: Using some derelict land owned by the Harbor District, the Norway-based company wanted to build a giant land-based fish farm, with Atlantic salmon raised in tanks, separated from the waters of the ocean and Humboldt Bay, and marketed all over the nation. As part of the deal, Nordic would first clean up the highly polluted site, which was last occupied by the now defunct Samoa pulp mill, saving the district and the county millions of dollars. Nordic also promises the project will bring hundreds of good-paying jobs throughout the course of site cleanup, construction and ongoing operations.

State and federal law require environmental assessment of most projects. At first, the county proposed a minimal level of environmental review, called a Mitigated Negative Declaration, for Nordic's proposed fish farm. However, in response to public criticism, the company decided to commission a full-scale Draft Environmental Impact Report (DEIR), which was about 1,500 pages long, including a 10-page list of acronyms, and dozens of highly technical appendices. This was released in February.

The purpose of the DEIR is to explain all possible environmental ramifications of the project, to collect public comments on these issues and, where necessary, identify mitigation measures. The letters of comment, the company's responses to them and some legal details were then published July 1 in a separate document called the Final Environmental Report (FEIR), containing hundreds of comments from members of the public and various organizations.

The Humboldt County Planning Commission is now slated to take up the FEIR, which now sits at close to 3,000 pages, on July 28 to determine if it adequately assesses the project's potential impacts of what would be the world's largest land-based recirculating aquaculture system. Certification of the document would be needed for the company to continue in the permitting process.

As described by the California Department of Fish and Wildlife: "The project site is situated on the Samoa Peninsula, bounded on the west by dunes and the Pacific Ocean and on the east by Humboldt Bay, and located at the site of the former Samoa Pulp Mill in the unincorporated community of Samoa in Humboldt County.



- GHD DRAFT ENVIRONMENTAL REPORT, SUBMITTED
- (top) Pre-project drone view and (bottom) post-project artist rendering, looking east toward Eureka.

"The proposed aquaculture facility will include operations to grow-out fish

from egg to harvestable size. The fish will be contained indoors in separate buildings connected by underground pipes for fish transfer.

"At full capacity, the facility will have an annual production of approximately 25,000 metric tons of head-on-gutted fish," CDFW continued. "The project will require approximately 2.5 million gallons per day of freshwater sourced from the Mad River and 10 million gallons per day of seawater sourced from Humboldt Bay. Treated wastewater (12.5 million gallons per day) will be discharged into the Pacific Ocean utilizing the existing Redwood Marine Terminal ocean outfall pipe located 1.55 miles offshore of the Samoa Peninsula."

The project will see five buildings constructed — for intake water treatment, grow-out modules, a hatchery, fish processing and wastewater treatment — with a combined 766,530-square-foot footprint.

The project will also include "ancillary support features," including a paved parking lot, fire access roads, security fencing, stormwater management and a fire suppression water line, according to the report, which notes that all of this construction would take place after existing environmental contamination is remediated.

As might be expected, public comments for the project fall into two basic groups: Those who support the project because of its perceived economic benefits to the community, and those that oppose it because of its perceived environmental hazards.

For example, the Humboldt Bay Municipal Water District, which supplies both the peninsula with untreated water for industry and most of Humboldt's larger towns with treated drinking water, strongly supports the project. The water district was originally formed to supply the peninsula's pulp mills with Mad River water. When the mills closed, it was left with a massive surplus, which it could forfeit under the state's "use it or lose it" policies. As such, the district wants new industrial customers.

College of the Redwoods, which hopes to open its own aquaculture program, sees Nordic as an ally in this effort.

Some at Cal Poly Humboldt agree: "As an aquaculture professor ... I see great opportunities to collaborate with Nordic," wrote Cal Poly Humboldt associate professor Rafael Cuevas-Urbe. "Our students could do internships at Nordic and [be] employed by them. We can do research of any need that they could have."

Others say the project could have a ripple effect, providing a boon for the area.

"The Nordic project will potentially be a draw for other aquaculture or sustainable businesses on the peninsula, thereby increasing economic prosperity and employment opportunities for our region," said Fortuna Chamber of Commerce CEO Renee Lindsay.

Another commenter, Greg Page, said the project will put people to work locally while also providing "training opportunities for apprentices so we can grow the next generation of skilled working people."

Many individuals — 132 of them, in fact — shared these opinions.

However, organizations and individuals concerned primarily with the environment offered many criticisms of — and concerns with — the project.

The Manila Community Services District focused on traffic impacts the project would bring.

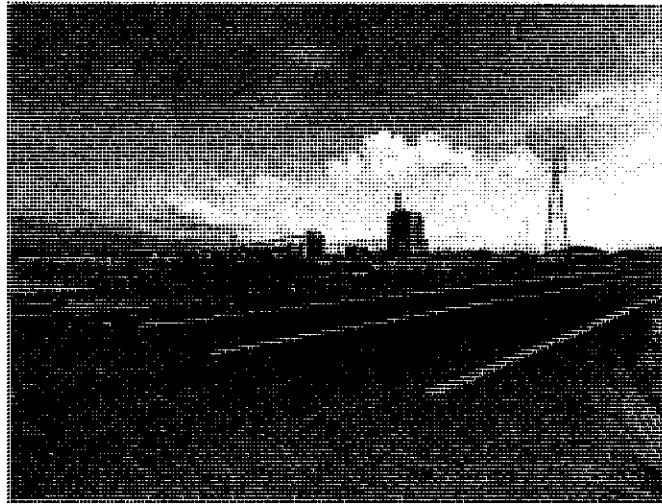
"The tiny community of Manila is thoroughly bisected by [State Route] 255 which contains no traffic control, no stop signs, minimal lighting and no crosswalks between the one side of the town, with an elementary school and beach access, and the community park and market on the other," said a letter from the MCS D Board of Directors. "Additional traffic loads from employees commuting to and from work, along with the estimated additional 95 truck runs per week, will have a tremendously disruptive impact on our community."

Other commenters challenged Nordic's traffic statistics, saying they grossly undercounted the number of cars and trucks the project would bring.

"Project-related truck traffic does not present a significant intensification of use

beyond what the road network currently experiences and accommodates," the FEIR responded.

The California Department of Fish and Wildlife expressed concern about effects on native salmon populations.



- GHD DRAFT ENVIRONMENTAL REPORT, SUBMITTED
- (top) Existing conditions and (bottom) visual simulation looking southeast from New Navy Base Road.

"The California Legislature made it unlawful to spawn, incubate or cultivate any transgenic or exotic species of finfish belonging to the family Salmonidae in the waters of the Pacific Ocean regulated by the state," CDFW wrote. "While land-based facilities are generally regarded as posing substantially fewer risks to the local environment than marine net pens, the proximity of the project site to Humboldt Bay and the Pacific Ocean, coupled with the proposed seawater intakes and discharge of effluent into the Pacific Ocean, is concerning."

The project would also be built in a region that is "home to some of the state's most commercially and culturally significant salmon runs of wild Pacific Salmon, some of which are also at risk of extinction," CDFW wrote.

"CDFW understands that the potential for cultured Atlantic salmon to escape from the facility into local marine, estuarine and freshwater environments is low, but does not consider the risk to be eliminated, and is concerned with the potential consequences of an escape event to vulnerable, native species," CDFW continued. "The project's proposed location is subject to seismic and tsunami hazards and may hold millions of Atlantic salmon as close as 300 feet from Humboldt Bay at any one time. Even well-designed land-based facilities outside of tsunami hazard areas have had unintended releases due to structural or operational failures... the risk of intentional or unintentional release of fish cannot be completely eliminated."

The agency was also concerned about the risk to tiny marine organisms posed by the facility's water intake systems. These organisms, some of which are themselves baby fish, provide food for other animals higher up on the food chain.

Another item of concern is the wastewater, which is expected to be about 20 degrees Fahrenheit warmer than the surrounding ocean water, although it will cool rapidly as it diffuses.

Most but not all of the contaminants commonly found in wastewater will be removed by the project's wastewater treatment system, adding a small but consistent degree of contamination to the ocean waters.

CDFW is also concerned about the project's effects on eelgrass, which is protected by state and federal policies because of its importance to fisheries, and also the impact to ospreys which nest in the area.

"The Draft EIR does not include implementation of a mitigation plan in the event that impacts to water quality or biological communities are observed," CDFW wrote.

Nordic's document responds: "The prevention of fish escape is one of the highest priorities for NAFC, and the facility is designed around escape prevention ... . The proposed facility will feature multiple physical barriers both within and outside the tanks that will block the passage of fish and eggs ... . The proposed facility in Humboldt also includes structures designed to withstand a major seismic and tsunami event."

The document then describes the multiple barriers that would prevent fish from escaping and mentions "there is no opportunity for an operator to release fish accidentally or intentionally from a tank directly into the sea."

Although there are a few records of fish escaping from Norwegian land-based fish farms, Nordic states that those facilities were unlike the planned Humboldt facility in many ways.

Even if any escape should somehow occur, Nordic says that "use of an all-female stock would prevent reproduction in nature." In addition, the company notes, "domesticated fish are unlikely to survive outside of the controlled environment where they receive regular feeding because domesticated fish have limited prey foraging skills."

The FEIR also describes a rigorous fish health management plan.

The National Marine Fisheries Service had similar comments to CDFW's, expressing even greater levels of concern than the state did. The agency also criticized Nordic's dismissal of the possibility of harmful algal blooms occurring as a result of the warm water discharged into the ocean from the facility.

"Due to a lack of monitoring in the discharge area, we do not know the algal species composition in the project area, although the California Department of Public Health has frequently prohibited shellfish harvesting due to the presence of domoic acid" (a naturally-occurring neurotoxin caused by certain algae), the agency said.

Nordic responded with several scientific reasons why this was unlikely to occur.

The Wiyot Tribe also expressed concerns about harmful algal blooms.

"There is concern over further elevating the water temperature in our region as our oceans are already warming," the tribe wrote in a letter, also expressing concern that certain culturally important species, such as the endangered longfin smelt, could be harmed by the project.

The Wiyot Tribe also expressed concern about the energy demands of the project and recommended that Nordic increase the size of the onsite solar electricity system and commit to purchasing "local, carbon free, renewable electricity, whenever it is available and feasible to purchase."

Representatives of local fishing organizations expressed concern about the effects the project might have on their livelihoods, with cheaper farmed salmon supplanting the market share of its more expensive, wild-caught counterpart.

The Blue Lake Rancheria expressed support of the project but wanted to see a plan to protect water quality in the event of a system failure. Nordic maintained such a plan is already in place.

The project will be powered by electricity, a very large amount, which is problematic in the eyes of some commenters.

Electrical energy at present is generated from power plants that burn natural gas, releasing carbon dioxide, a greenhouse gas the state is trying to reduce due to its exacerbating impacts on the climate crisis. As such, the state is working to replace natural gas electric production with renewable sources, like solar and wind, a goal that is embraced in the county's Climate Action Plan.

Nordic plans to build some 15 acres of rooftop solar arrays in the construction of its facilities, which would provide roughly 20 percent of the facility's electricity, but environmental groups have charged that's not enough.

In the words of the Sierra Club, "The Nordic facility would add electric power demands equal to half of our residential use today, a scale of impact which

demands serious consideration."

The electrical demands of the proposed project would equate to about 21 percent of Humboldt County's current usage, an amount currently consumed by the cities of Eureka and Fortuna combined.

"California's strategy for countering climate change and reaching net-zero emissions in 2045 is to convert electric power generation to renewables and then to 'electrify everything,'" the Sierra Club continued. "In particular, vastly more electricity will be used as we convert to electric vehicles and as we convert our gas and wood stove powered housing and buildings to electric heat pumps. An official California strategic plan released in May 2021 estimates that in order to meet S.B. 100 goals in 2045, California will need three times the electricity that we use today."

If an offshore wind project currently being studied off Humboldt's coast is built, the letter continues, "there will probably be sufficient sources of renewable energy for the county, including the 22.3 megawatts Nordic would add."

"But what will be the situation if we do not get wind power?" the Sierra Club asks.

Currently, the Humboldt Bay Generating Station can produce about 160 megawatts of energy, according to the Sierra Club, with the Humboldt sawmill biomass plant (classified as "renewable" but which is "high-carbon") can produce another 15 megawatts and the county able to import another 70 megawatts of renewable electricity from outside its borders.

"In summary," the Sierra Club continued, "if we don't get wind power, our local energy capacity is likely to be barely sufficient for our demand, and we will get less than half of our power from renewable sources. This is the situation if Nordic is not built. If it is built, it adds another 22.3 [megawatts] to the total capacity needed and to the demand for the insufficient supply of renewable energy."

This scenario, the Sierra Club warns, would imperil Humboldt County's ability to meet state requirements to convert toward 100-percent renewable energy by 2045, arguing that this alone should require "a finding of significant impact under CEQA."

The FEIR's response is the project will follow the lead of the Redwood Coast Energy Authority (RCEA). RCEA describes itself as the "community choice aggregator for Humboldt County, serving 63,000 electric account customers and supporting energy efficiency alongside local, clean and renewable energy solutions."

Nordic anticipates the project opening in 2025, according to the document, which coincides with RCEA's goal of providing 100 percent renewable energy through a mix of "state-designated, net-zero carbon emission" sources.

"This commitment is ... fully enforceable by the county through the county's Coastal Development Permit (CDP) conditions of approval," the document states.

Nordic has also previously charged that electricity demands aside, the project would lead to a net reduction in global greenhouse gas emissions because it would provide a domestic supply for the large amounts of salmon the U.S. currently imports from Europe with a huge carbon footprint.



These were just a few of the hundreds of comments received from the public. Some were heartfelt one-line statements from individuals; others were lengthy, well-documented tomes from various environmental organizations.

Outside of the scope of the FEIR, the two top executives of Nordic Aquafarms, co-founder Erik Heim and Executive Vice President Marianne Naess, who'd combined to be the public face of Nordic in Humboldt County, abruptly announced their departure from the company July 5, giving no reason other than the desire to pursue new opportunities. A press release announced Brenda Chandler, a Maine native, will be the interim CEO.

The project's next step is up to the Humboldt County Planning Commission, which will begin the process of deciding whether to certify Nordic's FEIR at its July 28 meeting.

*Elaine Weinreb (she/her) is a freelance journalist. She tries to re-pay the state of California for giving her a degree in environmental studies and planning (Sonoma State University) at a time when tuition was still affordable.*

*Editor's note: This story was updated from a previous version to correct an error and reflect that Nordic did respond to inquiries about the departures of executives Erik Heim and Marianne Naess from the company. The Journal regrets the error.*

## Lost Coast Outpost

RYAN BURNS / SATURDAY, JULY 16 @ 6:45 A.M. / BUSINESS

LoCO Interview: The *Outpost* Talks to Nordic Aquafarms' New Interim CEO Brenda Chandler as Hearing Nears for Massive Land-Based Fish Farm

On Friday morning the *Outpost* sat down with Nordic Aquafarms' recently appointed interim chief executive officer, Brenda Chandler, at the company's new office space, located in the former pulp mill facility known as Redwood Marine Terminal II, on the Samoa Peninsula.

As the company gets ready to present its massive land-based fish factory project to the Humboldt County Planning Commission on July 28, executives are seeking to allay any community concerns that may have been triggered by the sudden and unexpected departure of co-founder and President Erik Heim and Executive Vice President/Commercial Director Marianne Naess.

Their unexplained split with the company coincided with the end of a lease on an office that Nordic had been renting on Third Street in Eureka. When people saw that the Nordic sign was gone it fueled yet more rumors that the Norwegian company might be in trouble, putting the project in jeopardy.

But in our interview with Chandler she said the estimated \$650 million project is still full steam ahead. Joining us were Project Manager Scott Thompson and independent consultant/community liaison Lynette Mullen. The conversation has been lightly edited for length and clarity.

###

Lost Coast Outpost: You've been named interim CEO. Is there a search for a permanent CEO?

Brenda Chandler: No, not that I'm aware of. [Interim CEO] is the title I was given two weeks ago now.

So there may be a search for a full-time CEO?

I don't think so. Not right now. But I think, potentially, as we move into a different stage on both of the projects [in Belfast, Maine, and Samoa, Calif.], that's when there could probably be [a search]. And who knows? Maybe it [will be] me.

Did [getting named interim CEO] come as a surprise to you?

Yeah, it was a surprise. ... The leadership in Norway approached me to say, "Can you do interim CEO?" And it's like, sure. Sure, I can do it.

What level of involvement did you have here in California to that point?

I've always been part of the senior leadership as the CFO [chief financial officer], so I'd be party to discussions on updates and all of that on the California project. I worked extensively on the business case for the California project, so all of the components — everything going into the CapEx [capital expenditure] — I would be part of that discussion and those types of things.

Had you been out here before?

Yes. I was here — we were thinking about that — it must have been May 2019 or June of 2019. I was out here with Marianne. We met with a fair number of people ... . So yes, I was right at the very beginning of part of those discussions.

And I take it you've been doing a series of meetings this trip out as well? Who all have you been meeting with?

Water District, Harbor District, some of the environmentally interested folks. We had a bit of a meet-and-greet with different different folks on Wednesday. ... Some people I'd actually met with before, so this was sort of a reintroduction.

And was the timing of this trip [intended] to allay any concerns [given the recent unexpected departure Heim and Naess]?

Yeah, I thought it was important to get out here as soon as possible. I know the impact that Marianne had, being here basically for a couple of years, and all of the relationships that she had formed. And, really, that led to a great product in the FEIR [Final Environmental Impact Report].

So it was important to be here and basically say, "Hey, we have leadership in place." But really what's important, it's not necessarily the leadership, either. It's the core of the team, you know, the technical experts that we have. All of that remains the same. ...

A leader is all about harnessing all of that, getting everybody going in the same direction. The technical pieces are what you really want to make sure are intact.

You mentioned at the Board of Supervisors meeting on Tuesday that Stephen Sachs is the project lead. When did he take that role with this project?

He actually has been here for over a year. He was hired in April 2021. He's executive vice president of the projects, essentially, [on] both coasts. ... Because of the timing of where we were in the projects his focus had been more on Belfast when he was first brought on. But he technically was hired to cover both coasts, especially around the construction [and] the engineering effort. He would be leading all of that — the environmental pieces, the permitting.

But the way I see it there's sort of two sides of being here in California, and there was something similar that occurred in Maine as well, where you do have to have somebody who has the time to actually be out there and meeting with the community.

So one half of that is [what] I'm hoping to fill, and the other part is more technical, the hard numbers, the calculations, the planning — all of that is falling back on the project management side.

So I read recently that Nordic is "de-merging" into separate companies, one in Europe and another in the U.S. What's the purpose of doing that?

Basically what happened is at the beginning of this year they formed a company called NAF Europe and its concentration is going to be on the species kingfish. It also has a major expansion going on in Denmark to

build out a bigger facility there for kingfish. So it's almost concentrated on species, and the market in which it will serve.

The U.S. project is concentrating on salmon. ... What they were finding was [that] investors were grappling with, "Oh, I'm interested in kingfish; I'm not interested in salmon." Or [vice versa].

I read that there's a Nordic facility that switched plans from [producing] salmon to kingfish because the kingfish has a higher profit margin. I guess it's used more often in sushi. Was that the reason for investors having a different take on one fish versus the other?

Yeah, so that's the Fredrikstad facility [in Norway]. That facility was brought up doing Atlantic salmon on land. It's 1,500 metric tons [in] size, so it's a much smaller facility [than what's planned here]. It's designed slightly different as well.

And so ... while they've been successful in raising salmon and putting salmon into the European market ... it seemed like they would get more efficiency by doing a species that would grow faster and bigger. And so that utilization of the facility would be greater than for Atlantic salmon. But that's undergoing permitting. That's the plan, to actually do that conversion. It hasn't happened yet.

Is there any chance that salmon won't pencil out here in the states either and there may be a switch to a different kind of fish?

I don't think so. There's a lot of market analysis that would be required, and we've geared towards Atlantic salmon. Our expertise is in Atlantic salmon, and then the scale of our facilities are such that it makes more sense for it to be Atlantic salmon. The market just generally, if you think about grocery stores, restaurants, I just think there's more of a potential growth opportunity in Atlantic salmon than kingfish in the U.S.

I saw figures cited recently that the cost estimates for both the Belfast facility and the one here went up to \$600 million to \$650 million. Is that accurate? And if so, what caused the increase?

Inflation.

Just that?

Predominantly inflation. The original estimates that we had were a few years old, but I will say those are still preliminary estimates. We have to keep our head around the fact that those were just the very beginning. ... What really would fill that out with a more accurate number is a step that still needs to be done ... detailed design, where you get a much better number because then every nut and bolt has been accounted for and it's much deeper. You've got bid packages that have gone out to all of the contractors to really get more firm numbers. So that's work that really needs to still be done — both in Belfast and in Samoa — to really understand that cost. We're hoping that the wave of inflation actually subsides a little bit.

It's not just inflation, right? The supply chain issues have made materials go through the roof.

Right. And it depends on the material as to whether it's an issue or not.

I saw on an industry website that Nordic's CEO [Bernt-Olav Rottingsnes] recently said banks are reluctant to lend to land-based fish farming projects. Given the delays that have happened in Maine, the rising cost estimates and the unproven nature of land-based RAS [recirculating aquaculture system] facilities this large — building two simultaneously — has there been any trouble attracting and maintaining investment financing?

First, I'm not sure about his quote and how it was framed. It seems like that was a bit of a soundbite that came through an article.

The direct quote was, "I think it is fair to say the banks still think it is too early to lend to land-based fish farming."

But yet they have. ... You've got to frame it and you've got to understand the framework, because we actually are able to have loans in Europe. ... Now, he *may* have been referring to at the onset of a project, like in the U.S, but that's not our strategy. Bank loans are later in the strategy for how do we capitalize our project. The initial phases are going to be through investors, and we have a large investor who has stayed with us the entire time and is still dedicated to us.

Who's that?

That's Rasmussengruppen [led by CEO Dag Rasmussen]. He's a major investor.

I think, with the sudden departure of Marianne and Erik, some people are just wondering whether there's really the money to do this. ... Is that a concern?

You can never be 100 percent until the money's in the bank, right? I mean, clearly it's an effort. And clearly you have to have investors who can get their brain around it and get behind it. And that's what we're working on, is cultivating those kinds of relationships with investors. But we've done a lot.

Are you are you seeking any domestic investors? Or is the Rasmussen group financing it to this point?

They are financing it to this point. But yes, to answer your question. Yes. There's actually U.S. investors and other potential global investors, beyond Norway.

A *Lost Coast Outpost* reader sent us links to [stories about] challenges that other land-based RAS facilities have had. Most of them were related to [aquaculture company] Atlantic Sapphire. In March of 2020 they experienced a mortality event in one of their grow-out systems [in a Denmark facility], losing around 227,000 fish. A few months after that the company had to initiate an emergency harvest of 200,000 salmon in its Miami facility. And the following March the company had another mass mortality event in the same facility, losing about 500 metric tons of fish — head-on, gutted salmon.

Those types of incidents seem to point to the challenges of growing Atlantic salmon at scale. And Nordic's plans are even bigger than Atlantic Sapphire's. How do you know if this is actually feasible at the scale that you're talking about here?

So remember that our systems are modular, so we've proven it. We've grown fish; we've harvested fish at the Fredrikstad facility, so we've proven that we can do Atlantic salmon. So the way to think about the facility, it's basically building out section by section by section and they're each managed somewhat independently. So it's not like one huge tank, right?

I can't speak to Atlantic Sapphire, but what I will say is [that] we're located in locations with cold water. Atlantic salmon is a cold water species. And that's where we're at on both coasts — seawater, a source of freshwater, and it's all about the talent, our talent in the engineers and the biologists that we have on our staff.

And by the way, I mentioned this in the Board of Supervisors meeting [on Tuesday], the technical staff that we have in Denmark — we call them "NAF tech" — they actually had a commercial business where they were providing the infrastructure and the design to other customers before they came to work for us. So while it seems like this is big, we've already been doing it, actually, all over the world.

Erik Heim, before he parted ways with the company, recently told IntraFish, "As of today, there are a lack of good volume producers of eggs in the United States." How will that challenge be met both in Maine and here?

The source of eggs that we have is from Iceland, and so it would be imported eggs at this time, which, clearly, for California is something that still needs to be vetted.

Long term are there any plans to get a domestic source?

Well, there's always the opportunity to look strategically, should that be done? Our focus right now is on getting the permitting done on those farms. And we have a fairly long window of those before we would even get to eggs. It's still something that's on the horizon.

A fish biologist acquaintance of mine says that there are incidences of Atlantic salmon and brown trout hybridizing on the East Coast. Those are both in the same genus. But she has been looking through the peer-reviewed literature showing that Atlantic salmon and Pacific salmon are not capable of hybridization. They're in different genres. How sure are you that in the extremely unlikely event of an escape, the Atlantic salmon would not be able to reproduce with the native population?

What I'm sure of is that they're not going to escape. That's what I'm sure of. There's so many layers of gates and — I mean, there's physically no way for them to escape alive.

Scott Thompson: Definitely that's true, with the redundant barriers; even with human error and natural disasters, it's just not gonna happen.

I'm not the fish biologist, but we do have some references in the FEIR about studies where they have tried under ideal conditions to hybridize these fish and it's just impossible. The genetic tree is way too far branched at this point that there's no way.

Lynette Mullen: In addition to that — correct me if I'm wrong, please — but I think there have actually been efforts to intentionally introduce Atlantic salmon to the West Coast that have not been successful. So even when they've tried to, these fish still don't succeed here.

Has the Wiyot Tribe taken a position on the project?

Chandler: I don't know that we have a letter necessarily from them ... but we've been in contact with the tribes all along.

Mullen: It's the three tribes, when you talk about the affected tribes in this area: It's [the] Blue Lake [Rancheria], it's [the] Bear River [Band of the Rohnerville Rancheria] and then it's the Wiyot Tribe on Table Bluff.

I don't know that you saw, but the Blue Lake Rancheria actually put out a letter of support. It was kind of a big deal for a tribe to come out publicly supporting a project like this. ... Really, all of the tribes, the things that they've been asking for is assurances regarding environmental impacts. ... They want to make sure that things are done well, that there's no negative impacts, that responsible monitoring takes place to assure them of that.

In very beginning, when Nordic was first coming in, they were very respectful of the fact that this is historic tribal land and wanted to start making those connections, understanding those concerns.

Jamie Roscoe, a well-known archeologist here, was brought on through GHD to do the cultural resources assessment, and what Marianne said at the time, she told Jamie, "Just do this. Meet with tribal leaders." So Jamie met with the tribal historic preservation officers out here. They walked the site, talked about areas of concern. Nordic stayed out of it *completely*.

They did borings, they did samplings and that sort of thing. Jamie took that information, wrote up the cultural resources report and then sent it *back* to the tribal representatives to make sure they were comfortable with what was in that report. ... The big thing — and Nordic volunteered to do this; it was kind of a no-brainer — agreed that whenever [the company] starts to go underground, Nordic's going to supply a cultural resources monitor to be there, so if there's anything of concern that's unearthed there's someone who is qualified to step right in and have that assessed and decide if it's something significant and other action should be taken to protect those resources.

The Planning Commission hearing is around the corner. Are you aware of any organized opposition to the project?

Chandler: We're not aware of any. We know there potentially is opposition that will be speaking. But as far as any large organization ... we're really not seeing that.

Thompson: And there are three CDPs [coastal development permits] — one through the county for the upland development but then there's also one for the outfall [pipe] and the intake [facilities] that are through the California Coastal Commission.

So what's the best-case-scenario timeline for starting construction?

Chandler: Well, we're hoping [and] thinking permitting will be done in early 2023. Of course, we don't know if there will be any appeals — that all just essentially adds time. But assuming the project is clear with all of its permits, we'd have a demolition phase, we'd have that detailed design phase. So we're into like the 2024 to 2026 timeframe.

Thompson: A big complication to that is just, there's a lot of birds around the site because the buildings are so porous. It's unlikely the demolition would start during nesting season. So that kind of leaves us the winter time period. That's probably when the big stuff will be coming down, because we can't keep birds from nesting in the buildings that are missing so many pieces.

8/2/2022

Planners set to decide on Nordic Aquafarms' permits

HUMBOLDT COUNTY

by Sonia Waraich

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The harbor district has been working on turning Humboldt Bay into a hub for marine research and innovation. On Thursday, the planning commission will decide whether that vision can start becoming a reality. The Humboldt County Planning Commission is set to make a decision on whether to grant Nordic Aquafarms a coastal development permit and a special permit to transform the former Samoa Pulp Mill into a land-based recirculating aquaculture facility that produces Atlantic Salmon. Larry Oetker, executive director of the Humboldt Bay Harbor, Recreation and Conservation District, told the commissioners at their past Thursday meeting that the harbor district has been envisioning creating a national marine research and innovation park at the site since taking it over several years ago and the fish farm would be a major piece of that.

"This was the dream that we set out when we acquired the property," Oetker said. "And as part of that, one of the major, major components of this was aquaculture."

The pulp mill shut down more than a decade ago when the harbor district took over the site. Working with partners like the U.S. Environmental Protection Agency, the harbor district has invested \$22 million into environmental cleanup and restoration at the location.

In 2015, the harbor district sought public input on what to do with the site and landed on the decision to transform the pulp mill into a large-scale aquaculture operation with space available for small-scale aquaculture operations that could capitalize on the larger investments made by the industry.

Nordic Aquafarms expressed interest in remediating the site a few years ago and finalized its environmental impact report in early July, a necessary step in acquiring the necessary permits.

Humboldt County has an edge over other communities on the West Coast like Fort Bragg and San Diego that are also trying to attract aquaculture companies, Oetker said, because it can "adaptively reutilize this infrastructure" greatly minimizing environmental impacts.

As far as the community goes, public opinion is split. The presentations by county planners, Nordic and the harbor district were followed by almost two hours of public comment, during which about 60 commenters expressed both support and concerns.

"I've watched projects come to Humboldt County over the last 25 years that I thought were very valuable projects," said real estate agent John Egan, "and I think we've had a culture of no on every one of them."

Members of the International Union of Operating Engineers said they have to travel out of the area to work and would like to be able to remain and work in Humboldt County, where

their families are.

Opposition to the project ranged from a desire to see the permits denied while others wanted to see more mitigation measures integrated into the permits, pointing to the amount of greenhouse gas emissions that would be generated by truck traffic and the overall impact to the surrounding waters.

"The permit conditions need to be improved to ensure minimal climate impacts," said Jessie Misha, chair of the Humboldt County chapter of the Surfrider Foundation. "The county must add special conditions that require transition to zero-emission trucks and transportation, and also require low-carbon-footprint feed based on annual evaluations."

The Planning Commission meeting is set to take place at 6 p.m. Thursday at the Board of Supervisors Chambers at 825 Fifth St. in Eureka.

The meeting will also be viewable virtually at [humboldt.legistar.com](http://humboldt.legistar.com), on cable channel 10, and on Zoom at [zoom.us/j/87544807065](https://zoom.us/j/87544807065) with the password 200525.

You can also attend the meeting by dialing into 346-248-7799. The meeting ID is 875 4480 7065 and the password is 200525. *Sonia Waraich can be reached at 707-441-0504.*



A computer-generated illustration depicts Norway-based seafood company Nordic Aquafarms's proposed aquaculture facility at the former Samoa pulp mill site.

COUNTY OF HUMBOLDT — CONTRIBUTED

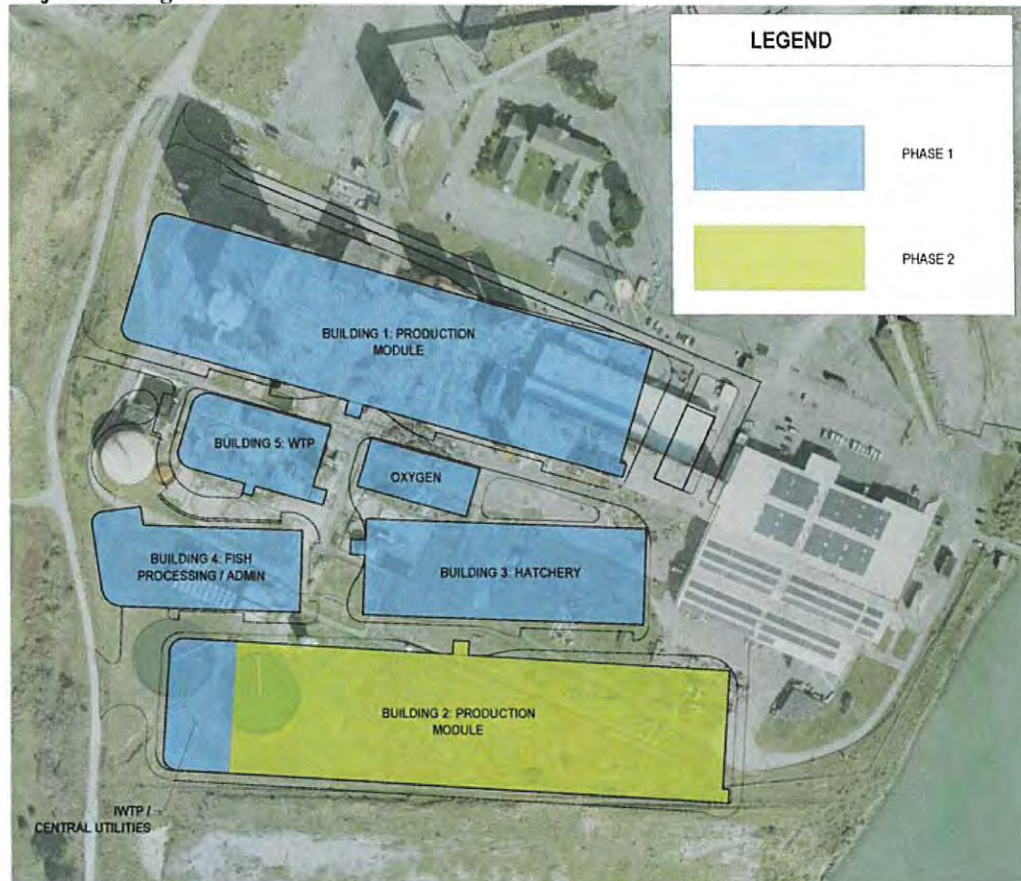
[Times-Standard. Please review new arbitration language here. 8/2/2022](#)

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# Planning Commission Set to Consider Permits for Nordic Aquafarms Project Tonight

Project Phasing 1&2:



Three and a half years after Nordic Aquafarms announced plans to build a massive land-based fish farm on the Samoa Peninsula, the project is finally coming before the Humboldt County Planning Commission tonight. Backers are seeking certification of the Environmental Impact Report (EIR) and the approval of two key permits.

The Norway-based aquaculture company, which underwent an abrupt change in leadership earlier this month, needs both a Coastal Development Permit and a Special Permit to move forward with the development, which involves the demolition and remediation of the defunct Samoa Pulp Mill facility followed by

construction of a 766,530-square-foot recirculating aquaculture system (RAS) facility.

The project will also require separate permits from the California Coastal Commission and the Northcoast Regional Water Quality Control Board for bay intake and ocean outfall infrastructure.

The Humboldt Bay Harbor, Recreation and Conservation District will apply for a permit to draw approximately 10 million gallons per day of saltwater out of Humboldt Bay via modernized intake infrastructure called sea chests. The regional water board must issue the permit for the daily discharge of 12.5 million gallons of treated wastewater via an existing ocean outfall pipe that extends a mile and a half offshore.

Meanwhile, the Humboldt Bay Municipal Water District has agreed to provide 2.5 million gallons of freshwater and industrial water per day, sourced from the Mad River.

The Coastal Commission must sign off on both the intake and outfall aspects of the project's infrastructure, and the California Department of Fish and Wildlife must approve the production of Atlantic salmon.

Jacqueline Cassida, a community liaison for Nordic based in Maine, where Nordic is pursuing a similar facility, told the *Outpost* via email Thursday that "both the Coastal Commission and the Regional Water Board are waiting until the EIR is certified before they move forward in their process."

Still, tonight's hearing represents a monumental step for the ambitious fish farm project, which is expected to produce up to 27,000 metric tons of gutted, head-on Atlantic salmon and fillets each year for distribution to markets up and down the West Coast.

Since the endeavor was first announced in early 2019, Harbor District commissioners, county supervisors and the business community have all been bullish on the economic development potential. The company's latest estimates put the project cost at roughly \$650 million, and it's expected to create up to 130 jobs by the time Phase 2 buildout is completed in 2030.

And virtually everyone is excited about the prospect of seeing further cleanup and remediation of the crumbling pulp mill property.

But plenty of folks in the community still have reservations. Perhaps foremost among them are environmental concerns over the project's water intake impacts, its nutrient-rich wastewater discharge and its massive projected energy consumption. At full build-out, the fish farm is expected to have an electricity demand of 22.3 megawatts (averaged out over a year), or 195 gigawatt hours of energy per year, which would account for roughly 21 percent of the county's total electricity usage.

Under pressure from environmental groups, Nordic officials committed to using 100 percent renewable electricity, though the details of acquiring that clean energy have yet to be hashed out. Facility plans include a 4.8 megawatt solar array mounted on building rooftops, covering about 657,000 square feet.

Other concerns expressed in public comments include the sourcing and ingredients of fish feed as well as the source of Atlantic salmon eggs. Nordic has agreed to implement a mitigation monitoring and reporting plan.

The Final Environmental Impact Report, prepared for the county by local engineering firm GHD and released to the public about a month ago, finds that there are no significant unavoidable environmental impacts that can't be mitigated to a less-than-significant level.

The Planning Commission meeting is scheduled to begin at 6 p.m. in board chambers at the Humboldt County courthouse. The only other item on the meeting agenda is a discussion about whether or not to send a letter to the Board of Supervisors regarding water storage requirements for cannabis projects.

Still, it's quite possible the commission won't wrap up its decision-making process at tonight's meeting. If that's the case, the hearing will be continued to a meeting one week hence, on August 4.



## Big Water Pipelines, an Old Pursuit, Still Alluring in Drying West

*Diverting Mississippi River is not happening, though.*



Large-scale water engineering projects like the Los Angeles Aqueduct ushered in the modern era of the American West. More pipelines and water transfers have been proposed or are under construction in the drying region. Photo © J. Carl Ganter/Circle of Blue

**By Brett Walton, Circle of Blue – July 21, 2022**

- As the region's climate becomes drier, more pipelines are being proposed despite the economic and climate risks.
- Pipelines that are advancing the fastest are rural and tribal projects backed by federal funding.
- The proposals echo a century of large-scale water engineering that ushered in the modern era in the American West.

Across the country's western drylands, a motley group of actors is responding to the region's intensifying water crisis by reviving a well-worn but risky tactic: building water pipelines to tap remote groundwater basins and reservoirs to feed fast-growing metropolitan areas, or to supply rural towns that lack a reliable source.

Government agencies, wildcat entrepreneurs, and city utilities are among those vying to pump and pipe water across vast distances — potentially at great economic and environmental cost. Even as critics question the suitability of the water transfers in a new climate era, supporters in California, Colorado, New Mexico, Utah, the federal government, Indian tribes, and other states are prepared to spend billions on water-supply pipelines.

The pipelines range in length from several dozen miles to several hundred and the largest are intended to transport tens of millions of gallons per day. Among these is the 140-mile Lake Powell Pipeline, a roughly \$2 billion project that aims to deliver 86,000 acre-feet (28 billion gallons) each year to Washington County, in Utah's southwest corner.

Not all the projects are cut from the same cloth. Because of the daunting expense, lengthy permitting process, and legal battles, projects with federal backing have a leg up. The infrastructure bill signed by President Joe Biden last November includes \$1 billion for rural water supply projects in the western states. Many of these projects, including one in progress in eastern New Mexico, were authorized more than a decade ago.

The infrastructure bill also includes \$2.5 billion for tribal water rights settlements, which typically include a water-supply component. The Navajo-Gallup water pipeline, now under construction in northwest New Mexico to supply the Navajo Nation, Jicarilla Apache Tribe, and the city of Gallup, is part of the San Juan River water rights settlement.

The current batch of pipeline proposals traces its lineage to a century of engineering and building mammoth water supply projects that ushered in the modern era of the American West. State and federal canals snake the length of California. Los Angeles bullied its way into the Owens Valley in the 1910s, eventually

siphoning the valley's water through an aqueduct. A few years later, San Francisco reached into Hetch Hetchy Valley for a reservoir and pipeline. The Central Arizona Project, which broke ground in the 1970s, was built to lift 1.5 million acre-feet of water — almost 500 billion gallons a year — more than a half mile in elevation along its 336-mile course to supply Phoenix and Tucson. In Colorado, at least 11 major projects pierce the Rockies, transferring water to the high-growth Front Range. States west of the 100th meridian would not have been able to attract millions of residents or develop their commercial and agricultural sectors without these water projects.

As the region's climate becomes drier, more diversions are being proposed despite the economic and climate risks. Large-scale engineering retains its appeal and pipeline options are doggedly pursued by state and local agencies, and a band of self-styled water entrepreneurs.

Renewable Resources, a firm backed by former Colorado Gov. Bill Owens, wants to pump groundwater from the San Luis Valley to Front Range cities that are mushrooming with new subdivisions. A competing outfit, Water Horse Resources, is led by Aaron Million, who has dreamed for more than a decade of piping more Colorado River water to the Front Range. The potential water source for Water Horse is some 500 miles away: Flaming Gorge Reservoir, which straddles Wyoming and Utah. Another Front Range project in the Fort Collins area envisions a pair of new reservoirs and an 80-mile pipe network that extends to 15 communities. Called the Northern Integrated Supply Project, it is still waiting on a key federal permit.

In New Mexico, meanwhile, supporters of the Agustin Plains scheme wish to export 54,000 acre-feet of groundwater per year from a high desert basin to communities along the Rio Grande, some 60 miles to the east. The state engineer rejected the permit in 2018, but the applicant is appealing.



The most expensive water project in southwest Utah is a proposed 140-mile pipeline to Lake Powell. In April the lake dropped to its lowest level since being filled in the 1960s. Photo © J. Carl Ganter/Circle of Blue

Southwest Utah is another epicenter of contested water diversions. The most recent came to light in April, when Escalante Valley Partners filed an application with the state Division of Water Rights for more than 50,000 acre-feet of groundwater per year for export. The water, more than 44 million gallons a day, would come from 115 wells drilled between 1,000 and 5,000 feet deep in Beryl-Enterprise, a basin where the state has restricted use of shallow groundwater due to over-extraction.

In the same area, the Central Iron County Water Conservancy District is championing the \$260 million Pine Valley Water Supply project, currently being reviewed by the Bureau of Land Management for a right-of-way permit. If approved, the district would construct 66 miles of pipeline to access groundwater in neighboring Beaver County.

The most expensive water project in southwest Utah is a proposed 140-mile pipeline to Lake Powell. Critics contend that Lake Powell and the Colorado River that flows into it cannot handle any more diversions. The Bureau of Reclamation, which manages Powell and is reviewing the pipeline application, is already taking emergency action to augment the shrinking reservoir, holding back more water than usual and releasing extra supplies from reservoirs higher in the watershed.

Zach Renstrom is the general manager of the Washington County Water Conservancy District, the pipeline project's chief beneficiary. The basic logic of today's water manager is not so different from an investment adviser: manage risk through a portfolio of investments. Critics assert that Washington County residents, though use has declined from its very high early 2000s peak, still consume more water than almost any community in the U.S. and that water conservation practices should be sufficient. But Renstrom defends the need for another water source — even a very expensive one, with an overall price tag of about \$2 billion — because Washington County's single source right now is the Virgin River.

"Especially as someone who looks at climate change very seriously and believes in climate change and knows we need to account for that, to make sure the next generation has the tools that it needs to deal with those issues, I think we need to build these large water infrastructure projects," Renstrom told Circle of Blue.

Utah officials are also pursuing a project in the state's northern reaches to send water from the Bear River, the main tributary of the shrinking Great Salt Lake, to communities some 90 miles distant along the Wasatch Front. The state does not anticipate needing the project for several decades.

Those projects are miniscule compared to calls to divert eastern rivers like the Mississippi. An undertaking like that — which has legal, technical, environmental, and economic hurdles so enormous as to be implausible today, water experts say — echo even more grandiose and farfetched schemes that were proposed in the 1960s: engineering fantasies like the North American Water and Power Alliance, a continental-scale replumbing of North America's watersheds, which never advanced much farther than the Parsons Company's drafting board.

Few of these projects have secured all required permits and fewer still have broken ground. But it is often the case that designs that look appealing in sketches fold when they collide with real world obstacles.

One of the biggest obstacles is supply, says Denise Fort, a professor emerita at the University of New Mexico. Do these areas hold enough water to support more diversions?



Nearly a decade ago, Fort co-authored a report with the Natural Resources Defense Council on the proliferation of pipeline proposals in the western states. In reviewing that report today, Fort told Circle of Blue that the findings still hold true.

“Many of the pipeline projects under consideration today are dramatically different from those constructed in the past, in terms of sustainability of water supplies, available alternatives, costs, environmental impacts and energy use,” the report concluded. “The communities and agencies that are considering these projects would be well served by a careful analysis of the implications of these important choices.”



Pipeline proposals today echo a century of large-scale water engineering that ushered in the modern era of the American West. Photo © J. Carl Ganter/Circle of Blue

Fort said that, in many cases, pursuit of these pipelines is an attempt to continue a water-consuming lifestyle in a region that can no longer support the burden of that demand. Scientists expect the flow of the Colorado River to decline by 9 percent with each degree Celsius that the planet warms.

“We know what the future is, it’s coming,” Fort said. “And so we can’t continue to act as though it’s just a cyclical thing, and the water will reappear. We know that it will not.”

Fort believes that instead of sticking more straws into a shrinking pool, municipalities should seriously consider reallocating water from agriculture, which uses the lion’s share of the region’s supply. Instead of growing alfalfa for export,

that water could be directed to cities. This approach is not without controversy and requires careful crafting — rural communities, in some cases, have resisted “buy and dry,” preferring leases that do not permanently sever water from land.

But such a move is what El Paso is banking on. The largest city in West Texas has spent \$220 million since 2016 to purchase 70,000 acres of ranch land about 90 miles east, in Dell City. Crucially, the land comes with water rights. Today, El Paso leases the land for farming. But in several decades the city plans to pipe the water beneath those fields to its residents.

At the foundation of these debates about pipelines are competing views of the American West.

One school of thought is that water follows growth. “I think it’s much cheaper to take the water to the people than move people to the water. You disrupt a lot less lives that way,” Todd Adams, deputy director of the Utah Department of Natural Resources, told the Utah Water Summit last October.

The other view is one of conservation and restraint, championed by people like Kyle Roerink, the executive director of the Great Basin Water Network, a group that advocates against transferring water out of its natural basin.

“There is a suburban Manifest Destiny mindset throughout the region that I think is antithetical as it relates to the amount of resources that are available,” Roerink told Circle of Blue.

Looking at the history of pipeline projects and water transfers in the West, Roerink worries about unintended financial and environmental consequences if the current contenders move ahead. In the arid Great Basin, which covers much of Nevada and Utah, he is particularly attuned to dry soils if groundwater-dependent basins are depleted. It’s not an unheard of risk. To offset environmental damage in the Owens Valley from its aqueduct, the Los Angeles Department of Water and Power has spent \$2.5 billion in ratepayer funds to suppress dust storms.

Many of the biggest projects were built in an era of minimal environmental review and major government subsidy. Those conditions have changed, one of many

reasons why mega-projects like diverting the Mississippi River westward are implausible, even fanciful.

Of the pipeline projects currently under construction, most are not fanciful. Most are like the Eastern New Mexico Rural Water System — smaller in scale and federally supported.

Congress authorized the 140-mile project in 2009 and is contributing 75 percent of the cost. The rest is coming from local partners, which include four communities in Curry and Roosevelt counties.

The project received \$177.4 million from the federal government this year and \$30 million from the state government. If funding in future years comes in as expected, construction should be completed in six to eight years, Orlando Ortega, the administrator of the Eastern New Mexico Water Utility Authority, told Circle of Blue.

The project is a federal priority because the partner communities are all served by groundwater from the depleting Ogallala aquifer. At some point, the water will run out. The pipeline is designed to bring surface water from the state-owned Ute Lake.

Like all western water supply projects, there are questions about the long-term availability of Ute Lake as the region dries.

“We are very sensitive to drought conditions, and would certainly be cutting back on our reservation, if needed,” Ortega said.

# Planco probes Gateway infrastructure

July 21, 2022

Kevin L. Hoover  
Mad River Union

ARCATA – The Planning Commission last week drilled further into the Gateway Area Plan (GAP) and related issues, probing its infrastructure and services chapter, the General Plan's Draft Open Space Element and a review of laws governing local authority over Cal Poly Humboldt (CPH) development projects.

The Planco is processing the GAP chapter by chapter, and the General Plan element by element.

The GAP review process will ultimately include findings by city advisory committees, which are currently reviewing the plan. These will be incorporated into the Planco's final recommendation to the City Council. An upcoming study session between the Planco and council is expected to further refine the process.

Community Development Director David Loya offered an overview of the policies governing such diverse infrastructural topics as recreation opportunities, energy amenities and utility undergrounding.

Environmental Services Director Emily Sinkhorn described the process for upgrading the city's Wastewater Treatment Plant (WWTP), an essential component in accommodating future population growth.

Part of the city's Capital Improvement Program, the wastewater and water planning effort includes both physical improvements and the budgeting necessary to bring them about.

The upgrade will replace old facilities and convert the venerable plant to ultraviolet disinfection via a single-pass system, and retain the marsh system, all to better meet water quality standards and protect coastal resources.

Phase 1 is expected to cost \$35 million, with funding to be augmented by possible state assistance or grants. The project is now out to bid, with a Coastal Development Permit expected in August and construction to begin this fall.

With protective levees to be augmented to withstand sea level rise, the project is expected to keep the WWTP viable through 2055 and beyond.

Phase 2 of the WWTP upgrade is currently on hold at the request of the State Water Board, which is providing technical assistance and a feasibility study which will continue through next year.

The 20 percent capacity increase, said City Engineer Netra Khatri, is a nominal safety buffer for seasonal variations in wet weather. Loya noted that it is not in anticipation of 20 percent population growth.

Other projects, such as correcting inflow and infiltration throughout the city, are helping reduce demand on the plant. A possible future upgrade phase will be based on environmental studies that include population projections.

GAP critics have hinged major objections on WWTP capacity, alleging that the plant won't be able to handle the waste flowing from the high-density housing. Commissioner Dan Tangney asked Sinkhorn whether she's confident in its ability to handle the GAP demand over the next 25 years.

"That is a key question," Sinkhorn said. She said the multiple planning efforts underway to moderate demand and boost capacity "can really meet our planning horizon of what we're doing for long-term planning right now."

But, she said, that will require sticking to the planning timeline with continued funding for planning and environmental projects in the city budget.

As for drinking water, Sinkhorn noted that Arcata's water comes from Ruth Lake, which is at 99 percent capacity. Arcata has a right to 1,186 million gallons of water, and currently utilizes just 52 percent of that amount annually.

The Heindon Road well, offline since 2015, is expected to come back online soon. The 16 city water tanks boast 4.8 million gallon capacity. A third tank for Zone 1, which includes the Gateway Area, is out to bid. It will add a million gallons and increase city storage by 20 percent, aiding emergency preparedness. Waterline replacement is also in the works.

Commissioner Judith Mayer noted public concerns about rapid Gateway development and Cal Poly Humboldt-related population growth potentially maxing out the WWTP and triggering a development moratorium. Sinkhorn affirmed her confidence in the plans that are in progress.

Loya said development could outpace infrastructure, but that the Phase 3 planning and other mitigations are in place to prevent that.

Home August 2022 Native Plants Combat Effects of Climate Change

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# Native Plants Combat Effects of Climate Change

By  
**Andrea Pickart**

July 26, 2022

*Andrea Pickart, CA Native Plant Society*



Native dune mat and American dunegrass (*Elymus mollis*) on the restored adaptation site.  
Source: Andrea Pickart.

For the past seven years, a major collaborative research project has been carried out on Humboldt County's dunes. Participants include US Fish and Wildlife Service, Arizona State University, Friends of the Dunes, the Wiyot Tribe, Humboldt Bay Municipal Water District,

Bureau of Land Management, California Department of Fish and Wildlife, National Park Service, and others. Two consecutive four-year grants were funded by the State Coastal Conservancy, Ocean Protection Council, and Bureau of Land Management. The overarching purpose of the research was to better understand how dunes will respond to climate change and how we can intervene in order to adapt to those changes. There are numerous components to the grant, including measuring changes in topography and vegetation on 72 transects distributed along the coast from Little River to Centerville Beach, calculating historic changes in the position of the shoreline since the first air photos were taken in 1939, assessing vulnerability of natural and cultural resources and infrastructure, and documenting the role of native plants in coastal resilience in a demonstration adaptation site. This last study wrapped up recently with the completion and publication of a dissertation by PhD student Zach Hilgendorf of Arizona State University.

The Lanphere Adaptation Site was established in 2015 to test the hypothesis that foredunes vegetated by native plants are more resilient than those vegetated by invasive European beachgrass. A quarter-mile stretch of dunes vegetated by dense beachgrass was sectioned into four areas. In three of these areas European beachgrass was removed and native plants introduced. The fourth area remained as a control on the experiment (no removal). Over the following seven years measurement of change in morphology of the foredune was carried out by researchers from the Arizona State University (ASU) under the direction of Dr. Ian Walker (now with UC Santa Barbara), while changes in vegetation were monitored by Humboldt Bay National Wildlife Refuge staff. ASU researchers used a state-of-the-art laser scanner to create topographic surfaces that could be used to detect changes in elevation over time. During the study there were two "extreme events," storms during which tides were extraordinarily high combined with strong wave energy. This resulted in erosion of the foredune and enabled us to measure recovery time. The native foredune recovered almost two years faster than the control. This is significant given the increasing frequency and intensity of storms due to climate change. If foredunes are not able to recover between erosive events, shoreline retreat occurs.

Foredunes are a sand-sharing system between the beach and the dunes. During storms when water levels and wave energy are high, the foredune is scarped (cliffed). To recover, a sand "ramp" slowly builds up against the scarp during calmer weather until it reaches the top, when sand can again be transported on to the foredune and, if native plants are present, beyond. We observed that invasive foredunes responded with intact block slumping, retaining the vertical scarp. In contrast, native foredunes were characterized by "avalanching," contributing to more rapid ramp formation.



Block slumping in a scarped foredune.

The study also showed that the restored foredunes increased in elevation and shifted the crest of the foredune back (landward) while maintaining the toe of the foredune, creating a broader foredune with greater volume, a more resilient condition. Invasive foredunes are narrow, steep and remain static. No sand reaches beyond the seaward face of the foredune. The native foredune is therefore more adapted to maintaining a buffering foredune feature during sea level rise.

All of this underscores the important role native plants play in dune resiliency. Humboldt Bay National Wildlife Refuge added 300 acres of highly degraded dunes to the refuge over the past decade, known as the Wadulh Unit (Wadulh is the Wiyot term for dune). The management goal at this site is to restore native dunes to increase resiliency while promoting biodiversity, using methods tested in the adaptation site.



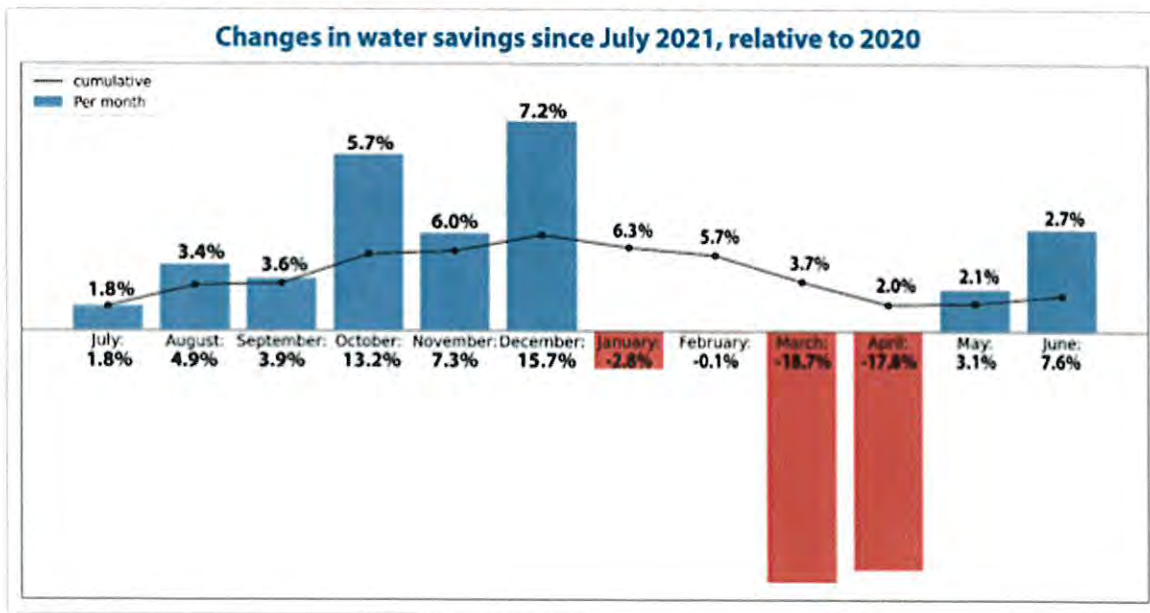
# THIS JUST IN ... JUNE 2022 URBAN WATER CONSERVATION UPDATE: WATER USE TRENDING DOWN

Maven Breaking News  
August 2, 2022



*From the State Water Resources Control Board:*

Statewide water use in June was 7.6% lower than in June 2020, and more than double the statewide savings in May (3.1%), putting California solidly back on track toward saving water. During the hot and dry summer, water use typically increases substantially because plants are thirstier. So, the fact that we saw more water savings in June suggests that aggressive actions taken by the state and by local suppliers are taking hold.



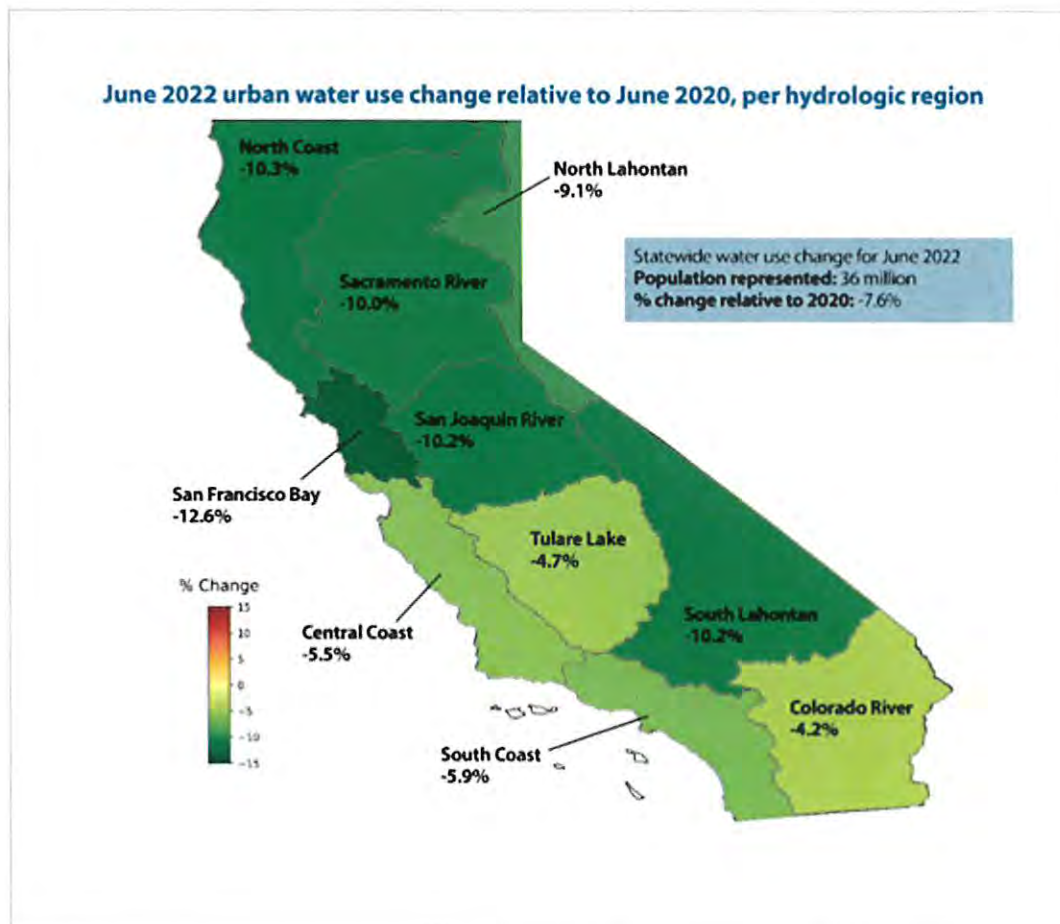
On July 29, Governor Gavin Newsom [convened local water leaders](#) for the second time in recent months to call for their continued action to drive down urban water use and help Californians make permanent changes to adapt to a hotter and drier future. At the meeting, the governor again urged leaders of the state's largest urban water suppliers to continue local efforts to cut back water usage in the face of limited supplies due to extreme heat and dry weather. He also

underscored the urgency of reporting monthly water use data as quickly as possible so the state can more effectively monitor progress in real time.

The State Water Board's most recent conservation emergency regulation, which went into effect on June 10, bans irrigation of decorative grass on commercial, industrial, and institutional premises and requires suppliers to implement the water-saving actions that they included in Level 2 of their water shortage contingency plans. The ban is expected to save between 156,000 acre-feet and 260,000 acre-feet per year, the equivalent of water used by 780,000 households in a year. Water use prohibitions that were adopted in January 2022 also are still in effect.

## Local Water Savings

In June 2022, all hydrologic regions saw some decrease in water use relative to June 2020. Many local utilities and suppliers set restrictions on residential outdoor watering enacted in June, reinforcing the impact of state-level actions.



June conservation data for the state's largest regions signal that California is headed in the right direction, but sustaining water savings long-term must remain a local priority.

**San Francisco Bay**

- June: -12.6%
- May: -8.0%
- April: -0.2%

**North Coast**

- June: -10.3%
- May: -3.5%
- April: -14.9%

**South Coast**

- June: -5.9%
- May: -2.1%
- April: +26.1%

**Central Coast**

- June: -5.5%
- May: -1.9%
- April: +19.2%

**Colorado River**

- June: -4.2%
- May: +8.9%
- April: +40.4%

*Negative %: water savings*

*Positive %: increase in water use*

## A GREATER SENSE OF URGENCY

Although we are now trending toward saving more water, we need to make up for lost ground from past months to meet the 15% statewide conservation goal. Doing so will require more water action on everyone's part.

The state continues to experience a **profound temperature-driven shift to drier conditions, known as aridification**. Statewide average rain for January through March 2022 was under 2 inches compared to nearly 7 inches in January through March 2021, and compared to over 11 inches for the 30-year average.

Watering lawns and plants accounts for a significant amount of our water use, especially during summer months. Cutting down on outdoor irrigation – which can account for up to 80% of urban water use and is higher in the summer – is a critical to reaching our conservation goals. As California's climate becomes hotter and dryer, it's time to shift our perspective on what beautiful landscaping looks like.

*The State Water Board's mission is to preserve, enhance and restore the quality of California's water resources and drinking water for the protection of the environment, public health and all beneficial uses, and to ensure proper allocation and efficient use for present and future generations.*

## Water conservation targets missed again as drought worsens

### CALIFORNIA

Statewide urban water use fell 3.1% in May, far short of Gov. Gavin Newsom's 15% target

By Paul Rogers

[progers@bayareanewsgroup.com](mailto:progers@bayareanewsgroup.com)

Californians continue to miss conservation targets by a large margin, new numbers released Friday show, despite Gov. Gavin Newsom's warning six weeks ago that mandatory statewide restrictions are on the way if local conservation efforts don't improve.

Last July, Newsom declared a drought emergency and asked California residents to voluntarily cut urban water use by 15% compared to 2020 levels. Although Northern Californians reduced consumption by 8.5% in May, Southern California regions fell far short at just 2.2% and dragged the statewide reduction in use to 3.1% compared to May 2020.

The new numbers represent only a slight improvement from last July through May, when residents, businesses and government agencies cumulatively reduced water use statewide by 2% compared to the same period in 2020, according to the State Water Resources Control Board.

Is a crackdown coming, with mandatory conservation targets for each city? That's what former Gov. Jerry Brown imposed during California's last drought, but Newsom's office wasn't saying on Friday.

Newsom spokeswoman Erin Mellon called the May numbers a positive trend but said more needs to be done.

"Individuals and California businesses need to step up," Mellon said. "We will continue to monitor the state's conservation numbers, especially the early June numbers as we evaluate if additional changes are necessary."

On May 23, Newsom told the leaders of the state's

largest water agencies that the lagging conservation was a "black eye." He said his office would monitor the situation over the next 60 days, and he told the agencies to step up outreach and education efforts to communicate the urgency of the crisis to the public.

A few weeks later, the state water board required most cities and water districts to limit outdoor watering to two days a week and

**WATER » PAGE 3**



A sprinkler sprays water on a Red Bluff lawn on Main Street in July 2021.

GEORGE JOHNSTON — DAILY NEWS

### Water

#### FROM PAGE PAGE 2

ban the irrigation of 'nonfunctional turf,' or grass at office parks and industrial sites, but not at schools, parks or golf courses.

After three dry years in a row, on Thursday 97% of the state was in a severe drought and 59% in an extreme drought, the third and fourth most severe of five drought categories, according to the U.S. Drought Monitor, a weekly federal report.

Some people may finally be getting the message. The May numbers represent improved conservation from March and April, when statewide urban water use actually increased 18.9% and 17.6% compared with the same months in 2020.

The gradual trend toward more conservation comes after modest rain across the state in April — following the driest January, February and March in recorded state history — and increased campaigns by cities and water agencies around the state urging people to conserve while reservoir levels continue to drop and hot summer months loom.

Preliminary numbers for June, submitted by water agencies representing about 30% of California's population, are showing further conservation with water savings of 7.7%, water board officials said.

Still, some water experts on Friday said that the governor's approach is falling short.

"My impression is that Northern California water agencies are playing up the drought more than Southern California water agencies," said Jay Lund, co-director of the UC Davis Center for Watershed Sciences.

Some of the difference is due to varying weather conditions. Some is due to differing local drought rules, Lund said. Some is due to agencies' reluctance to sell less water, which reduces revenue. And part is due to the fact that some have done a better job increasing local water supplies in recent decades than others.

The San Diego County Water Authority, for example, built a \$1 billion desalination plant in Carlsbad in 2015 that now provides about 10% of the area's water. It signed a contract nearly 20 years ago to help farmers in Imperial Valley line canals and take other conservation measures, then purchased the saved water for San Diego residents. The agency also increased the height of San Vicente Dam northeast of San Diego by 117 feet in 2014, doubling the reservoir's size to store more water in rainy years for dry years.

Gleck said there are cheaper ways to boost supply, and far more cities and water agencies should be doing them.

"There are two pieces," he said. "Right now we have to improve efficiency and conserve. In the longer term we need to be accelerating wastewater recycling and capturing stormwater. There are billions of gallons of wastewater and stormwater that we throw away. If that was being used now, our reservoirs would be fuller."

“It’s pretty clear the voluntary actions aren’t enough,” said Peter Gleick, co-founder and a senior fellow at the Pacific Institute, a non-profit water research organization in Oakland. “The numbers are better than last month, but they are still really disappointing.”

One reason for the lackluster conservation is a continued difference between water use in Northern and the “South Coast” area that includes Los Angeles, Orange County and San Diego.

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**PlanCo Takes Up Aquafarms' EIR**

8/3/22

**Commission hears hours of public comment**

By Elaine Weinreb

newsroom@northcoastjournal.com

The Humboldt County Planning Commission met July 28 to consider certifying Nordic Aquafarms' Final Environmental Impact Report (FEIR) but, after three-and-a-half hours of presentations and public comment, continued the meeting to Aug. 4. The hybrid meeting was plagued by technical difficulties, resulting at times in some commissioners being unable to speak, and requiring the postponement of the consent agenda.

The Nordic Aquafarms project seeks to build a large land-based facility on a currently contaminated industrial site owned by the Humboldt County Harbor, Conservation and Recreation District to raise Atlantic salmon. The project is described as a "recirculating aquaculture system (RAS) facility," and includes the construction of five buildings, a 4.8-megawatt solar panel array and water intake and outfall facilities. Raised from eggs, the fish would not touch bay or ocean water at any point during their lives, swimming in indoor tanks and underwater pipes. Water would be filtered and sterilized by ultraviolet light both before it enters the facility and again before it leaves.

The FEIR identifies many potential impacts, but states that they can all be reduced to insignificant levels. Many members of the audience did not agree with this conclusion, while others were less concerned with environmental issues and instead focused on the perceived economic benefits of the project.

If the FEIR is accepted, Nordic Aquafarms would then seek a Coastal Development Permit. But that is just the first in a long series of agency approvals and permits needed before the project could break ground, with the California Department of Fish and Wildlife, the California Coastal Commission, the Regional Water Quality Control Board, the National Marine Fishery Service and the U.S. Army Corps of Engineers all having a chance to clean up the remnants of the old pulp mill as a part of plans to build a large-scale fish farm on the Samoa Peninsula. Photo by Mark McKenna

weigh in and vet various aspects of the proposal.

County planner Cade McNamara, helped by other staff, reviewed the project for the commissioners at the July 28 meeting. He said the facility would require approximately 2.5 million gallons per day of fresh, untreated water provided by the Humboldt Bay Municipal Water District and sourced from the Mad River. The facility would also require approximately 10 million gallons of saltwater per day, which would be taken from Humboldt Bay. Approximately 12.5 million gallons of treated wastewater would be discharged daily via an

existing ocean outfall pipe, which extends 1.5 miles offshore. Although two other facilities use the outfall pipe, it still has plenty of unused capacity, McNamara said.

The site, zoned as Industrial and Coastal Dependent, is currently classified as a "brownfield," meaning the area is polluted, and must be remediated before it can support any projects. Nordic intends to do this clean-up before it begins any further work on the project, demolishing existing buildings, and removing asbestos and lead from the soil.

There are some environmentally sensitive habitat areas on or near the site, McNamara said. The "dune mat," which consists of plants and animals mostly native to the area, is protected as part of the project design, and will be fenced off. Nordic must also compensate for damage to the longfin smelt, a small fish that is eaten by other aquatic animals, by building new habitat for it. A rare plant, the darkeyed gilia, must be replaced elsewhere at a ratio of three to one. To avoid tsunami damage, tanks would be designed to withstand a "2,500-year hazard event," and back-up generators will be elevated above the predicted wave height.

However, the most controversial item in the FEIR is the project's energy use, which is estimated to be 195 gigawatt hours per year at full build-out. (A gigawatt hour is one million kilowatt hours.) This is the approximate equivalent of the energy use of the entire cities of Eureka and Fortuna combined.

Planning Director John Ford recommended approval of the project because it is a coastal dependent industrial use, conforms to the Humboldt Bay Area Plan, involves brownfield cleanup and, according to the FEIR, has minimized all environmental impacts to less than significant levels. The next presentation was given by Larry Oetker, executive director of the Harbor District. Oetker pointed out that state law gives the district equal standing to that of any county government, and it has its own list of permits and consultations when deciding whether to approve a project.

Oetker had nothing but praise for the project.

*"This is some of the most vacant, under-utilized, contaminated, blighted pieces of property that we have in Humboldt County," he said. "We've identified the clean, green, modern industries that are right for our community: wood products, aquaculture, broadband and offshore wind."*

Nordic's project, Oetker said, fits nicely into an array of other ongoing and planned improvements to the peninsula, including the introduction of broadband

cable, the proposed offshore wind farm and other aquaculture projects. He noted that the previous use by the pulp mills had left quite a lot of usable or salvageable infrastructure. For example, the outfall pipe, which Nordic hopes to use to drain wastewater, is already being used by several other tenants, including the wastewater treatment plant for the town of Samoa.

"Any coastal city in the world would be impressed by these types of infrastructure," he said.

Next it was Brenda Chandler's turn. Chandler is the interim CEO/CFO of Nordic and the public face of the project since the former president and vice president — Erik Heim and Marianne Naess — suddenly left the company in July with little explanation, three months after Nordic's American facilities were split off from the original European company. Chandler emphasized the difference between Nordic's land-based model and the net-pen facilities used by other companies, which raise fish in the ocean waters and have experienced many problems.

The first land-based commercial RAS plant was built in Denmark in 2014 and raised yellowjack fish. This was followed by a salmon-rearing RAS plant in Norway a few years later, and then by a salmon RAS plant sited in Belfast, Maine, which is fully permitted but has not yet broken ground, and has been controversial among Belfast residents.

Salmon, Chandler said, is a source of sustainable and healthy protein. She praised Nordic's "proven recirculating aquaculture system (RAS) technology," "highly experienced management team" and "strong design, build, and operate track record," among other things.

"We're fitting into the Harbor District's long-standing vision of an aquaculture park on the peninsula," she said, praising the region's cool, plentiful water, progressive renewable energy policies and closeness to markets. Although salmon can live in both saltwater and freshwater, the company chose to use mostly saltwater to minimize the more precious freshwater supplies.

"We want to be the employer and the neighbor everyone is proud of," Chandler said.

Nearly two hours into the meeting, the public was given its turn to comment. Since the meeting was hybrid, many speakers were present at Supervisors Chambers in the courthouse, while others waited on hold to phone in their ideas.

Operating Engineers Local No. 3, a statewide union that represents the building trades, was heavily represented at the meeting, with about 17 speakers praising the project. Many of them said they had to leave the area to find decent-paying work, and looked forward to local jobs that pay a living wage.

*"Nordic did above and beyond what is required," said Harry Herker, a member of the union. "They took a dilapidated pulp mill and are turning it into a viable industry. They're going to provide 300 construction jobs, and then when the project is complete, 150 permanent full-time jobs."*

Other locally known supporters included Kent Sawatzky, who comments on many topics at nearly every public county meeting; Larry Doss, who ran unsuccessfully for the Fifth District supervisorial seat; Rafael Cuevas-Uribe, a fisheries professor at Cal Poly Humboldt and Natalynne DeLapp; executive director of the Humboldt County Growers Alliance.

John Friedenbach, general manager of the Humboldt Bay Municipal Water District, phoned in to give some perspective on the relatively "small" amount of Mad River water Nordic plans to use. The district, he said, was founded about 50 years ago to supply the pulp mills with 65



million gallons of water a day. When the mills closed, the water went unused, and now the state, under its "use it or lose it" policies, may want to ship the Mad River's water to drier areas.

Nordic's 2.5 million gallons seems like a small amount in comparison to historic uses and he urged the commissioners to support the project.

There were, however, also many residents who opposed the project on environmental grounds. Ten of them were from the organization 350 Humboldt, which is devoted to trying to slow down or halt climate change. Most of the group's concerns centered on the project's large energy demands. Although Nordic has promised to use renewable energy, there may not be enough of it available. The transmission grid in Humboldt is very limited, which would make importing renewable energy from other parts of the state impractical if not impossible. Some also questioned the large amount of refrigerant gases the project will require to chill the fish. Some of these gases, when they leak into the atmosphere, are a more potent driver of global warming than carbon dioxide or methane by a factor of 2,000, and Nordic has declined to identify which ones it will use.

Humboldt is trying to reach state-mandated goals on reducing greenhouse gas emissions but, if the proposed offshore wind farm is not up and running by the time Nordic is ready to roll and Nordic is unable to obtain enough local renewable energy to meet its needs, the company will have to rely on fossil fuels. This would put a big crimp in Humboldt's efforts to meet the state mandates.

Jennifer Knight, a member of the local climate change action group 350, also believes the greenhouse gas cost of fish food for the salmon has been grossly underestimated in the FEIR. CEQA does not require greenhouse gas calculations for products made outside California.

Fish food was mentioned in several other contexts as a problem. Salmon is at the top of the marine food chain, which means it eats a large number of small fish that feed Indigenous people around the world. Growing salmon commercially could be seen as a form of social injustice, since it deprives poor people of needed protein to provide wealthy people with a luxury food. Other people noted that if an outbreak of diseases occurred in the fish tanks, Nordic would mix antibiotics in the fish food, and wondered if this would lead to the development of antibiotic-resistant bacteria.

Other people suggested modifying the project, starting out with a smaller endeavor and gradually increasing its size. Several people thought it would be wise to require a \$500 million performance bond from Nordic, just in case it went belly-up and left the county with a mess to clean up.

About the same number of speakers opposed the project as supported it.

By 9:39 p.m., the meeting had been going on for nearly four hours. After the public comment period ended, Commissioner Brian Mitchell said he was phoning in from the East Coast, where it was after midnight. The commissioners, who had not had a chance to discuss any of

this material, quickly voted to continue the meeting to Aug. 4, when they will pick up the conversation

Wed 8/3/2022

# Nordic fish farm at county decision point

**Daniel Mintz**  
MAD RIVER UNION  
HUMBOLDT — Humboldt County's Planning Commission will consider a mix of public comment on the Nordic Aquafarms

fish farm project when it makes a decision on its coastal development permit this week.

After hearing presentations and about two hours of public comment at a July 28 hearing,

commissioners bumped their decision-making to their meeting this week, on Thursday, Aug. 4.

The most numerous comments during the hearing came from

**NORDIC ♦ PAGE 4**

## Nordic | To produce 23 metric tons of salmon per year

♦ FROM PAGE 1

members of two groups — the Operating Engineers Local 3 labor union and 350 Humboldt, which advocates for cutting carbon emissions.

Construction workers said Nordic's project will benefit the community with local food production and jobs. Members of 350 Humboldt flagged the project's substantial energy use. Certifying the project's Environmental Impact Report (EIR) is part of the commission's approvals.

County Planner Cade McNamara and Byron Turner of consulting firm LACO Associates detailed the measures bringing the project's impacts to less than significant levels.

The 766,530-square-foot fish farm will produce 23 metric tons of Atlantic salmon a year.

Its 22-megawatt daily energy load is offset by requiring use of the Redwood Coast Energy Authority's 100 percent renewable option, said McNamara.

He also said nitrogen levels of wastewater discharge into the ocean will fall well below an allowable maximum and the temperature of the discharge will only be "slightly higher" than the sea water, by 0.1 degrees Fahrenheit.

The state will permit the discharging and McNamara said Nordic's monitoring of it will be "well in excess" of the state's requirements.

There's concern about aquatic species getting sucked into the fish farm's bay water intakes but McNamara said

screening will be finer than standards allow, with slower intake velocity.

Fish escape prevention measures are in place. The project's five buildings will be in a tsunami hazard zone but McNamara said the facility will meet "seismic and foundation design criteria."

The project site is at the former pulp mill property on Humboldt Bay and leased to Nordic by the Humboldt Bay Harbor District.

Larry Oetker, the district's executive director, described the vision of cleaning up the site and establishing a "marine research and innovation park" there.

"This was the dream that we set out when we acquired the property and one of the major, major components of this was aquaculture," he said.

Brenda Chandler, Nordic's interim CEO, said discharge treatment will be beyond industry standards.

Almost all biological oxygen demand, phosphorus, and suspended solids will be eliminated and at least 90 percent of nitrogen will be removed, she continued.

Local environmentalists have serious doubts about whether Nordic's operations will be as innocuous as described. Of the environmental groups commenting, 350 Humboldt was the most emphatic. Some of its members described the project as exploitative and "in direct violation of economic and climate justice" with a "staggering amount" of carbon emission.

Jennifer Knight of 350 Humboldt

said emissions involved with associated sources such as production of fish food have erroneously been left out of the EIR.

Humboldt Baykeeper, the North-coast Environmental Center, Humboldt Surfrider and the Coalition for Responsible Transportation Priorities also have concerns about emissions, impacts related to the volume, content and temperature of discharge, and what's described as the project's "massive scale."

Supporters of the project include Dr. Rafael Cuevas Uribe, an aquaculture professor at Cal Poly Humboldt. He said Nordic's recirculating aquaculture system is "the most advanced that I have ever witnessed."

The proposed filtration system is on par with what's used for drinking water, he continued.

The California Aquaculture Association also supports the project. Tony Vaught, the association's president, said fish farming in the U.S. hasn't been adequately developed so most seafood is imported, with fresh fish from overseas facilities "flown in."

With the presentations and public comment taking up most of the hearing, commissioners had little time for discussion.

But prior to the public comment session, Commissioner Noah Levy said what Nordic is proposing "has gone above and beyond what was required of it in many measures environmentally and I applaud the applicant for that."

# **CORRESPONDENCE**

 **OUTREACH ALERT**

LEGISLATIVE | SB 222  
July 26, 2022

### **Members Urged to Join ACWA-Led SB 222 (Low-Income Rate Assistance) Oppose-Unless-Amended Coalition and Contact Local Assembly Members to Urge “No” Votes**

ACWA is urging member agencies to join the ACWA-led coalition to oppose SB 222 (Dodd) unless the bill is appropriately amended and contact local assembly members before the Assembly votes on the bill in August.

The bill would require the State Water Resources Control Board to create a Water Rate Assistance Program to provide financial assistance for both drinking water and wastewater services to low-income residential ratepayers. ACWA believes a water and wastewater low-income rate assistance program – if designed in a reasonable, efficient and effective manner – is an appropriate approach. However, the June 23 amendments to the bill raise significant concerns.

ACWA and the coalition successfully advocated last year for amendments to SB 222, enabling ACWA to move to a watch position. However, ACWA’s State Legislative Committee moved to an oppose-unless-amended position on the bill at its July 6 meeting because of the new amendments. ACWA has submitted a coalition letter to the author expressing concerns, together with a mockup with ACWA’s suggested amendments.

SB 222 is currently at the Assembly Floor, and Senator Bill Dodd (D-Napa) plans on taking up the bill for a vote in August. ACWA is asking members to contact their assembly member(s) at this time – even this week while the legislators are still in their district offices during the July recess.

#### **Take Action Now**

1. **Sign on to the SB 222 Oppose-Unless-Amended Coalition** by submitting your agency’s logo and signature block (name, title, and agency) to ACWA State Relations Assistant Kylie Wright and outreach@acwa.com as soon as possible. The date of the vote has yet to be noticed, but it could happen in early August.
2. **Contact your local assembly member(s)** to share your agency’s concerns with SB 222 and urge them to vote “No” when the Assembly votes on the bill. ACWA has provided talking points to assist in those conversations. Legislators’ contact information can be found on the Assembly’s website.

#### **Questions**

For questions about SB 222 or the coalition, please contact ACWA Deputy Executive Director for Government Relations Cindy Tuck at (916) 669-2388.



July 25, 2022 Submitted/July 29, 2022 Signatories Updated

The Honorable Bill Dodd  
California State Senate  
1021 O St., Suite 6620  
Sacramento, CA 95814

RE: SB 222 (Dodd) – Water Rate Assistance Program  
Position: OPPOSE UNLESS AMENDED

Dear Senator Dodd:

The undersigned organizations (the Coalition) believe that there can be a workable and efficient State water and wastewater low-income rate assistance program in California. In 2021, the Association of California Water Agencies (ACWA) worked extensively with you, your staff, the bill sponsors, four policy committees, and both the Senate and Assembly Appropriations Committees to address the Coalition's concerns with SB 222. We greatly appreciated the amendments that you made in 2021 that allowed the Coalition in August of 2021 to move from an "Oppose-Unless-Amended" position to a "Watch" position. Unfortunately, the June 23, 2022 amendments to SB 222 raise significant concerns, and the Coalition now has an "Oppose-Unless-Amended" position on SB 222. **Attached is a mockup of amendments that, if incorporated, would allow the Coalition to remove its opposition.** Following is an overview of the concerns.

- 1) **System Role / Proposition 218 - SB 222 would require each Community Water System and Sewer System to create and implement its own water rate assistance program – as opposed to playing an administrative (pass through) role in implementing a State Water Rate Assistance Program. The bill's approach would now run afoul of Proposition 218.**

The new version of SB 222 would require each eligible system to offer water rate assistance. [See Page 11, Line 36.] Water systems are prohibited under the State Constitution (Proposition 218) from providing low-income rate assistance using rate revenues from other customers. SB 222 needs to propose a **State assistance program**: a) funded with funding from the proposed State Water Rate Assistance Fund (Fund); and b) in which eligible systems play an administrative (pass through) role by receiving funding from the Fund and applying it to the accounts of low income households that the State has enrolled in the program and administrative costs.

- 2) **Efficiency / Implementing Agency / Key Program Components – Building administrative efficiency into this State program will allow for more assistance to go to low-income households. The State should handle enrollment and utilize a third-party fund administrator.**

The introduced (January 14, 2021) version of SB 222 proposed the State Water Resources Control Board (State Water Board) as the implementing agency. The Coalition and other organizations urged that the California Department of Community Services and Development (CSD) be the implementing agency. You made that change in the April 5, 2021 version. The June 23, 2022 version proposes to go back to the initial proposal to have the State Water Board implement the program.

**Efficiency in the State's administration of the State's water rate assistance program will allow for more assistance to go to low-income households.** ACWA and others suggested that CSD implement the program because this is what CSD does – CSD implements low-income assistance programs. CSD already contracts with a third-party fund disbursement entity and works with local service providers around the State to

enroll low-income households. State management of enrollment is important because most public water agencies do not have income information for their customers since they cannot use rate revenue to subsidize low-income rates under Proposition 218.

The Coalition urges you and the Newsom Administration to take a hard look at the issue of does it make sense to reinvent the wheel at the State Water Board and end up spending more money for administration than is needed. The Coalition's strong preference is for this program to be placed at CSD. If the program is placed at the State Water Board, **it is critical that State handle customer enrollment – as CSD does, and that the State contracts with a third party fund administrator – as CSD does.**

**3) System Administrative Costs - The proposed funding for system administrative costs is not adequate.** [Page 4, Line 13 and Page 5, Line 18]

The new version of the bill would add a new proposed requirement that the State Water Board "provide funds to eligible systems for administration of the program, not to exceed the greater of **3 percent** of the total subsidy or two thousand dollars." While this is a positive addition in the sense that it would be required, the 3 percent number would not cover reasonable administrative expenses. The Coalition suggests increasing this number to 5 percent.

**4) Frequency of Funding Distribution – The bill does not address the timing of distribution of the funding.**

The attached mockup suggests that systems, after the State adopts emergency regulations and enrolls participants, need to receive the funding from the Fund annually in advance, and then the systems should be required to apply funding within two months to each enrolled customer's bill installment thereafter for the annual period.

**5) Additional Action Authority – This proposed authority is overly broad.** [Page 4, Line 30]

The bill would now authorize the State Water Board to "take additional action as may be appropriate for adequate administration and operation of the fund and provision of direct water bill assistance." This overly broad proposal should be deleted.

**6) Audit of Systems Receiving Program Funding – This proposal should be clarified.** [Page 7, Line 1]

Under the new version of the bill, the State Water Board would be required to include in guidelines a provision regarding the audit of eligible systems receiving funds under the chapter. The scope of this audit should instead be limited to the system's local administrative role in the State's water rate assistance program (i.e., not just anything to do with the system).

**7) Affordability Evaluation - This proposal is overly broad.** [Page 7, Line 25]

The affordability evaluation language should be narrowed to propose evaluation of remaining **water** affordability issues and relevant (as opposed to available) information.



**8) Administrative Procedure Act (APA) – The rules of the road for this program should be developed through emergency regulations. [Page 10, Lines 4 and 10]**

The prior version of the bill proposed the development of guidelines but also would have authorized the adoption of emergency regulations. The new version would exempt this program from the APA altogether and delete the proposed emergency regulation authority. It would rely solely on the adoption of guidelines by the State Water Board. This is a major program with little public process proposed for its development. The Coalition suggests that the implementing agency be required to develop and approve emergency regulations.

**9) Affordability Pilot Projects – This bill should not propose to use water rate assistance funding for pilot projects. [Page 10, Line 28]**

The affordability pilot projects proposal should be deleted. This bill should be focused on water rate assistance. Assistance for water use efficiency projects can be funded with climate/drought resilience state budget funding separate from this program.

**10) Discontinuation of Service – Part of this proposal is workable. [Page 12, Line 1]**

The enactment of SB 998 (Dodd) in 2018 set requirements on the discontinuation of service by public water systems that supply water to **more than 200 connections**. For example:

(a){1}(A) An urban and community water system shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than **seven business days** before discontinuation of residential service for nonpayment, an urban and community water system shall **contact** the customer named (...) on the account by telephone or written notice. (...) [Ca. Health and Safety Code Section 116909, emphasis added.]

Under existing law, that contact must include an offer to discuss options, including an alternative payment schedule. SB 222 now proposes for **all sizes of systems** that a **30-day** notice of the ability to enroll in a payment plan would be required before disconnection could occur. Expanding the SB 998 requirements to cover systems of 200 or fewer connections is not an issue. However, the timing on the notice provision should remain at seven business days consistent with SB 998.

**11) Enforcement – The brand new proposed enforcement provisions at Page 12 do not fit with a low-income assistance program and should be deleted and replaced.**

The June 23 version adds proposed enforcement provisions to SB 222 for the first time – even though the bill went through four policy committees in 2021.

**A) Attorney General** - The first proposal is that the Attorney General be authorized to take an action. The Coalition suggests that enforcement by the implementing state agency should be sufficient for a financial assistance program.

- B) At-Risk Systems** – The bill proposes to have a system that did not establish or maintain a compliant water rate assistance program be deemed an at-risk system for purposes of the mandatory consolidation authority in existing law. As noted above in the discussion about Proposition 218 and the need for a State program, the system should be helping to administer the State’s program – not creating a local water rate assistance program. Further, consolidation of a sustainable system that is providing safe drinking water is not an appropriate remedy for noncompliance with a State water rate assistance program.
- C) Qualified Finance** – The bill proposes to have the State agency qualify awards of financial assistance on the establishment of a low-income assistance program. This language is unclear and ties again to the problematic proposed creation of assistance programs at the local level – instead of on a program at the State level with a local pass through of money from the Fund.

ACWA will suggest an amendment on this new issue.

For these reasons, the Coalition has an Oppose-Unless-Amended position on SB 222. We appreciate your consideration of these concerns. If you would like to discuss the suggestions, please contact ACWA Deputy Executive Director for Government Relations at [CindyT@acwa.com](mailto:CindyT@acwa.com).

Sincerely,

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Deputy Executive Director for  
Government Relations  
Association of California Water Agencies

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Rio Linda / Elverta Community Water  
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Matthew Litchfield  
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Three Valleys Municipal Water District

Steve A. Perez, CSDM  
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Rosamond Community Services District

Edwin R. Pattison  
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Tuolumne Utilities District

James Prior  
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San Gabriel County Water District

Gary Arant  
General Manager  
Valley Center Municipal Water District

Paul Helliker  
General Manager  
San Juan Water District

Brett Hodgkiss  
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Vista Irrigation District

Daniel R. Ferons  
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Santa Margarita Water District

Erik Hitchman  
General Manager  
Walnut Valley Water District

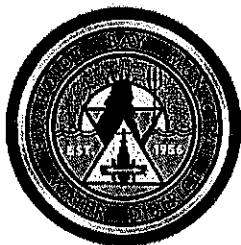
Piret Harmon  
General Manager  
Scotts Valley Water District

Anjanette Shadley  
Assistant General Manager  
Western Canal Water District

John A. Thiel, P.E., M.B.A  
General Manager  
South Tahoe Public Utility District

Attachment

cc: Mr. Les Spahn, Legislative Director, Office of Senator Bill Dodd



## HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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

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

FAX 707-443-5731 707-822-8245

EMAIL [OFFICE@HBMWD.COM](mailto:OFFICE@HBMWD.COM)

Website: [www.hbmwd.com](http://www.hbmwd.com)

BOARD OF DIRECTORS  
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 NEAL LATT, VICE-PRESIDENT  
 J. BRUCE RUPP, SECRETARY-TREASURER  
 MICHELLE FULLER, DIRECTOR  
 DAVID LINDBERG, DIRECTOR

GENERAL MANAGER  
 JOHN FRIEDENBACH

August 2, 2022

Ramona Fernandez, Deputy Director  
 Department of Boating and Waterways  
 Via email: [Ramona.Fernandez@parks.ca.gov](mailto:Ramona.Fernandez@parks.ca.gov)

**RE: Appeal of Partial Grant Denial for C22Q0803**

Dear Deputy Director Fernandez,

We respectfully appeal the decision to award partial grant funding for Grant Number C22Q0803, Tier 2 Implementation.

Our original grant application included Task 1 in the amount of \$22,300. Our application included Tier 2 -Implementation Project Narrative, Section B-Project Description (see attached) begins by stating:

*"Our project consists of relocating the Ruth Recreation launch site access gate, purchasing (and installing) bollards and boulders to realign the entrance and eliminate uncontrolled lake access thereby strengthening the implementation of our Prevention Plan."*

We later shortened the *relocating the Ruth Recreation launch site access gate* to relocating the Ruth Recreation launch site. We acknowledge how this may have caused some confusion as to the purpose of the actual project. We now understand that this grant program does not cover relocating launch sites or CEQA. For our project the actual launch site itself will remain where it is. The launch site access gate and associated electronics is what we intend to relocate and is what we are seeking funding for from the grant program.


We respectfully request additional grant funding in the amount \$14,800 to relocate the Ruth Recreation launch site access gate: \$14,000 to cover the costs to relocate the gate arm and associated electronics, and \$800 to remove trees where the new gate access will be located.

We are not requesting the original grant application amount of \$22,300 since CEQA in the amount of \$7,500 is not a covered expense. (\$22,300-\$7,500= \$14,800)

Attached you will find email correspondence between our District and DBW confirming that this grant program does allow reimbursement for a gate arm (new, installation, and/or relocation).

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

Regards,



John Friedenbach  
General Manager

Encl: Project Narrative, Section B  
Emails dated July 18, 2022 from HBMWD and August 2, 2022 from DBW

cc: [Edward.Hard@parks.ca.gov](mailto:Edward.Hard@parks.ca.gov)  
[Cara.Roderick@parks.ca.gov](mailto:Cara.Roderick@parks.ca.gov)

# CONTINUING BUSINESS

**HUMBOLDT BAY MUNICIPAL WATER DISTRICT**

To: Board of Directors  
 From: John Friedenbach  
 Date: August 4, 2022  
 Subject: Water Resource Planning (WRP) – Status Report

.....

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

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

i) Nordic Aquafarms – The project CDP was heard by the Humboldt County Planning Commission on July 28<sup>th</sup> and August 4<sup>th</sup>. Staff will report out the results of the Planning Commission's decision.

ii) Trinidad Rancheria mainline extension. A draft MOU between McKinleyville CSD and HBMWD concerning mutual willingness to cooperate and work together to study the feasibility and desirability of incorporating, in some manner, the mainline extension into the MCSD's system for "wheeling" water through MCSD from HBMWD to the Rancheria was approved by MCSD at their August 3<sup>rd</sup> board meeting. The draft document reviewed by HBMWD directors at our June 9<sup>th</sup> meeting went through review iterations by MCSD legal counsel and then again by HBMWD legal counsel. Attached for your reference is the final version that was approved at the MCSD August 3<sup>rd</sup> board meeting. Both HBMWD GM, Friedenbach and District Counsel Plotz attended that meeting and presented on our finalized language that was adopted.

The proposed timeline for review and approval is:

1. Review and possible adoption by MCSD August 3<sup>rd</sup> [approved]
2. Final review and possible adoption by HBMWD August 14<sup>th</sup>

Wheeling water means: the conveying of water through the unused capacity in a pipeline or aqueduct by another water provider. The use of utility conveyance facilities by other than the owner.

**b) Transport**

See attached Cal Coast News.Com article.

**c) Instream Flow Dedication**

The project team reviewed counsel's comments on the draft narrative. Further consultation with counsel occurred. Counsel recommended additional graphics be prepared to supplement the narrative. Staff is working with its consultants to prepare the recommended graphics and is awaiting counsel's review. The final draft document will be presented to the full Board at our September board meeting.





**COUNTY OF HUMBOLDT  
PLANNING AND BUILDING DEPARTMENT  
CURRENT PLANNING DIVISION**

3015 H Street, Eureka CA 95501  
Phone: (707)445-7541 Fax: (707) 268-3792

Date: July 28, 2022  
To: Humboldt County Planning Commission  
From: John H. Ford, Director of Planning and Building Department  
Subject: **Nordic Aquafarms California, LLC,  
Coastal Development Permit and Special Permit**  
Record Number: PLN-2020-16698  
Assessor's Parcel Number (APN): 401-112-021  
364 Vance Avenue, Samoa Area

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Please contact Cade McNamara, Planner II, at (707) 268-3777 or by email at [cmcnamara@co.humboldt.ca.us](mailto:cmcnamara@co.humboldt.ca.us) if you have any questions about the scheduled public hearing item.

LOCO STAFF / TODAY 8/5/22 @ 7:52 A.M. / BUSINESS

## Nordic Aquafarms Lays out Next Steps After Planning Commission Gives the Thumbs-Up to Their Samoa Fish Farm Plans



*Architectural mock-up of the land-based fish farm Nordic Aquafarms plans for the Samoa Peninsula.*

Press release from Nordic Aquafarms:

Yesterday, the Humboldt County Planning Commission voted to certify the Environmental Impact Report (EIR), a comprehensive initial step in the Nordic Aquafarms (NAF) permitting process. In addition to that certification, the commission also approved the coastal development permit for Terrestrial Development.

“We would like to convey our appreciation for the many hours of collaborative work done by the Humboldt Bay Harbor Recreation and Conservation District, and the County of Humboldt on this Environmental Impact Report” said Brenda Chandler, Nordic’s Interim CEO and CFO. “We consider this certification to be the first of many steps forward to provide a fresh, high quality seafood product, using environmentally sound and state of the art RAS technology, close to consumers on the West Coast of the United States.”

Chandler states that through the FEIR we have had the opportunity to hear the concerns of and address the issues of environmental groups and other interested

parties during this first step. “We thank them; and our partners, supporters, and the community for their collaborative efforts in helping us make this the best project for Humboldt County,” Chandler states. “The support from those that took the time to come and speak at the public hearing, as well as send letters of support is greatly appreciated. It is a reminder of how deeply meaningful our presence in the community will be.”

Being transparent and readily available to the community has always been at the core of Nordic’s work on the Samoa Project these past three years. With each step forward, we will continue to engage in open dialogue and strengthen our relationship with the community. The vision of a resilient food system with sustainable, environmentally friendly practices is an exciting prospect to share with evolving aquaculture programs in the local colleges and workforce development programs. Chandler states, “We see a region that is ready to walk with us into a new opportunity to thrive, creating a California brand of close-to- market fish, and it strengthens our commitment to a successful project.”

With the EIR certified, Nordic will now go before the California Coastal Commission and the North Coast Regional Water Quality Control Board for the next step in the permitting process.

We look forward to working with the community as we transform a brownfield site into a fish farm that will produce a fresh, top-quality seafood product. “Our philosophy is to approach environmental and social goals with balance,” said Chandler. “Sustainable aquaculture is a solution, a solution to providing healthy protein in an environmentally sound, balanced way.”

With our EIR certified, Nordic will now go before the California Coastal Commission and the North Coast Regional Water Quality Control Board for the next step in the permitting process.

We look forward to working with the community as we transform a brownfield site into a fish farm that will produce a fresh, top-quality seafood product. “Our philosophy is to approach environmental and social goals with balance,” said Chandler. “Sustainable aquaculture is a solution, a solution to providing healthy protein in an environmentally sound, balanced way.”

## MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this "MOU") is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022 by and between HUMBOLDT BAY MUNICIPAL WATER DISTRICT, a California municipal water district (the "District"), and the MCKINLEYVILLE COMMUNITY SERVICES DISTRICT ("MCSD"), a California community service district. (the District and MCSD are sometimes referred to herein individually as "Party" and collectively as the "Parties")

## RECITALS

- A. The District is a duly formed and existing Municipal Water District, formed pursuant to Division 2 of the California Water Code and providing municipal water service to customers within its sphere of influence and boundaries;
- B. MCSD is a duly formed and existing Community Services District, formed pursuant to the Community Services District Law and providing municipal water and wastewater services to customers within its sphere of influence and boundaries;
- C. The Cher-Ae Heights Indian Community of The Trinidad Rancheria ("Tribe"), a federally recognized Indian Tribe, intends to undertake certain development on its sovereign land located near the City of Trinidad and has asked the District to supply water to the project through a mainline extension, which mainline would extend to the Tribe's land from the northern boundary of MCSD's service boundary.
- D. Reference is made hereto to that Memorandum of Understanding by and between the District and the Tribe, a federally recognized Indian Tribe, dated January 14, 2021, through which the District and the Tribe agreed to cooperate in conducting feasibility studies, conceptual planning, and consultations with regulatory agencies to determine whether the mainline extension is feasible and desirable for both the District and the Tribe and, if so, on what terms and conditions;
- E. The Board of Directors of MCSD has expressed preliminary indications of interest in cooperating with the District and the Tribe to determine whether, and to what extent, the contemplated mainline extension could provide MCSD a supplemental source of municipal water and, if so, the manner in which the mainline extension could be incorporated with the existing MCSD water conveyance system.
- F. The Parties desire to enter into this MOU for the purpose of expressing their mutual willingness to cooperate and work together to study the feasibility and desirability of incorporating, in some manner, the mainline extension into the MCSD's system ("Preliminary Feasibility Study").

NOW, THEREFORE, in consideration of the mutual understandings and agreements set forth herein, the parties hereby agree as follows:

Section 1. Term and Termination. This MOU shall become effective immediately once approved by the Parties' respective governing boards and shall terminate upon the earliest to occur of the following: (a) the execution by the Parties of one or more definitive agreements with respect to the subject matter of this MOU; or (b) twenty-four (24) months from the date hereof. The term of this MOU can be extended upon the written mutual agreement of the Parties. Notwithstanding any other provision of this Section 1, either Party may terminate this MOU at any time for any reason by providing at least thirty (30) days written notice of such termination to the other Party.

Section 2. Non-Binding Effect. This MOU is intended to serve as a general basis for studying the feasibility of incorporating the main line into the MCSD system. The Parties shall not have any legal obligation under or by virtue of this MOU, including any obligation to enter into any definitive agreement or other contract for the mainline extension, to provide any services, to commit to development of the mainline extension, to make any investment or pay any consideration or compensation, whether or not expressly described herein, regardless of the results of the Preliminary Feasibility Study.

Section 3. Coordination and Preliminary Feasibility Study. The Parties agree to meet and confer with one another to prepare a scope of work for Preliminary Feasibility Study. Among the tasks to be performed are as follows:

- (a) Evaluating the engineering feasibility of incorporating the mainline into the MCSD system, including cooperating with the Tribe's engineering team to provide information and specifications that may be needed by the Tribe to consider methods by which the mainline could be incorporated into the MCSD system;
- (b) Cooperating with the District and the Tribe in evaluating the necessary regulatory approvals and conducting preliminary meetings with agencies regarding permitting processes and entitlements that may be necessary for the mainline to be incorporated in the MCSD system;
- (c) Cooperating with the District and the Tribe to evaluate need for related infrastructure and facilities, including elevated storage, pumping stations, and metering that may be necessary for mainline to be incorporated into the MCSD system;
- (d) Cooperating with the District and the Tribe to evaluate cost to operate and maintain facilities, transmission and distribution systems including staffing, equipment, utility and other operating and administrative costs that may be necessary for the mainline to be incorporated in the MCSD system;

- (e) Cooperating with the District and the Tribe in the assessment of environmental impacts and CEQA scoping, including Lead Agency determination, related to the incorporation of the mainline into the MCSD system;
- (f) Cooperating with the District and the Tribe to evaluate property entitlements and rights held or to be acquired that may be necessary for the mainline to be incorporated in the MCSD system;
- (g) Meet with community stakeholders; and
- (h) Cooperating with the District and the Tribe to evaluate funding sources and financing structure.

Section 4. No Commitment to Expend Funds. The Parties understand and agree that nothing in this MOU obligates either Party to expend any funds or contribute excessive staff time in cooperating in the tasks identified in Section 3 (a) – (h) above. It is further understood that MCSD will incur no expenses outside of its normal operation expenses related to or arising out of determining the feasibility of the proposed project contemplated herein. The Parties shall meet and confer regarding actions that may involve expenditure of funds for goods or services related to this MOU to determine (1) whether to make such expenditure and (2) which party shall incur the expense.

**MCKINLEYVILLE COMMUNITY SERVICES DISTRICT ("MCSD")**, a California Community Services District

  
\_\_\_\_\_  
David R. Couch, Board President

08/03/2022  
\_\_\_\_\_  
Date

**HUMBOLDT BAY MUNICIPAL WATER DISTRICT (the "DISTRICT")**, a California Municipal Water District

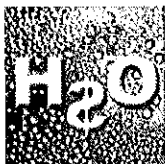
\_\_\_\_\_  
Sherri Woo, President of the Board of Directors

\_\_\_\_\_  
Date



# SLO County sold water outside the county, residents foot the bill

July 26, 2022



By KAREN VELIE

San Luis Obispo County began selling water purchased by county residents to out of county water purveyors in 2008 and 2013, without returning the funds to local property owners as required by law, according to a recent SLO County Grand Jury report.

In 1963, the county entered into an agreement with the California Department of Water Resources to purchase water from the State Water Project. A tax was then added to all county properties to pay for state water, even though not all county residents benefited from the purchase.

Promoted by then-Public Works Director Paavo Ogren and Supervisor Bruce Gibson, the Board of Supervisors approved the sale of excess county water in 2008 and 2013, to out of county purveyors.

However, instead of returning the \$6.3 million from the sale of the water to area taxpayers, Ogren placed the funds in the District Zone General Fund.

Supervisor Debbie Arnold's former appointee to the Water Resources Advisory Committee, Greg Grewal, discovered the error and asked the SLO County District Attorney's Office to take action. But after several years, the prosecutor's office found the issue too complex, Grewal said. He then asked the Grand Jury to review the issue.

The Grand Jury determined that money garnered selling state water must be used to reduce county property owner tax burdens, including the \$6.3 million already received.

The SLO County Board of Supervisors voted unanimously on Tuesday to return \$6,510,000 dollars to the taxpayer fund. The item was listed on the consent agenda.

Grewal, however, wants the county to pay back the more than \$10 million in interest taxpayers lost through the county's diversion of funds.

STATE OF CALIFORNIA  
ENVIRONMENTAL PROTECTION AGENCY  
DEPARTMENT OF TOXIC SUBSTANCES CONTROL

In the Matter of:	Docket No. HSA-FY21/22-165
Royal Gold	Standard Voluntary Agreement
Proponent:	Health and Safety Code Section 25201.9
Royal Gold LLC 1689 Glendale Drive McKinleyville, California 95519	

The California Department of Toxic Substances Control (DTSC) and Royal Gold, LLC (Proponent) enter into this Standard Voluntary Agreement (Agreement) and agree as follows:

1. Site. This Agreement applies to the Site located at 1689 Glendale Drive, McKinleyville in Humboldt County, California 95519 (Site), identified by Humboldt County Assessor's Parcel Number(s) 516-101-005, -008, -017, -040, -041, -060, -064, -079, -081, -083, and 516-111-003, -062, and -063 and any off-site area to which hazardous substances have or may have migrated from the Site. The Site is approximately 46 acres in size and is bordered by Glendale Drive and multiple residential and commercial lots. The western portion of the Site was historically used for lumber mill operations by Bonnie Stud Mill, Trend Industries, and ICM Lumber Company. The eastern portion of the Site was used for lumber mill operations under several different owners from the 1950s to 2002. This includes Molalla Forest Products, Inc., McNamara & Peepe, Inc., and Blue Lake Forest Products, Inc. The Site is bordered to the north by residences and timberland, to the west and south by Highway 299 and Glendale Drive, and to the east by residences and commercial/industrial use. A Site location map and a Site diagram are attached as Exhibits A and B.

2. Jurisdiction. This Agreement is entered into by DTSC and Proponent pursuant to Health and Safety Code section 25201.9, which authorizes DTSC to provide assistance to a person in complying with Health and Safety Code chapter 6.8 and its implementing regulations.

3. Purpose. The purpose of this Agreement is for Proponent to investigate, remediate, and/or evaluate a release, a threatened release, or a potential release of any hazardous substance at or from the Site under the oversight of DTSC. The purpose of this Agreement is also for DTSC to obtain reimbursement from Proponent for DTSC's oversight costs incurred pursuant to this Agreement.



#### 4. Ownership and Notification.

4.1. The Site is owned by several different parties. Parcels 516-101-008, -017, -040, -041, -063, -064, -068, -081, and -084 along with 516-111-062 are owned by RGolden Holdings, LLC. Parcels 516-101-060 and 516-111-063 are owned by Blue Lake Forest Products, LLC. Parcels 516-101-079 and -083 are owned by Gary and Virginia Island. Parcels 516-101-005 and 516-111-003 are owned by the North Coast Railroad Authority.

4.2. Prior to DTSC providing oversight or review or comment on any document, Proponent shall provide DTSC with all of the following: (a) proof of the identity of all current record owners of fee title to the Site and their mailing addresses; (b) written evidence that the owners of record have been sent a notice that describes the actions completed or proposed by Proponent; and (c) an acknowledgment of the receipt of the notice required in subparagraph (b) from the property owners or proof that Proponent has made reasonable efforts to deliver the notice to the property owner and was unable to do so.

4.3. Proponent shall notify DTSC of any changes in ownership of the Site subsequent to the Effective Date of this Agreement and provide written evidence that Proponent notified the new owner(s) of record of the actions completed or proposed by Proponent under this Agreement.

5. Substances Found at the Site. Based on the information available to DTSC and Proponent, the Site is or may be contaminated with hazardous substances, including pentachlorophenol, tetrachlorophenol, dioxins, and petroleum products from past industrial uses.

6. Scope of Work and DTSC Oversight. DTSC shall review and provide Proponent with written comments on all Proponent's deliverables as described in Exhibit C (Scope of Work) and other documents applicable to the scope of the project. DTSC shall provide oversight of field activities, including sampling and remedial activities, as appropriate. Proponent agrees to perform all the work required by this Agreement. Proponent shall perform the work in accordance with applicable local, state and federal statutes, regulations, ordinances, rules and guidance documents, in particular, Health and Safety Code section 25300 et seq., as amended.

7. Additional Activities. DTSC and Proponent may amend this Agreement to include additional activities in accordance with Paragraph 18 of this Agreement. If DTSC expects to incur additional oversight costs for these additional activities, it will provide an estimate of the additional oversight costs to Proponent.

8. Endangerment During Implementation.

8.1 Proponent shall notify DTSC's Project Manager immediately upon learning of any condition that may pose an immediate threat to public health or safety or the environment. Within seven days of the onset of such a condition, Proponent shall furnish a report to DTSC, signed by Proponent's Project Manager, setting forth the conditions and events that occurred and the measures taken in response thereto.

8.2 In the event DTSC determines that any activity (whether or not pursued in compliance with this Agreement) may pose an imminent or substantial endangerment to the health or safety of people on the Site or in the surrounding area or to the environment, DTSC may order Proponent to conduct additional activities in accordance with Paragraph 7 of this Agreement or to stop further implementation of this Agreement for such period of time as may be needed to abate the endangerment. DTSC may request that Proponent implement interim measures to address any immediate threat or imminent or substantial endangerment.

9. Access. Proponent shall provide, and/or obtain access to the Site and take all reasonable efforts to obtain access to offsite areas to which access is necessary to implement the Agreement. Such access shall be provided to DTSC's employees, contractors, and consultants at all reasonable times. Nothing in this paragraph is intended or shall be construed to limit in any way the right of entry or inspection that DTSC or any other agency may otherwise have by operation of law.

10. Sampling, Data and Document Availability. When requested by DTSC, Proponent shall make available for DTSC's inspection, and shall provide copies of, all data and information concerning contamination at or from the Site, including technical records and contractual documents, sampling and monitoring information and photographs and maps, whether or not such data and information was developed pursuant to this Agreement. For all final reports, Proponent shall submit one hard (paper) copy and one electronic copy with all applicable signatures and certification stamps as a text-readable Portable Document Formatted (pdf) file compatible with Adobe Acrobat or a formatted file compatible with Microsoft Word.

11. Photographs and Drawings. Upon request by DTSC, Proponent shall provide DTSC with photographs Proponent has in its possession of the Site and activities at the Site, as well as drawings Proponent has in its possession in connection with redevelopment plans for the Site. Proponent shall allow DTSC to take photographs of the Site, including activities at the Site, whenever DTSC accesses the Site pursuant to Paragraph 9. Proponent grants DTSC the right to distribute, transmit, publish, or copy, in any medium, either in whole or in part, the photographs or drawings DTSC obtains pursuant to this paragraph for any use, including, but not limited to, project

documentation, public outreach, web and social media content, and marketing materials. This paragraph does not apply to drawings that contain confidential business information.

12. Record Preservation. Proponent shall retain, during the implementation of this Agreement and for a minimum of six years after its termination, all data, reports, and other documents that relate to the performance of this Agreement. If DTSC requests that some or all of these documents be preserved for a longer period of time, Proponent shall either comply with the request, deliver the documents to DTSC, or permit DTSC to copy the documents at Proponent's expense prior to destruction.

13. Notification of Field Activities. Proponent shall inform DTSC at least seven days in advance of all field activities pursuant to this Agreement and shall allow DTSC and its authorized representatives to take duplicates of any samples collected by Proponent pursuant to this Agreement.

14. Project Managers. Within 14 days of the effective date of this Agreement, DTSC and Proponent shall each designate a Project Manager and shall notify each other in writing of the Project Manager selected. The Proponent's Project Manager shall have the technical expertise in project management, regulatory compliance, and hazardous substance site investigation and remediation sufficient to fulfill his or her responsibilities. Each Project Manager shall be responsible for overseeing the implementation of this Agreement and for designating a person to act in his/her absence. All communications between DTSC and Proponent, and all notices, documents and correspondence concerning the activities performed pursuant to this Agreement shall be directed through the Project Managers. Each party may change its Project Manager with at least seven days prior written notice.

15. Proponent's Consultant and Contractor. All engineering work performed pursuant to this Agreement shall be under the direction and supervision of a registered professional engineer licensed in California, with expertise in hazardous substance site investigation and remediation. All geological work performed pursuant to this Agreement shall be under the direction and supervision of a registered professional geologist licensed in California, with expertise in hazardous substance site investigation and remediation. Proponent's contractors and consultants shall have the technical expertise sufficient to fulfill his or her responsibilities. Within 14 days of the effective date of this Agreement, Proponent shall notify DTSC's Project Manager in writing of the name, title, and qualifications of the registered professional engineer and/or professional geologist and of any contractors or consultants and their personnel to be used in carrying out the work under this Agreement in conformance with applicable

state law, including but not limited to, Business and Professions Code sections 6735 and 7835.

16. DTSC Review and Approval. All work performed pursuant to this Agreement is subject to DTSC's review and approval. If DTSC determines that any report, plan, schedule or other document submitted for approval pursuant to this Agreement fails to comply with this Agreement or fails to protect public health or safety or the environment, DTSC may (a) return comments to Proponent with recommended changes and a date by which the Proponent must submit to DTSC a revised document incorporating or addressing the recommended changes; or (b) modify the document in consultation with Proponent and approve the document as modified. All DTSC approvals and decisions made regarding submittals and notifications will be communicated to Proponent in writing by DTSC's Branch Chief or his/her designee. No informal advice, guidance, suggestions or comments by DTSC regarding reports, plans, specifications, schedules or any other writings by the Proponent shall be construed to relieve Proponent of the obligation to obtain such written approvals.

17. Payment.

17.1 Proponent is required to pay (a) all costs incurred by DTSC in association with preparation of this Agreement, and for oversight activities, including review of documents, conducted prior to the effective date of this Agreement; and (b) all costs incurred by DTSC in providing oversight pursuant to this Agreement, including review of the documents and activities described in Exhibit C and associated documents, and oversight of field activities. Costs incurred include interest on unpaid amounts that are billed and outstanding more than 60 days from the date of the invoice.

17.2 An estimate of DTSC's oversight costs is attached as Exhibit D. It is understood by the parties that Exhibit D is an estimate and cannot be relied upon as the final cost figure. DTSC may provide an adjusted cost estimate as the work progresses. Prior to adjusting the cost estimate, DTSC will provide Proponent with a written notice and a detailed explanation of the change to the cost estimate. DTSC will bill Proponent quarterly. Proponent agrees to make payment within 30 days of receipt of DTSC's billing. Such billings will reflect any amounts that have been advanced to DTSC by Proponent.

17.3 In anticipation of oversight activities to be conducted, Proponent shall make an advance payment of \$2,400 to DTSC no later than 10 days after this Agreement is fully executed. It is expressly understood and agreed that DTSC's receipt of the entire advance payment as provided in this paragraph is a condition precedent to DTSC's obligation to provide oversight, review of or comment on documents. DTSC will draw-down from the advance payment, which will be documented in DTSC's invoice.

When the advance payment is depleted, DTSC will continue to request payment through the invoice process.

17.4 All payments made by Proponent pursuant to this Agreement shall be by check payable to the "Department of Toxic Substances Control" and bearing on its face the project code for the Site (Site # 202421-11) and the docket number HSA-FY21/22-165 of this Agreement. Upon request by Proponent, DTSC may accept payments made by credit cards or electronic funds transfer. Payments by check shall be sent to:

**Accounting Office  
Department of Toxic Substances Control  
P.O. Box 806  
Sacramento, California 95812-0806**

A photocopy of the check shall be sent concurrently to DTSC's Project Manager.

17.5 DTSC shall retain all cost records associated with the work performed under this Agreement as may be required by state law. DTSC will make all documents that support DTSC's cost determination available for inspection upon request in accordance with the Public Records Act, Government Code section 6250 et seq.

17.6 In addition to direct costs incurred by DTSC, DTSC also bills its indirect costs associated with direct staff costs. Such indirect costs are only applied to DTSC direct labor costs and not to DTSC contractor costs or DTSC staff travel costs. DTSC calculates separate indirect cost rates (salary/benefits and general operating costs) for each of its major programs (Site Mitigation and Restoration, Hazardous Waste Management, and Safer Products and Workplaces Programs). Because the ratio of direct to indirect costs varies among DTSC's various programs, the indirect cost rates associated with those programs will also vary. Pursuant to Health and Safety Code section 25269.4, the Department calculates and updates its indirect cost rates every six months. These indirect rates are reflected in the Cost Estimate in Exhibit D.

18. Amendments. This Agreement may be amended in writing by mutual agreement of DTSC and Proponent. Such amendment shall be effective the third business day following the day the last party signing the amendment sends its notification of signing to the other party. The parties may agree to a different effective date.

19. Termination for Convenience.

19.1 Except as otherwise provided in this paragraph, each party to this Agreement reserves the right to unilaterally terminate this Agreement for any reason. Termination may be accomplished by giving a 30-day advance written notice of the

election to terminate this Agreement to the other party. In the event that this Agreement is terminated under Paragraph 19.1, Proponent shall be responsible for DTSC costs through the effective date of termination.

19.2 If operation and maintenance activities are required for the final remedy, Proponent may not terminate the Agreement under Paragraph 19.1 upon DTSC's approval of an Operation and Maintenance Plan as proposed by Proponent, unless an Operation and Maintenance Agreement is entered into between DTSC and Proponent or between DTSC and a party responsible for the required operation and maintenance activities.

20. Calendar of Tasks and Schedules. The attached Exhibit E (Calendar of Tasks and Schedules) is merely for the convenience of listing in one location the submittals required by this Agreement. The Calendar of Tasks and Schedules lists activities specific to this project based on the available information. DTSC and Proponent shall make a reasonable effort to complete the activity within the schedule outlined in Exhibit E. A schedule for each related activity shall be established as part of this Agreement.

If Proponent is unable to meet the activity's schedule, Proponent will notify DTSC's Project Manager 10 days prior to the scheduled action or submittal date. If DTSC is unable to meet the activity's schedule, DTSC will notify Proponent 10 days prior to the scheduled action or submittal date.

21. Incorporation of Exhibits, Plans and Reports. All exhibits are incorporated into this Agreement by reference. All plans, schedules and reports that require DTSC's approval and are submitted by Proponent pursuant to this Agreement are incorporated in this Agreement upon DTSC's approval.

22. Reservation of Rights. DTSC reserves all of its statutory and regulatory powers, authorities, rights, and remedies under applicable laws to protect public health or the environment, including the right to recover its costs incurred therefor. Proponent reserves all of its statutory and regulatory rights, defenses and remedies available to the Proponent under applicable laws.

23. Non-Admission of Liability. By entering into this Agreement, Proponent does not admit to any finding of fact or conclusion of law set forth in this Agreement or any fault or liability under applicable laws.

24. Proponent Liabilities. Nothing in this Agreement shall constitute or be considered a covenant not to sue, release or satisfaction from liability by DTSC for any

condition or claim arising as a result of Proponent's past, current, or future operations or ownership of the Site.

25. Government Liabilities. The State of California or DTSC shall not be liable for any injuries or damages to persons or the Site resulting from acts or omissions by Proponent or by related parties in carrying out activities pursuant to this Agreement, nor shall the State of California or DTSC be held as a party to any contract entered into by Proponent or its agents in carrying out the activities pursuant to this Agreement.

26. Third Party Actions. In the event that Proponent is a party to any suit or claim for damages or contribution relating to the Site to which DTSC is not a party, Proponent shall notify DTSC in writing within 10 days after service of the complaint in the third-party action. Proponent shall pay all costs incurred by DTSC relating to such third-party actions, including but not limited to responding to subpoenas.

27. California Law. This Agreement shall be governed, performed and interpreted under the laws of the State of California.

28. Severability. If any portion of this Agreement is ultimately determined not to be enforceable, that portion will be severed from the Agreement and the severability shall not affect the enforceability of the remaining provisions of the Agreement.

29. Parties Bound. This Agreement applies to and is binding, jointly and severally, upon Proponent and its agents, receivers, trustees, successors and assignees, and upon DTSC and any successor agency that may have responsibility for and jurisdiction over the subject matter of this Agreement. Proponent shall ensure that its contractors, subcontractors and agents receive a copy of this Agreement and comply with this Agreement.

30. Effective Date. The effective date of this Agreement is the date of signature by DTSC's authorized representative after this Agreement is first signed by Proponent's authorized representative. Except as otherwise specified, "days" means calendar days.

31. Representative Authority. Each undersigned representative of the party to this Agreement certifies that she or he is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind the party to this Agreement.

32. Counterparts. This Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, but such counterparts shall together constitute one and the same document. This Agreement and documents related to it may be executed and transmitted by facsimile or pdf copy, which copies shall be deemed to be, and utilized in all respects as, an original. However, Proponent must provide the wet-inked signed original of each counterpart to DTSC by mail within 14 calendar days of signing.

*Juliet C. Pettijohn*

Date: 07/11/2022

Juliet C. Pettijohn, MPH, CIH  
Branch Chief  
Site Mitigation and Restoration Program  
Department of Toxic Substances Control

*Chad Waters*

Date: July 11, 2022

Chad Waters  
Owner  
Royal Gold, LLC



LIST OF EXHIBITS TO THE AGREEMENT

- EXHIBIT A: SITE LOCATION MAP
- EXHIBIT B: SITE DIAGRAM
- EXHIBIT C: SCOPE OF WORK
- EXHIBIT D: COST ESTIMATE FOR DTSC OVERSIGHT SERVICES
- EXHIBIT E: CALENDAR OF TASKS AND SCHEDULE

EXHIBIT A  
SITE LOCATION MAP

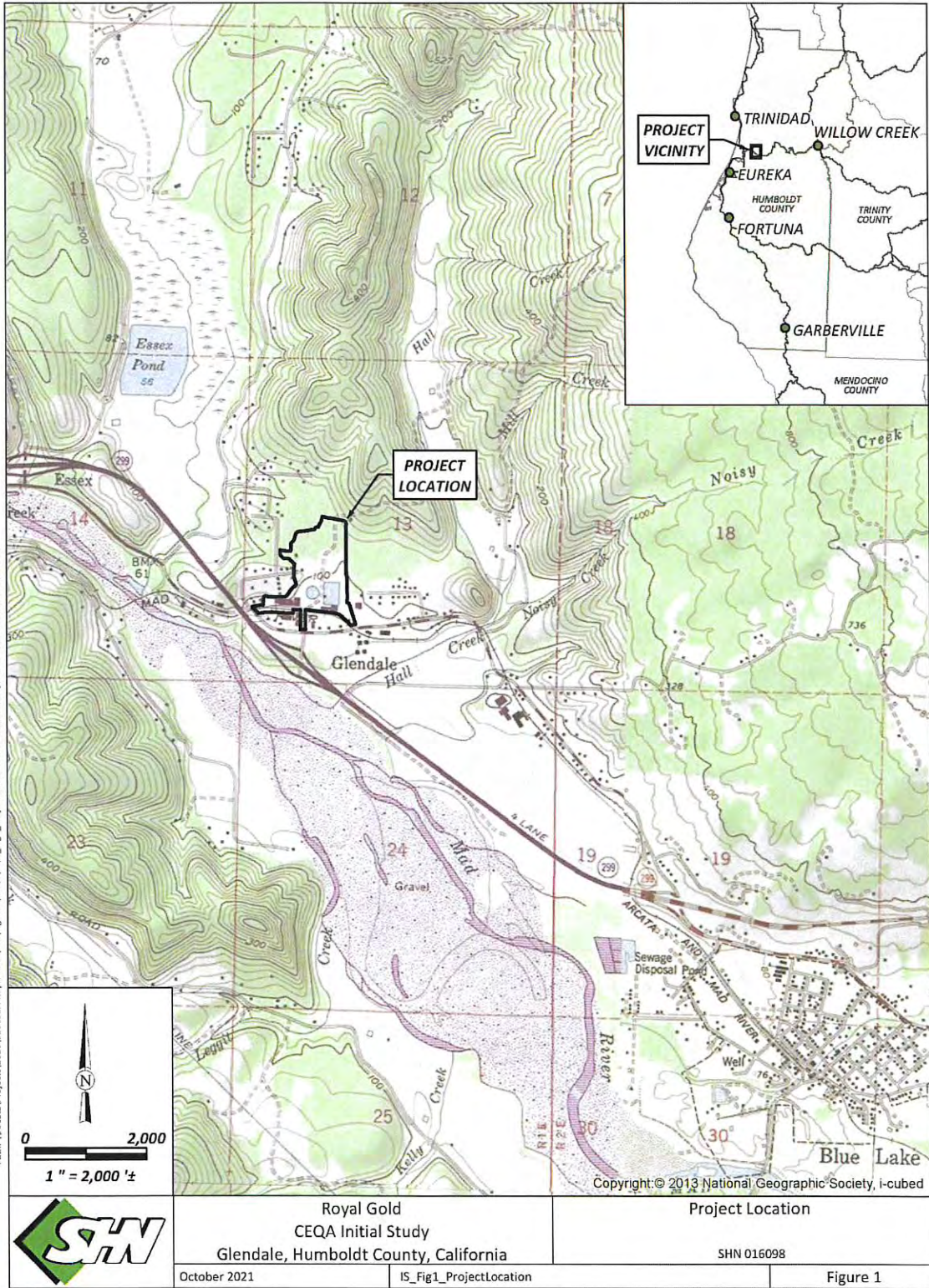
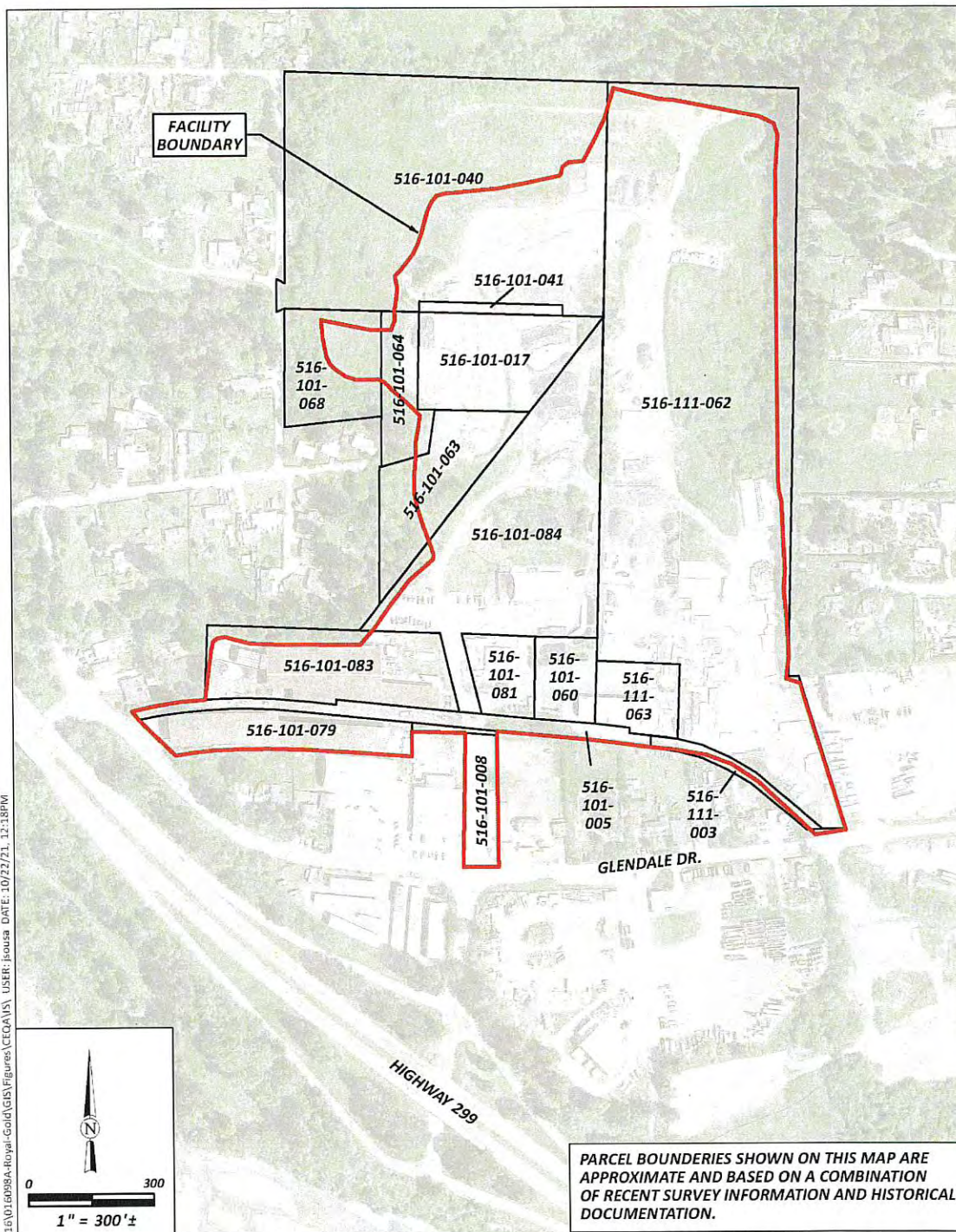


EXHIBIT B  
SITE DIAGRAM



PARCEL BOUNDARIES SHOWN ON THIS MAP ARE APPROXIMATE AND BASED ON A COMBINATION OF RECENT SURVEY INFORMATION AND HISTORICAL DOCUMENTATION.

\\ArcGIS\Projects\2016\016098A-Royal-Gold\GIS\Figures\CEQA\MS\ USER: jhouse DATE: 10/22/21, 12:18PM


	Royal Gold CEQA Initial Study Glendale, Humboldt County, California	Assessor Parcel Numbers  SHN 016098
	October 2021	IS_Fig3_APNs

EXHIBIT C  
SCOPE OF WORK

*In the event that DTSC determines that further action is needed upon completion of Task 1, the following additional tasks may be requested. Additional tasks will be included as a new cost estimate and scope of work to this Agreement.*

The following tasks will be completed as part of this Agreement:

**TASK 1 Document Review**

Proponent will submit to DTSC available background information, environmental assessment reports, and any other information pertinent to the hazardous substance management, release, characterization, and/or cleanup of the Site. DTSC may review some or all the information to identify areas and media of concern and to determine the additional work, if any, required to complete the investigation (which includes assessment/evaluation activities not requiring field sampling) and/or remediation of the Site. Proponent may also provide environmental investigation and/or cleanup-related documents for a specific review to determine if actions conducted without DTSC oversight were protective of human health and the environment. The information submitted by Proponent shall be reviewed for conformance with DTSC standards for quality assurance/quality control, investigation, and remediation.

Based on DTSC's review, these documents may be considered to be Preliminary Endangerment Assessment equivalent documents.

Subsequent to its review, DTSC may issue correspondence to the Proponent describing deficiencies of the environmental investigation or cleanup, indicate a limited concurrence with the findings, or make a different determination based on specific circumstances and documents included in the review. For projects where the scope of work is limited to document review only, a formal scoping meeting may not be required, based on mutual agreement between DTSC and the Proponent.

Documents included in this task are:

1. Soil and Groundwater Management Plan, prepared by SHN, dated October 2021
2. Comments provided by Humboldt Baykeeper and the Humboldt Bay Municipal Water District on the Soil and Groundwater Management Plan

EXHIBIT D  
COST ESTIMATE

<b>COST ESTIMATE WORKSHEET</b> Type of Agreement: Standard Voluntary Agreement Date: 6/28/2022 Site Name: Royal Gold Site Code: 202421-11					
DTSC Project Team	VCP Coord.	Project Management	Supervision	Toxicology	Geology
Classification (personnel)	Sr. ES	HSE	Senior Engineering Geologist	Staff Toxicologist	Engineering Geologist
<b>TASK: (enter # hrs)</b>					
Agreement Prep./Negotiation	3				
Project Management		1			
Document Review		5	3		5
Total No. Hours/Class	3	6	3	0	5
Hourly Rate/Class	\$213	\$256	\$301	\$251	\$257
Cost/Class	\$639	\$1,536	\$903	\$0	\$1,285
Subtotal	\$4,363				
Contingency (10%)	\$436				
<b>Grand Total Cost</b>	<b>\$4,799</b>				
<b>Advance Payment</b>	<b>\$2,400</b>				

EXHIBIT E  
CALENDAR OF TASKS AND SCHEDULE

Activity	Schedule
Scoping Meeting	During Agreement negotiation, or shortly after Agreement execution based on DTSC evaluation of project needs
Advance Payment	Within 10 days of Agreement execution
Submit existing data	Within 10 days of Agreement execution, or as requested by DTSC
DTSC Completion of Document Review	Within 30-45 days of receipt of documents included in review and/or completion of Scoping Meeting

**Humboldt Bay Municipal Water District**

To: Board of Directors

From: John Friedenbach

Date: August 3, 2022

Subject: Request for Camping use at Park 1 by the Friends of the Pleistocene (FOP)

**Discussion**

At our June board meeting, after discussion with the Friends of the Pleistocene, Mr. Robert McPherson expressed interest in using HBMWD's Park 1 for a 2-day event by the FOP. They are only requesting use of Park 1 August 26<sup>th</sup> and 27<sup>th</sup>. The camping activities for approximately 200 individuals were described as "car camping" and car access within Park 1 was requested in addition to use of the parking lot. They have stated that alcohol will be provided to participants. FOP will provide and pay for portable bathrooms.

In email correspondence, Mr. McPherson has described their activities as: these field trips are held in all regions of the west, to get people together and discuss the current research on each specific area. The research focusses on recreating how we got to the present from about 2 million years ago, the Pleistocene. Here on the north coast, we will be looking at marine and fluvial terraces and what they tell us about the tectonics in our region. We will also visit recently discovered active faults. The FOP has been shown to be a wonderful way to network and exchange recent research by camping together for three days (Thursday FOP will be in the Petrolia area). The group is composed of scientists and family members from all over the world, many universities, as well as multiple government agencies: USGS, CGS, BLM, etc.

The board directed staff to modify our existing facility use agreement to allow for certain one-time exceptions to HBMWD Ordinance No. 22 [effective November 14, 2019] which established rates, rules and regulations for use of District lands. Attached for your review and consideration is that revised facility use agreement which includes an Exhibit A – Covenant Not To Sue, Release, Assumption of Risk and Indemnity Agreement which will be signed by each participant. These documents have been reviewed by District Counsel. FOP has obtained a quote for insurance for the event. They could only obtain general aggregate insurance for \$3M rather than our recommended \$4M. Given the use of the waivers of liability, staff believes this level is acceptable.

**Decision**

The proposed facility use agreement has been sent to the ACWA-JPIA for review. They have expressed some initial concerns of high risk – over night camping, alcohol, and proximity to water. JPIA management is reviewing the activity. Staff expects a decision from the JPIA prior to our board meeting.

The Board can either:

1. Authorize the use of Park 1 by the FOP utilizing the revised Facility Use agreement granting use of Park 1 with the enumerated one-time exceptions to Ordinance 22, user fees, and lower general aggregate insurance level of \$3M.

Or

2. Deny the special facility use by the FOP.

**Next Steps**

If approved:

1. Obtain necessary certificate of insurance naming HBMWD as an additional insured.
2. Reserve Park 1 as appropriate. [Park 1 is currently available Aug. 26/27]
3. Obtain required user fees and make necessary logistical arrangements.



**PARK DAY USE FACILITIES USE AGREEMENT**

1. Applicant Name: \_\_\_\_\_ Group Name: \_\_\_\_\_
2. Email: \_\_\_\_\_ Phone Number: \_\_\_\_\_
3. Applicant Mailing Address: \_\_\_\_\_
4. Contact Person for Day of the Event: \_\_\_\_\_ Phone #: \_\_\_\_\_
5. Applicant hereby requests approval to use a part of the following District facility:
  - a)  (Check one) While an area can be reserved, the entire park is not available for any event.
    - i. Park 1 7270 West End Road
  - b) Specific Area Requested: Parking lot; Field area inside gate for camping; Gazebo facility.
  - c) Excluded Area: Restroom will be locked. FOP must provide portable bathrooms to be located in parking lot only.
6. Date(s) of use: August 26<sup>th</sup> and 27<sup>th</sup>, 2022 Time of Use (starting/ending): 10:00 a.m. / 12:00 noon Aug 28<sup>th</sup>.
7. Purpose of Use: Car camping for Friends of the Pleistocene (FOP).
8. Number of people planning to use facility (note – maximum allowed 200): 200.
9. Describe any special activities that will take place, and whether any special equipment or materials will be brought onto District facilities: \_\_\_\_\_  
\_\_\_\_\_
10. Will alcohol be served? (Circle One) YES NO Will alcohol be sold? \_\_\_\_\_
  - a) (If alcohol will be sold, the attached checklist for Alcohol Concessions (Attachment B) must be completed, the District's insurance carrier must approve the event, and an Alcoholic Beverage Control License (ABC Permit) must be obtained by Applicant).
11. **Waiver Forms.** FOP shall strictly require that each adult participant sign, on behalf of himself or herself and on behalf of any accompanying minors, the COVENANT NOT TO SUE, RELEASE, ASSUMPTION OF RISK AND INDEMNITY AGREEMENT in the form attached hereto as Exhibit A. FOP shall certify to the District in writing that it has complied with this provision and return the originals of each form to the District no later than 5:00 PM on August 26, 2022.

12. **Cancellation:** Reservations are subject to change or cancellation at any time at the sole discretion of the District. The District will attempt to provide as much notice as possible if a change or cancellation is necessary.
13. **Possessory Interest Tax:** To date, the County has not charged possessory interest tax for use of District facilities. If the County starts charging possessory interest tax in the future, the Applicant shall be obligated to pay said tax associated with their use of District facility.
14. **Safety and Security:** The Applicant shall execute and maintain the event so as to avoid injury or damage to any person or property. A security plan is required in advance and must be approved by the District. The Applicant is responsible, at its sole cost and expense, for security at the site and will not hold the District liable for any security breaches or incidents.
15. **Camp Fires:** The Applicant shall be responsible for maintaining and extinguishing any camp fires ignited by the group and for cleanup of any residual materials at a camp fire site. Camp fires are limited to the established rock ring campfire pit located near the Gazebo.
16. **Toilet Facilities:** The Applicant, at its sole cost and expense, shall provide sufficient and adequate portable (B&B) toilet units with sufficient capacity according to local health codes for the number of event participants. Said portable toilet units shall be removed from the District facility with no residual waste remaining on District lands.
17. **Clean-Up:** Applicant agrees to clean-up the facility, and leave it in the same condition as existed prior to the meeting/event including removal of all trash at applicant's own expense. If the District must clean-up or make repairs to the facility after Applicant's use, the Applicant agrees to reimburse the District for actual costs incurred for the clean-up or repair activities.
18. **Laws, Regulations and Permits:** The Applicant shall give all notices and shall comply with all laws, ordinance, rules and regulations pertaining to the meeting/event. The Applicant shall be liable for all violations of the law in connection with the meeting/event. All participants must sign and provide to the District a waiver of liability.
19. To the fullest extent permitted by law, Applicant agrees to be solely responsible for any and all injuries, damages, and claims to persons or property arising out of its use of Humboldt Bay Municipal Water District's facilities, except for any such claims arising out of the sole negligence or willful misconduct of Humboldt Bay Municipal Water District or its directors, officers, employees, or authorized volunteers. Applicant agrees to immediately defend, hold harmless, and indemnify Humboldt Bay Municipal Water District, its directors,

officers, employees, or authorized volunteers against any and all such injuries, damages, and claims. This indemnification agreement shall not be restricted to any insurance proceeds.

**20. Insurance**

- a) Applicant shall provide and maintain general liability insurance (as broad as ISO Occurrence From CG 0001) with limits of at least two million dollars (\$2,000,000) per occurrence or the full per occurrence limit of the policy, whichever is greater (\$3,000,000 general aggregate, if used) for bodily injury, personal injury and property damage arising out of the activities and properties as described herein. Coverage shall include contractual liability covering the Applicant's obligations in provision 15. Coverage shall not be limited in any way with respect to host liquor liability coverage. The general liability coverage shall give Humboldt Bay Municipal Water District, its directors, officers, employees, and authorized volunteers insured status using ISO endorsement as broad as CG 2011 85 or CG 20 26 0413. Applicant shall provide Humboldt Bay Municipal Water District with a certificate of insurance and additional insured endorsement before scheduled use. Such insurance shall be primary and any insurance, self-insurance or other coverage maintained by Humboldt Bay Municipal Water District, its directors, officers, employees, or authorized volunteers shall not contribute to it (as broad as ISO endorsement CG 20 01 0413). Coverage is to be placed with a carrier with an A.M. Best rating of no less than A-:VII, or equivalent, or as otherwise approved by Humboldt Bay Municipal Water District. Sub-Applicants - In the event that the Applicant employs other applicants (sub-applicants) as part of the work covered by this agreement, it shall be the Applicant's responsibility to require and confirm that each sub-applicant meets the minimum insurance requirements specified above. The Applicant shall, upon demand of Humboldt Bay Municipal Water District, deliver to Humboldt Bay Municipal Water District copies such policy or policies of insurance and the receipts for payment of premiums thereon.
- b) If relevant for the event, Applicant shall insure, or be a qualified self-insured, with respect to the applicable laws relating to workers' compensation coverage (California Labor Code Section 3700), all of Applicant's employees working on or about Humboldt Bay Municipal Water District's facilities. Applicant shall provide Humboldt Bay Municipal Water District with a certificate of Workers' Compensation and Employer's Liability insurance coverage to be placed with a carrier with an A.M. Best rating of no less than A-:VII, or equivalent, or as otherwise approved by Humboldt Bay Municipal Water District. The employer's liability limit shall be no less than \$1,000,000 each accident or disease.
- c) The Applicant hereby grants to Humboldt Bay Municipal Water District a waiver of any right to subrogation which any insurer of said Applicant may acquire against the Humboldt Bay Municipal Water District by virtue of the payment of any loss under such insurance. Applicant agrees to obtain any endorsement that

PO Box 95, Eureka CA 95502-0095

Telephone (707) 443-5018 • Email [billing@hbmwd.com](mailto:billing@hbmwd.com)

may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the Humboldt Bay Municipal Water District received a waiver of subrogation endorsement from the insurer.

- d) If any of the above coverages expire during the term of this agreement, the Applicant shall deliver the renewal certificate(s) including the general liability additional insured endorsement to Humboldt Bay Municipal Water District at least ten (10) days prior to the expiration date.

**For safety, I agree to have all attendees follow the Humboldt County Public Health Guidelines as outlined on the following website:**

<https://humboldt.gov/2725/Local-Orders>

[the remainder of this page is intentionally left blank]

DRAFT

**I agree to comply with all of the above terms and conditions and I have read and understand HBMWD's Ordinance 22 (see attachment): For items contained in this agreement that conflict with Ordinance 22, this agreement shall govern and control.**

\_\_\_\_\_  
 (Applicant Name and Title – Please Print) (Applicant's Signature)

\_\_\_\_\_  
 (Date)

Approved by HBMWD:

\_\_\_\_\_  
 (Signature) (Title) (Date)

District Use:

Deadline for Receipt of ALL Completed Documents (2 weeks prior to date of event) \_\_\_\_\_

Date Received Completed FUA: \_\_\_\_\_ Date Received Insurance Documents: \_\_\_\_\_

Number of attendees Anticipated: \_\_\_\_\_

Date Paid Use Fees: \$ \_\_\_\_\_ Amount Paid: \$ \_\_\_\_\_ Check #/Cash/CC: \_\_\_\_\_

Purchased Insurance through ACWA/JPIA: (Check if Yes)  ACWA/JPIA Premium: \$ \_\_\_\_\_

ABC Permit Required? (Check if Yes)  Date Received ABC Permit: \_\_\_\_\_

Non-refundable use fees are based on the anticipated number of people attending.  
*Maximum number allowed for event is limited to 200 people.*

**Fees:**

<u>Number of attendees</u>	<u>Rate</u>
	(Non-Refundable)
0-200	\$10.00/person/night

**COVENANT NOT TO SUE, RELEASE, ASSUMPTION OF RISK AND INDEMNITY AGREEMENT**

In consideration of being allowed on the real property of the **HUMBOLDT BAY MUNICIPAL WATER DISTRICT** ("District"), located at 7270 West End Road, Arcata, CA, consisting of parking areas, trails, camping areas, and riverfront access (the "Park"), among other things, for the purpose of engaging in recreational activities (including camping, hiking, picnicking, sightseeing and spectating ("Activities")), the undersigned, on behalf of himself/herself, and his/her personal representatives, heirs, next of kin, accompanying minors over which I am a parent or legal guardian, **AGREE AS FOLLOWS:**

**Release of Liability.** I do now remise, release, acquit, satisfy and forever discharge the District, its directors, agents, employees, independent contractors, successors and assigns, insurers, and volunteers (collectively, "Releasee") from all actions, causes of action, suits, contracts, controversies, promises, trespasses, damages, judgments, claims and demands whatsoever in law or in equity, which I ever had, now have or may have in the future, or which any personal representative, successor, heir or assign of mine in the future can, shall or may have, for any reason or cause whatsoever, including but not limited to any and all claims, causes of action, suits, controversies or demands arising out of or relating in any fashion whatsoever to my physical presence at the Park or my participation in Activities at the Park.

**Covenant not to Sue.** I covenant not to sue or otherwise assert a claim of any nature whatsoever against Releasee arising out of or in any way related to my physical presence at the Park or my participation in Activities at the Park.

**Indemnification.** I agree to indemnify, hold harmless, and defend Releasee from and against any and all claims, costs, expenses, or liability (including attorney's fees), attributable to bodily injury, sickness, disease, or death, or to damage or destruction of property (including loss of use of property) caused by, arising out of, resulting from, or occurring in connection with any Activities I or a minor child under my care and/or control may engage in at the Park.

**Assumption of Risk.** I understand and comprehend the risk associated with my or a minor child's under my care and/or control presence at the Park and the Activities engaged in at the Park, and I assume full responsibility for any risk of bodily injury, death or property damage associated therewith.

IN SIGNING THIS AGREEMENT THE UNDERSIGNED ACKNOWLEDGES THAT HE/SHE HAS CAREFULLY READ AND UNDERSTOOD THIS AGREEMENT. THE UNDERSIGNED UNDERSTANDS THAT HE/SHE IS WAIVING ANY RIGHTS TO FILE A LAWSUIT OR INITIATE A CLAIM PROCEDURE IN RESPECT TO RECOVERING FOR ANY PERSONAL INJURIES, PROPERTY DAMAGES OR LOSSES SUSTAINED BY THE UNDERSIGNED OR A MINOR CHILD UNDER THE UNDERSIGNEDS CARE AND OR CONTROL. THE UNDERSIGNED AGREES THAT THIS AGREEMENT SHALL BE BINDING UPON AND INURE TO THE BENEFIT OF THE PARTIES HERETO AND THEIR RESPECTIVE HEIRS, EXECUTORS, ADMINISTRATORS, LEGAL REPRESENTATIVES AND SUCCESSORS, AND ASSIGNS.

*(To be completed by a person 18 years of age or older)*

Name: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Use Date(s): \_\_\_\_\_

Signature: \_\_\_\_\_

*(To be completed by an adult, parent or legal guardian if accompanied by a person less than 18 years of age)*

**On behalf of my child named below, I agree as set forth above:**

Minor's Name: \_\_\_\_\_ Age: \_\_\_\_\_

Minor's Name: \_\_\_\_\_ Age: \_\_\_\_\_

Minor's Name: \_\_\_\_\_ Age: \_\_\_\_\_

Signature: \_\_\_\_\_

**Facilities Use Agreement - Alcohol Concessions**  
(Note: Only complete if alcoholic beverages will be sold at event)

Have policies and procedures been established to address the following:

- a. Making sure those who serve alcohol meet age requirements, and prohibits them from consuming alcohol during their work shift?  
 Yes  No  N/A

Comments:

- b. Training those who serve liquor in alcohol awareness techniques, state law requirements, and how to deal with intoxicated persons?  
 Yes  No  N/A

Comments:

- c. Denying entry of intoxicated persons to the event?  
 Yes  No  N/A

Comments:

- d. Prohibiting attendees from bringing alcohol to the event?  
 Yes  No  N/A

Comments:

- e. Limiting the size of the containers in which alcohol will be served?  
 Yes  No  N/A

Comments:

- f. Checking Photo ID's to verify legal ages?  
 Yes  No  N/A

Comments:

- g. Establishing a limit of no more than two drinks per person per purchase?  
 Yes  No  N/A

Comments:

- h. Designating times for the beginning and end of alcohol sales?  
 Yes  No  N/A

Comments:

i. Serving food at the event to help absorb alcohol?  
 Yes  No  N/A

Comments:

j. Encouraging designated drivers and arranging for alternative modes of transportation for those who may become intoxicated?  
 Yes  No  N/A

Comments:

k. Prohibiting sales to people who are obviously intoxicated?  
 Yes  No  N/A

Comments:

l. Providing security or law enforcement personnel to deal with intoxicated or unruly attendees?  
 Yes  No  N/A

Comments:

m. Verifying that any required special events permits for serving alcohol have been obtained?  
 Yes  No  N/A

Comments:

n. Verifying that event sponsors and promoters who serve alcohol have adequate liquor liability insurance and the public entity is named as an additional insured on the policy?  
 Yes  No  N/A

Comments:

**Please attach Dept. of Alcoholic Beverage Control License.**

Applicant Name: \_\_\_\_\_ Group Name: \_\_\_\_\_

Email: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Applicant Mailing Address: \_\_\_\_\_

Contact Person for Day of the Event: \_\_\_\_\_ Phone #: \_\_\_\_\_

Please sign certifying information above is correct,

\_\_\_\_\_  
(Applicant Name and Title – Please Print)

\_\_\_\_\_  
(Applicant's Signature)



# New Business

**Humboldt Bay Municipal Water District**

To: Board of Directors

From: Sherrie Sobol

Date: August 4, 2022

Re: District Conflict of Interest Code (Ordinance 12, Amended August 2014)

\*\*\*\*\*

**Background**

The Humboldt County Office of Elections & Voter Registration and the Political Reform Act requires local government agencies to review their Conflict- of- Interest Code biennially. This is to determine if he current code is accurate and meets all current requirements. This also provides all agencies an opportunity to amend the code.

**Discussion**

Since the code was last reviewed in July 2020, it is time to again review the Conflict-of-Interest Code. Response is due to the Office of Elections and Voter Registration by September 6, 2022. The Office of Elections receives all local agency forms and presents them to the Board of Supervisors for approval.

Staff has reviewed the website for the Fair Political Practices Commission (FPPC) for new releases or law changes that would impact the District’s current Conflict-of-Interest Code, as amended on August 2014. At this time, the District’s Ordinance 12, Conflict-of-Interest Code is current. Directors have a copy of Ordinance 12 in their *Board Policy Manual for Governance of the District, Appendix G*.

**Staff Recommendation**

Staff recommends the Board approve the District’s “2022 Local Agency Biennial Notice” with a response of “No Amendment is Required.”



COUNTY OF HUMBOLDT  
Office of Elections & Voter Registration

2426 6<sup>th</sup> Street  
Eureka, CA 95501-0788  
707-445-7481  
Fax 707-445-7204

TO: Humboldt Bay Municipal Water District  
828 7th Street  
Eureka, CA 95501

FROM: Christina Strevey, Administrative Analyst

DATE: June 26, 2022

SUBJECT: 2022 Biennial Notice for Conflict-of-Interest Code

H.B.M.W.D. JUN 28 2022

## RESPONSE DEADLINE: SEPTEMBER 6, 2022

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The Political Reform Act requires local government agencies to review their conflict-of-interest code every two years and determine if revisions to the code are necessary. Any necessary revisions must be reviewed and approved by the Humboldt County Board of Supervisors. The Office of Elections assists in this process by receiving districts' materials and presenting proposed revisions to Board of Supervisors for approval. **Districts must complete and forward a completed 2022 Local Agency Biennial Notice form to the Office of Elections no later than September 6, 2022.** Please feel free to contact the Humboldt County Office of Elections at 707-445-7481 with questions.

### Required Components for Conflict-of-Interest Code

A local government agency's Conflict-of-Interest Code must contain three components: (1) terms of the code; (2) designated positions, and (3) disclosure categories. Each component is briefly defined below. Additional information about required components can be found at the Fair Political Practices Commission (FPPC) website: <http://www.fppc.ca.gov/>.

1. Incorporation (Terms of the Code): Terms of the Code include provisions that govern local government agencies' decisions, such as how financial interests are reported and where financial statements are held. The FPPC recommends that agencies incorporate FPPC Regulation 18730 by reference because these terms can be quite complex and Regulation 18730 contains all of these provisions. Regulation 18730 can be found on the FPPC's website at <http://www.fppc.ca.gov/>.
2. List of Designated Positions: A Conflict-of-Interest Code must list all positions that participate in the decision-making process where financial interests may exist, such as voting, negotiating contracts, or making recommendations on district-related matters.
3. Disclosure categories: Disclosure categories describe different types of financial interests based on job descriptions. Higher-level district positions that have a broader range of job duties will have increased disclosure requirements than district positions with limited job duties.

### 2022 Local Agency Biennial Notice

Name of Agency: Humboldt Bay Municipal Water District  
 Mailing Address: PO Box 95, Eureka, CA 95502-0095  
 Contact Person: Chris Harris Phone No. 707-443-5018  
 Email: harris@hbmwd.com Alternate Email: office@hbmwd.com

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

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

- An amendment is required. The following amendments are necessary:**  
 (*Check all that apply.*)
  - Include new positions
  - Revise disclosure categories
  - Revise the titles of existing positions
  - Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
  - Other (*describe*) \_\_\_\_\_
- The code is currently under review by the code reviewing body.**
- No amendment is required.** (If your code is over five years old, amendments may be necessary.)

**Verification (to be completed if no amendment is required)**

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

\_\_\_\_\_  
*Signature of Chief Executive Officer* August 11, 2022  
*Date*

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 3, 2022**, or by the date specified by your agency, if earlier, to:  
 Humboldt County Office of Elections  
 2426 6<sup>th</sup> Street  
 Eureka, CA 95501

**PLEASE DO NOT RETURN THIS FORM TO THE FPPC.**

**Humboldt Bay Municipal Water District**

To: Board of Directors

From: John Friedenbach

Date: July 25, 2022

Subject: Financing Consultant

**Discussion**

As approved in the current fiscal year's Project Budget and as requested previously by directors, staff has initiated preliminary consultations with a financial consultant, Oppenheimer & Co. Inc., for possible financing of District Capital Improvement Projects (CIP) or other financial obligations of the District, such as but not limited to: CalPERS unfunded liability or OPEB liability. See the attached and required disclosure statement G-17 dated July 18, 2022.

Staff has previously discussed with the Board the timing for seeking additional financing for the District. The initial concept is: once the current two loans mature, staff would initiate discussions with a financial consultant to determine the level of new debt financing that can be obtained based on the payment amounts of the current debt under then current interest rate market conditions. The current debt payment amounts are as follows:

Ranney Collector 3 and Techite Pipeline Projects Debt Service	\$162,200
TRF State Revolving Fund Loan Debt Service	<u>\$547,337</u>
Total current debt service	\$709,537

Unfortunately, interest rates are on the rise; however, they do remain at a historically low level. The exact level of funding supported by an annual debt service amount of approximately \$710,000, will be determined at the time of the financing. Staff has requested that Oppenheimer prepare preliminary projections of potential debt issuance supporting a \$710,000 annual payment, \$15M in debt, and \$20M in debt to frame our future discussions. Given the recent rise in interest rates the \$15M and \$20M debt levels may require higher debt service levels than the current amounts. However, the range of options will facilitate discussions regarding the choices of CIP and/or other financial obligations desired to be funded.

Oppenheimer staff, Nicki Tallman, Managing Director, Public Finance Investment Banking will make a presentation at the board meeting outlining the process to obtain financing for the District. See attached PowerPoint presentation slides.

**Next Steps**

1. Receive financial presentation/projections from Oppenheimer.
2. Provide update reports to the Board as additional information and analysis is obtained by staff.

**Staff Recommendation**

None at this time.



Rick Brandis  
Managing Director  
580 California Street, Suite 2300  
San Francisco, CA 94104

*Transacts Business on All Principal Exchanges, Member SIPC*

July 18, 2022

Humboldt Bay Municipal Water District  
828 Seventh Street  
Eureka, CA 95501

Attn: John Friedenbach, General Manager

Re: Disclosures by Sole Underwriter/Placement Agent  
Pursuant to MSRB Rule G-17  
Water Revenue Certificates of Participation

Dear John Friedenbach:

We are writing to provide you, as General Manager of the Humboldt Bay Municipal Water District (Issuer), and an official of the Issuer with the authority to bind the Issuer by contract, with certain disclosures relating to the captioned bond issue (Bonds) to:

- i. Confirm and engage Oppenheimer & Co. Inc. (Oppenheimer), to serve as underwriter/placement agent, and not as a financial advisor or municipal advisor, pursuant to the Securities and Exchange Commission's Municipal Advisor Rule in connection with the issuance of the Bonds, and;
- ii. Provide certain underwriting disclosures as required by Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2019-20 (Nov. 8, 2019).<sup>1</sup>

As part of our services as underwriter/placement agent, we may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

The following G-17 conflict of interest disclosures are now broken down into three types, including: 1) dealer-specific conflicts of interest disclosures (if applicable); 2) transaction-specific disclosures (if applicable); and 3) standard disclosures.

#### I. Dealer-Specific Conflicts of Interest Disclosures

Oppenheimer has identified the following actual or potential<sup>2</sup> material conflicts of interest:

- o In the ordinary course of its various business activities, Oppenheimer and its affiliates, officers, directors, and employees may purchase, sell or hold a broad array of investments and may actively trade securities, derivatives, loans, commodities, currencies, credit default

<sup>1</sup> Revised Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective Mar. 31, 2021).

<sup>2</sup> When we refer to *potential* material conflicts throughout this letter, we refer to ones that are reasonably likely to mature into *actual* material conflicts during the course of the transaction, which is the standard required by MSRB Rule G-17.

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swaps, and other financial instruments for their own account and for the accounts of customers. Such investment and trading activities may involve or relate to assets, securities, and/or instruments of the Issuer (whether directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. Oppenheimer and its affiliates also may communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and at any time may hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

## II. Transaction-Specific Disclosures

- Disclosures Concerning Complex Municipal Securities Financing:
  - Since we have not recommended a “complex municipal securities financing” to the Issuer or Obligor, additional disclosures regarding the financing structure for the Bonds are not required under MSRB Rule G-17.

## III. Standard Disclosures

- Disclosures Concerning the Underwriter’s Role:
  - MSRB Rule G-17 requires an underwriter/placement agent to deal fairly at all times with both issuers and investors.
  - The primary role of the underwriter is to purchase the Bonds with a view to distribution in an arm’s-length commercial transaction with the Issuer or as a placement agent, on a best efforts basis, negotiate with investor/s to purchase the Bonds. The underwriter/placement agent has financial and other interests that differ from those of the Issuer.
  - Unlike a municipal advisor, an underwriter/placement agent does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.
  - The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer’s interest in this transaction.
  - The underwriter has a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable, or on a best efforts basis, negotiate with investor/s to purchase the Bonds.



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- o The underwriter will review the official statement for the Bonds in accordance with, and a part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.<sup>3</sup>
- Disclosures Concerning the Underwriter's Compensation:
  - o The underwriter will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Please note that nothing in this letter should be viewed as a commitment by the underwriter to purchase or sell all the Bonds or as a placement agent, on a best efforts basis, negotiate with investor/s to purchase the Bonds, and any such commitment will only exist upon the execution of any bond purchase agreement or similar agreement and then only in accordance with the terms and conditions thereof.

It is our understanding that you have the authority to bind the Issuer by contract with us, and that you are not a party to any disclosed conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

Under SEC and MSRB Rules, we are required to confirm our role as underwriter/placement agent, and seek your acknowledgement that you have received this letter. Accordingly, please send me an email to that effect or sign and return the enclosed copy of this letter to me via email as a PDF attachment. Otherwise, an email read receipt from you or automatic response confirming that our email was opened by you will serve as an acknowledgment that you received these disclosures. Depending on the structure of the transaction that the Issuer decides to pursue, or if additional actual or potential material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you and the Issuer in connection with the issuance of the Bonds. Thank you.

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<sup>3</sup> Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriter is solely for purposes of satisfying the underwriter's obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

July 18, 2022

Sincerely,



Rick Brandis, Managing Director  
Oppenheimer & Co. Inc.

Acknowledgement:

\_\_\_\_\_  
John Friedenbach, General Manager

Date: \_\_\_\_\_

OPPENHEIMER

BRANDIS TALLMAN  
A DIVISION OF OPPENHEIMER & CO. INC.



# HUMBOLDT BAY MUNICIPAL WATER DISTRICT FINANCING UPCOMING CAPITAL IMPROVEMENT PROJECTS

AUGUST 11, 2022

# INTRODUCTION

- National Firm: Publicly traded on NYSE (Symbol: OPY)
- Large, independent full service retail broker-dealer
- 93 offices in 24 states, the District of Columbia, and 3 foreign jurisdictions
- Approximately 2,900 total employees
- Women and minorities make up approximately 46% of the Firm's workforce



## As of December 1, 2021:

- 996 financial advisors; over 350,000 accounts
- \$122.1 billion of client assets under administration; \$46.2 billion of clients under management
- \$823.8 million of Total Equity Capital; \$388.0 million of Excess Net Capital
- Capability to sole underwrite a bond issue of over \$1.5 billion

## BRANDIS TALLMAN DIVISION





- Brandis Tallman, a Division of Oppenheimer & Co. Inc. is the California public finance division of Oppenheimer
- Specializes in underwriting and placement agent services for all types of local government agencies
- Founding members have 65 years of combined service to California communities
- Members of the California Society of Municipal Finance Officers (CSMFO), consultants to the California Special Districts Association Finance Corporation (CSDA), and contributors to the California Debt and Investment Advisory Commission (CDIAC)



# EXPERIENCE

- Since 2018, we have completed 64 utility revenue financings for California public agencies, totaling over \$674 million in par amount. 46 financings of those financings were with utility districts in California
- We have 5 utility revenue financings in process

## Examples of Nearby Utility Revenue Financings:

McKinleyville CSD		Bodega Bay PUD		City of Healdsburg		City of Sebastopol	
\$7,895,000 Water and Wastewater Revenue COPs	\$6,231,000 Water Revenue Loan	\$26,625,000 Wastewater Revenue Bonds	\$1,019,462 Water Revenue Loan				

# NORTH COAST CLIENTS

Special Districts		
McKinleyville CSD	Bodega Bay PUD	Sonoma County Water Agency
Sweetwater Springs Water District	Scotia CSD	Millview County Water District
South Park County Sanitation District	Sonoma County Fire District	West County Transportation Agency

Cities/Towns		
Fort Bragg	Healdsburg	Sebastopol
Petaluma	Windsor	Sonoma

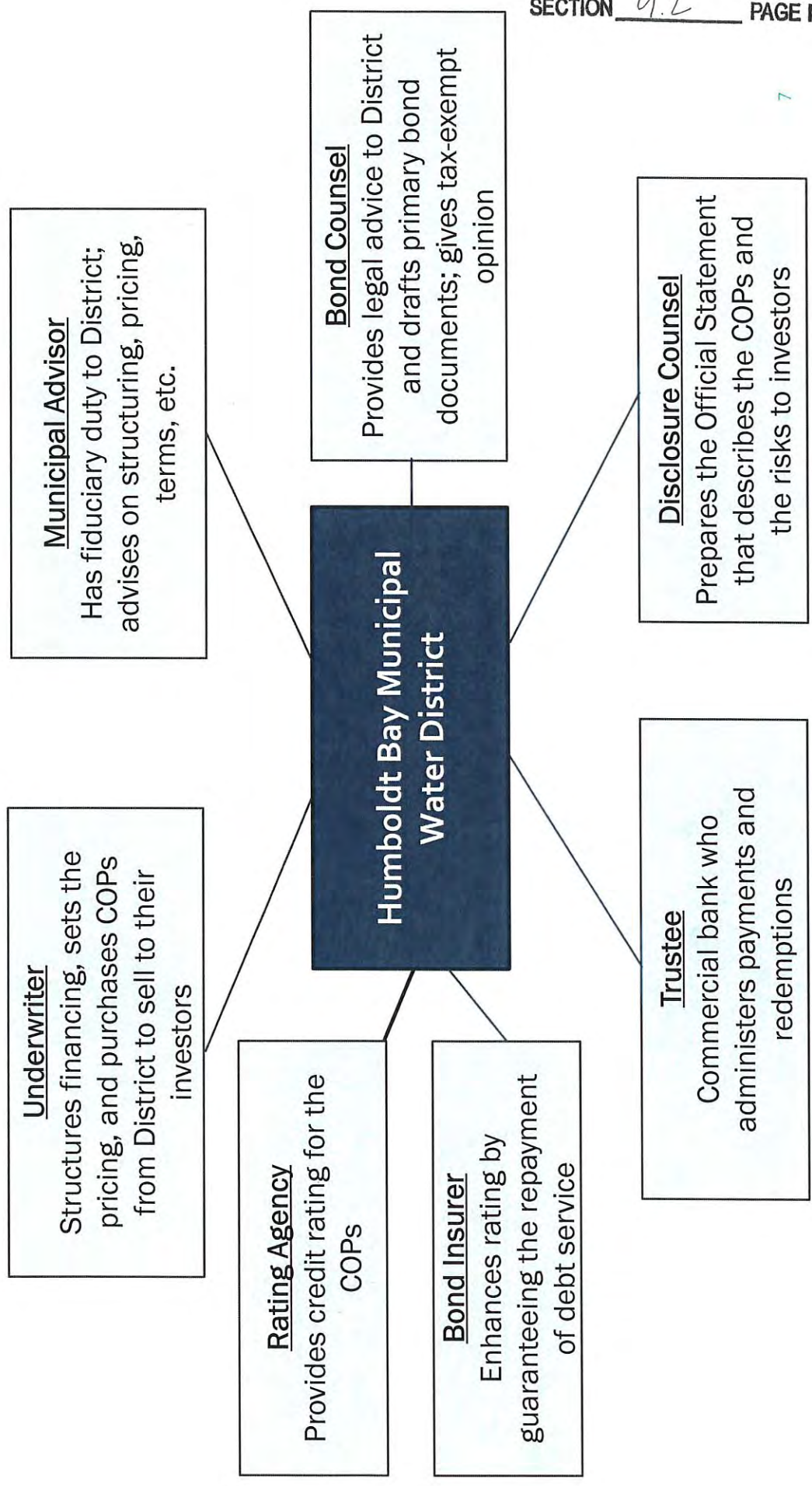
School Districts		
Eureka City USD	Fortuna Union HSD	Cloverdale USD

## WATER REVENUE CERTIFICATES OF PARTICIPATION

- District can finance their upcoming capital improvement projects by issuing Water Revenue Certificates of Participation (Revenue COPs)
- Repayment can be tailored to fit the District's goals; typical maximum term of 30 years, but longer can be considered
- Interest is exempt from federal and state income tax, allowing bondholders to accept a lower interest rate, thus lowering the borrowing cost to the District
- Revenue COPs are secured by a pledge of District revenues (net of O&M), which would include revenues received by the District's wholesale municipal customers



# FINANCING TEAM MEMBERS



# ESTIMATED FINANCING TIMELINE

Week	Event	Lead Party
One	Kick-off call with financing team	ALL
Two	Finance Committee meeting to introduce the financing 1 <sup>st</sup> draft of Resolution, legal documents, and POS are distributed	ISS/UW/MA BC
Three	Comments on legal documents due	ALL
Four	District Board meeting to introduce financing to the Board and public	ISS
Five	2 <sup>nd</sup> draft of Resolution, legal documents, and POS are distributed	BC
Six	Distribute credit package to rating agency and bond insurers	UW/MA
Seven	Rating call with rating agency	ALL
Eight	Receive rating and insurance bids	UW/MA
Nine	District Board meeting to approve financing and legal documents Distribute POS to investors	ISS UW
Ten	Price bonds, execute Certificate Purchase Agreement	UW/ISS
Twelve	Close financing	ALL

ISS= Issuer; UW= Underwriter; BC=Bond Counsel & Disclosure Counsel; MA=Municipal Advisor

## CREDIT RATING PROCESS

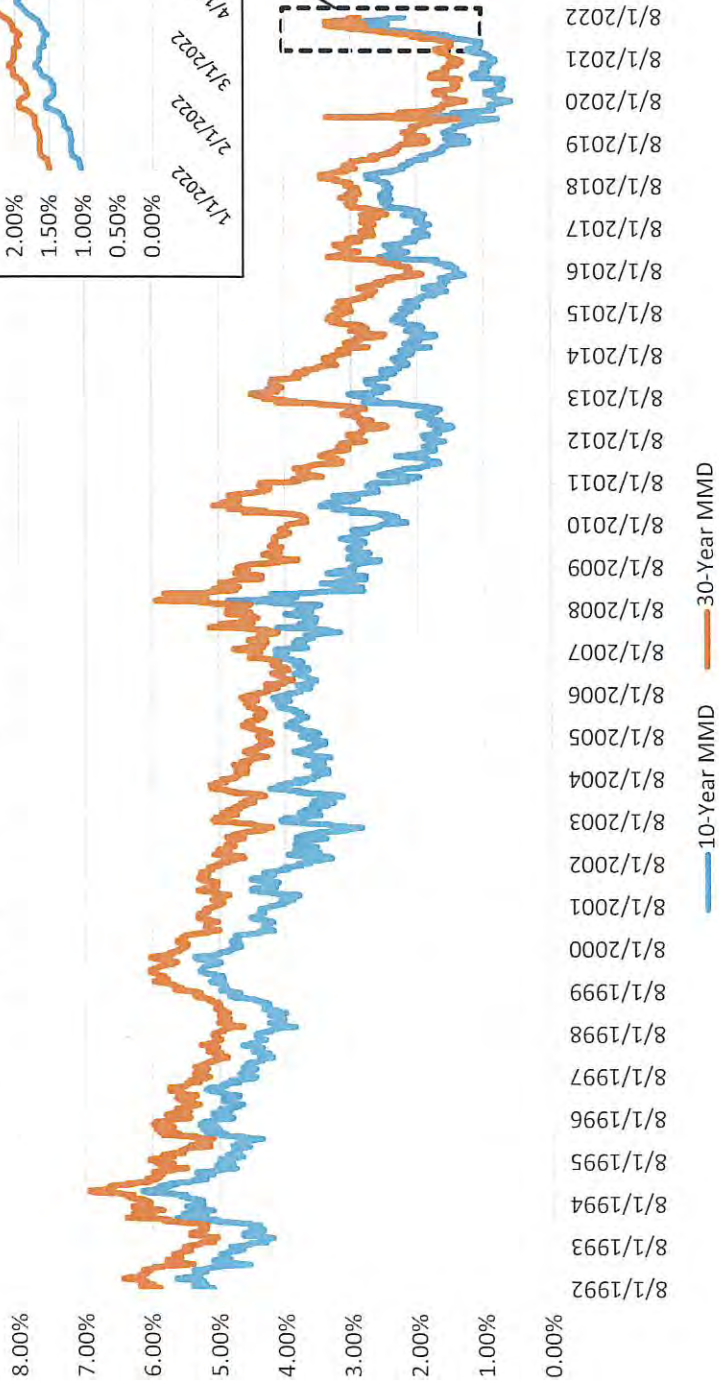
- Rating process occurs when the Preliminary Official Statement (POS) is nearly completed:
  - Underwriter and Municipal Advisor provide rating agency with full credit package
  - Rating agency holds a call with the District and financing team members to walk through a rating presentation (prepared by Underwriter or Municipal Advisor) and allow the District to answer any questions the rating agency has
  - Rating agency takes their report to credit committee and assigns a rating to the Revenue COPs, approximately a week after the rating call
  - Rating is then added to the POS. Bond insurance bids are evaluated, and if worthwhile insurance language is added to the POS. Once finalized, Underwriter distributes the POS to its investors to begin marketing the Revenue COPs

## CREDIT RATING CRITERIA

- S&P Global Ratings (S&P) is the predominant rating agency of Revenue COPs
- S&P bases their rating of wholesale utility district debt on:
  - Diversity and overall credit quality of its wholesale customers
  - Operational characteristics
  - Financial strength
  - Legal provisions of the Revenue COPs
- S&P will take into account the contracts the District has in place with their wholesale customers, specifically looking for:
  - If there are any 'step-up' provisions that allow customers to increase their payment to the wholesaler should another customer default on its contract
    - If there are no step-up provisions, then S&P will derive much of its rating upon the weakest customer
  - If customers are required to make full revenue payments to the District regardless of the project's performance, or if customer payments are contingent on performance of the project

# MUNICIPAL BOND YIELDS

Historical Municipal Bond Yields - Past 30 Years



- Municipal bond yields have been on the rise in 2022, increasing by approximately 140 basis points since the start of the year.
- Despite the recent jump in rates, over the last 30 years Municipal bond yields have been higher than today's levels
  - 75% of the time for the 10-Year MMD
  - 82% of the time for the 30-Year MMD

# PRELIMINARY NUMERICAL ANALYSIS

- Preliminary numerical models are sized to create annual debt service payments of \$710,000, consistent with what the District has been paying on its outstanding debt

Water Revenue COPs	20-Year Term	30-Year Term
Par Amount	\$9,195,000	\$11,160,000
Project Fund Proceeds	\$9,575,000	\$11,600,000
Costs of Issuance	\$289,896	\$316,775
Net Issue Premium	\$669,896	\$756,775
True Interest Cost*	4.00%	4.40%
All-In True Interest Cost*	4.26%	4.57%
Average Fiscal Year Debt Service	\$710,000	\$710,000
Total Debt Service	\$14,453,671	\$21,612,821

\*Interest rates are as of August 2, 2022 and are subject to change.

## COSTS OF ISSUANCE

- Below are the estimated costs associated with issuing Revenue COPs with a par amount of approximately \$12 million
- Costs are included in the loan amount. Any figures quoted from our preliminary numerical models factor in costs of issuance

Cost of Issuance	Estimated Amount
Underwriter	\$80,000
Municipal Advisor	\$50,000
Bond Counsel	\$50,000
Disclosure Counsel	\$30,000
Rating	\$26,000
Trustee (and Trustee's Counsel)	\$7,500
Bond Insurance	\$45,000
Surety Policy	\$22,500
Rounding/Miscellaneous	\$9,000
<b>Total</b>	<b>\$320,000</b>

# PRELIMINARY MODEL - 20-YEAR TERM

**Sources:**

Bond Proceeds:	
Par Amount	9,195,000.00
Net Premium	669,896.00
	<u>9,864,896.00</u>

**Uses:**

Project Fund Deposits:	
Project Fund	9,575,000.00
Delivery Date Expenses:	
Cost of Issuance	173,500.00
Underwriter's Discount	64,365.00
Bond Insurance	28,907.34
Surety Policy	21,369.00
	<u>288,141.34</u>

Other Uses of Funds:

Additional Proceeds	1,754.66
	<u>9,864,896.00</u>

Period Ending	Principal	Interest	Debt Service
6/1/2024		255,645.83	255,645.83
6/1/2025	280,000	431,250.00	711,250.00
6/1/2026	295,000	416,875.00	711,875.00
6/1/2027	310,000	401,750.00	711,750.00
6/1/2028	325,000	385,875.00	710,875.00
6/1/2029	340,000	369,250.00	709,250.00
6/1/2030	360,000	351,750.00	711,750.00
6/1/2031	375,000	333,375.00	708,375.00
6/1/2032	395,000	314,125.00	709,125.00
6/1/2033	415,000	293,875.00	708,875.00
6/1/2034	435,000	272,625.00	707,625.00
6/1/2035	460,000	250,250.00	710,250.00
6/1/2036	485,000	226,625.00	711,625.00
6/1/2037	505,000	204,400.00	709,400.00
6/1/2038	525,000	183,800.00	708,800.00
6/1/2039	550,000	162,300.00	712,300.00
6/1/2040	570,000	139,900.00	709,900.00
6/1/2041	595,000	113,625.00	708,625.00
6/1/2042	625,000	83,125.00	708,125.00
6/1/2043	660,000	51,000.00	711,000.00
6/1/2044	690,000	17,250.00	707,250.00
	<u>9,195,000</u>	<u>5,258,670.83</u>	<u>14,453,670.83</u>



# PRELIMINARY MODEL - 30-YEAR TERM

**Sources:**

Bond Proceeds:	
Par Amount	11,160,000.00
Net Premium	756,774.60
	<u>11,916,774.60</u>

**Uses:**

Project Fund Deposits:	
Project Fund	11,600,000.00
Delivery Date Expenses:	
Cost of Issuance	173,500.00
Underwriter's Discount	78,120.00
Bond Insurance	43,225.64
Surety Policy	21,380.25
	<u>316,225.89</u>

Other Uses of Funds:

Additional Proceeds	548.71
	<u>11,916,774.60</u>

Period Ending	Principal	Interest	Debt Service
6/1/2024		317,945.83	317,945.83
6/1/2025	170,000	540,800.00	710,800.00
6/1/2026	180,000	532,050.00	712,050.00
6/1/2027	185,000	522,925.00	707,925.00
6/1/2028	195,000	513,425.00	708,425.00
6/1/2029	205,000	503,425.00	708,425.00
6/1/2030	215,000	492,925.00	707,925.00
6/1/2031	230,000	481,800.00	711,800.00
6/1/2032	240,000	470,050.00	710,050.00
6/1/2033	255,000	457,675.00	712,675.00
6/1/2034	265,000	444,675.00	709,675.00
6/1/2035	280,000	431,050.00	711,050.00
6/1/2036	295,000	416,675.00	711,675.00
6/1/2037	305,000	403,200.00	708,200.00
6/1/2038	320,000	390,700.00	710,700.00
6/1/2039	330,000	377,700.00	707,700.00
6/1/2040	340,000	364,300.00	704,300.00
6/1/2041	360,000	348,500.00	708,500.00
6/1/2042	380,000	330,000.00	710,000.00
6/1/2043	400,000	310,500.00	710,500.00
6/1/2044	420,000	290,000.00	710,000.00
6/1/2045	440,000	268,500.00	708,500.00
6/1/2046	465,000	245,875.00	710,875.00
6/1/2047	490,000	222,000.00	712,000.00
6/1/2048	515,000	196,875.00	711,875.00
6/1/2049	540,000	170,500.00	710,500.00
6/1/2050	565,000	142,875.00	707,875.00
6/1/2051	595,000	113,875.00	708,875.00
6/1/2052	625,000	83,375.00	708,375.00
6/1/2053	660,000	51,250.00	711,250.00
6/1/2054	695,000	17,375.00	712,375.00
	<u>11,160,000</u>	<u>10,452,820.83</u>	<u>21,612,820.83</u>

# \$15 MILLION AND \$20 MILLION PROJECT FUNDS

- The table below shows what the financing would look like if the District increased the project fund proceeds to \$15 Million and \$20 Million

Water Revenue COPs	\$15 Million Project Fund		\$20 Million Project Fund	
	20-Year Term	30-Year Term	20-Year Term	30-Year Term
Par Amount	\$14,310,000	\$14,385,000	\$19,025,000	\$19,125,000
Project Fund Proceeds	\$15,000,000	\$15,000,000	\$20,000,000	\$20,000,000
Costs of Issuance	\$353,433	\$359,096	\$411,503	\$420,998
Net Issue Premium	\$1,043,433	\$974,096	\$1,386,503	\$1,295,998
True Interest Cost*	4.00%	4.40%	4.00%	4.40%
All-In True Interest Cost*	4.18%	4.54%	4.15%	4.51%
Average Fiscal Year Debt Service	\$1,105,087	\$914,719	\$1,469,419	\$1,216,261
Total Debt Service	\$22,499,642	\$27,851,338	\$29,917,313	\$37,032,629

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\*Interest rates are as of August 2, 2022 and are subject to change.



All materials, including proposed terms and conditions, are indicative and for discussion purposes only. Finalized terms and conditions are subject to further discussion and negotiation and will be evidenced by a formal agreement. Opinions expressed are our present opinions only and are subject to change without further notice. The information contained herein is confidential. By accepting this information, the recipient agrees that it will, and it will cause its directors, partners, officers, employees and representatives to use the information only to evaluate its potential interest in the strategies described herein and for no other purpose and will not divulge any such information to any other party. Any reproduction of this information, in whole or in part, is prohibited. Except in so far as required to do so to comply with applicable law or regulation, express or implied, no warranty whatsoever, including but not limited to, warranties as to quality, accuracy, performance, timeliness, continued availability or completeness of any information contained herein is made. Opinions expressed herein are current opinions only as of the date indicated. Any historical price(s) or value(s) are also only as of the date indicated. We are under no obligation to update opinions or other information.

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Oppenheimer shall have no liability, contingent or otherwise, to the user or to third parties, or any responsibility whatsoever, for the correctness, quality, accuracy, timeliness, pricing, reliability, performance or completeness of the data or formulae provided herein or for any other aspect of the performance of this material. In no event will Oppenheimer be liable for any special, indirect, incidental or consequential damages which may be incurred or experienced on account of the user using the data provided herein or this material, even if Oppenheimer has been advised of the possibility of such damages. Oppenheimer will have no responsibility to inform the user of any difficulties experienced by Oppenheimer or third parties with respect to the use of the material or to take any action in connection therewith. The fact that Oppenheimer has made the materials or any other materials available to you constitutes neither a recommendation that you enter into or maintain a particular transaction or position nor a representation that any transaction is suitable or appropriate for you.

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## NORTH COAST RESOURCE PARTNERSHIP

### EXHIBIT B CONCEPT PROPOSAL TEMPLATE

Please complete a Concept Proposal for Project Development and Technical Assistance (maximum 5 pages) that demonstrates an understanding of the NCRP and funding partner goals and objectives, describes potential project activities that promote one or several of the following: forest/ watershed health, fuel load reduction, salmonid recovery, intra-regional cooperation, climate change mitigation/ adaptation, water quality/ supply, public health and economic vitality. The concept proposal must also demonstrate a clear need for Technical Assistance to develop the proposed project.

Project Name: **HBMWD WATERSHED LIDAR PROJECT**

1. Abstract of the project for which you are requesting technical assistance [750 characters max.]

Ruth Lake is the primary drinking water source for two-thirds of the residents of Humboldt County, a source of recreation in Trinity County and the primary environmental water enhancement source in the Mad River basin during the river's natural low flow season. Humboldt Bay Municipal Water District (District) needs technical assistance to perform analysis and implementation of Lidar data that will be provided from the USGS Northern California Lidar acquisition project. We have a small staff that has no experience nor knowledge of how to apply Lidar mapping to our watershed in the areas of: wildfire reforestation, fuel reduction, erosion control to protect water quality, or other applications for Lidar mapping.

2. Detailed description of the project for which you are requesting technical assistance [2000 characters max.]

*The Project Description should include: the intended purpose of the project; a problem statement: why the project or process is needed; setting and background; the major components of the project or process; a description of how the project or process will be implemented (if known) and a summary of the expected/desired benefits.*

Purpose of the Project: The purpose of the project is to hire a competent consultant with substantial experience in the interpretation, post-processing and implementation of Lidar data to watersheds to maintain and enhance our high water quality with the Mad River basin. Problem Statement: The project is needed because the District staff has no knowledge of how to apply the Lidar mapping that our District will obtain from the USGS's Northern California Lidar Acquisition Project, of which our District is a project partner. Setting and Background: The District is a small municipal water district with only 30 talented employees. However, no employees have any technical knowledge nor technical ability to process, analyze, interpret, and implement application strategies utilizing Lidar mapping and data. The District has general knowledge that Lidar is utilized in the water industry for watershed management and in the forestry industry for timber management. Major

Components of the Project: Implementation Process: the District will hire a competent Lidar consultant to assist the District with analysis, processing and application of Lidar data to the following areas: watershed management, erosion control, timber management, wildfire recovery, all of which relate to maintaining and improving water quality which is at the core of our District's mission. Summary of Benefits: By customizing the lidar data and user interface to meet the District watershed, forestry, water quality, and water system needs, the District will be able to take advantage of this tool. By generating lidar digital terrain models and maps, the District will be able to improve future water, resource management and wildfire planning in the Ruth Lake area.

3. List and describe specific Project Goals/Objectives

Acquisition of processed Lidar data for the HBMWD Ruth Lake area will provide an invaluable tool for water system watershed management and forest management purposes. Using the processed lidar data, the District will be able to integrate with GIS, map forest canopies, roads and skid trails, potential unstable areas, historic sites, watercourses, etc. Goals include: generating digital elevation models, digital surface models and shaded relief mapping. We hope that the lidar can be used to collect data on physical objects including mapping bathymetry (surfaces below water). The lidar information will include adjacent private lands and the processed lidar coverages will be made available for those adjacent landowners.

4. Describe the specific technical assistance needed to fully develop the project and why technical assistance is requested from your organization.

The right level of expertise to post-process the lidar data would help District to utilize this valuable tool for numerous watershed related planning projects. The technical assistance could also assist the District with hosting the processed lidar coverages on the District's website or alternatively linking it to another GIS website host such as Trinity County.

5. Describe how the project addresses the NCRP Goals and Objectives

The District is cooperating with the NCRP, USGS and others in the Northern California LIDAR Acquisition Project. If successful in obtaining a Technical Assistance Grant from the NCRP, the resulting data will be utilized by our District to enhance the water quality in the Mad River basin which will provide beneficial water uses to approximately two thirds of the population of Humboldt County as well as enhance the ecosystem within the Mad River basin downstream of the R. W. Matthews dam. Water is essential to life and well-being. Access to high quality water promotes economic vitality. A major contributor to climate quality are healthy forests. Forests help to slow the rate of climate change by removing carbon dioxide from the atmosphere and storing it. This is a direct effect, as the primary driver of climate change is the over-abundance of carbon dioxide in the atmosphere. Utilization of the Lidar data to assist the District manage our timber lands and guide our wildfire re-forestation projects within the Mad River watershed will improve climate quality.

6. Briefly describe the location and size of the project.

The location of the project is within the Mad River watershed which spans portions of both southern Trinity and central Humboldt Counties. The Mad River watershed is approximately 500 square miles.

7. Describe how the project provides direct benefits to a project area comprised of Tribes, Economically Disadvantaged Communities or Severely Disadvantaged Communities and list these communities. [NCRP Interactive Map]

A vast majority of the District's water service boundaries are classified as economically disadvantaged communities. Although a small area, there are areas of severely economically disadvantaged communities within the District's service area. There are also multiple Tribes who consume water within the District's service area. Maintaining high water quality directly benefits businesses and individuals within the District's service area.

8. Describe how the project addresses the need of the communities listed above.

All individuals and businesses need/consume water for one or more reasons.

9. List and describe the partnerships involved in the project and local and/or political support.

The District is the wholesale water provider to seven separate municipalities within Humboldt County. They include the Cities of: Arcata, Blue Lake, Eureka and the following Community Service Districts: Fieldbrook, Humboldt, Manila and McKinleyville. Each of these has provided political support to our District at various times during our relationships and we expect that would continue with our ability to continue to provide high quality water. The District has a working relationship with the US Forest Service in our Healthy Forest re-forestation program connected to the August Complex Fire and we anticipate that the utilization of the Lidar data will enhance our interaction with USFS.

10. List the estimated benefits expected to result from the proposed project.

Processing the Northern California LIDAR Acquisition data will enable the District to take full advantage of this tool for water system, watershed and forest planning efforts. Existing maps can be updated, refined and enhanced using the precision of lidar technology. Having higher resolution contour mapping coverages accessible to District staff, consultants and project partners will improve project development, project implementation, planning and monitoring.

11. List any existing scientific studies, plans, designs or engineering reports related to the project for which you are requesting technical assistance project.

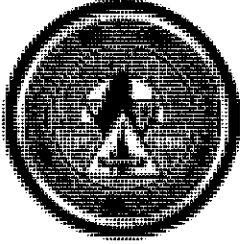
We are requesting technical assistance to interpret and implement strategies utilizing the USGS Northern California LIDAR Acquisition project data.

12. List the approximate project cost and potential sources of grant and matching funds, including amounts and their status.

Since we have no knowledge nor experience with utilization of Lidar mapping data, we do not know the cost for the appropriate consultants. Consequently, we respectfully request the maximum grant amount for our project, or \$15,000.

13. List any upcoming Tribal, state, federal, philanthropic funding programs (IRWM, CAL FIRE, other) for which you intend to submit an implementation funding application.

None.

**HUMBOLDT BAY MUNICIPAL WATER DISTRICT**

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

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

FAX 707-443-5731 707-822-8245

EMAIL [OFFICE@HBMWD.COM](mailto:OFFICE@HBMWD.COM)Website: [www.hbmwd.com](http://www.hbmwd.com)

BOARD OF DIRECTORS  
SHERI WOO, PRESIDENT  
NEAL LATT, VICE-PRESIDENT  
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MICHELLE FULLER, DIRECTOR  
DAVID LINDBERG, DIRECTOR

GENERAL MANAGER  
JOHN FRIEDENBACH

August 2, 2022

Ramona Fernandez, Deputy Director  
Department of Boating and Waterways  
Via email: [Ramona.Fernandez@parks.ca.gov](mailto:Ramona.Fernandez@parks.ca.gov)

**RE: Appeal of Partial Grant Denial for C22Q0803**

Dear Deputy Director Fernandez,

We respectfully appeal the decision to award partial grant funding for Grant Number C22Q0803, Tier 2 Implementation.

Our original grant application included Task 1 in the amount of \$22,300. Our application included Tier 2 -Implementation Project Narrative, Section B-Project Description (see attached) begins by stating:

*"Our project consists of relocating the Ruth Recreation launch site access gate, purchasing (and installing) bollards and boulders to realign the entrance and eliminate uncontrolled lake access thereby strengthening the implementation of our Prevention Plan."*

We later shortened the *relocating the Ruth Recreation launch site access gate* to relocating the Ruth Recreation launch site. We acknowledge how this may have caused some confusion as to the purpose of the actual project. We now understand that this grant program does not cover relocating launch sites or CEQA. For our project the actual launch site itself will remain where it is. The launch site access gate and associated electronics is what we intend to relocate and is what we are seeking funding for from the grant program.

We respectfully request additional grant funding in the amount \$14,800 to relocate the Ruth Recreation launch site access gate: \$14,000 to cover the costs to relocate the gate arm and associated electronics, and \$800 to remove trees where the new gate access will be located.

We are not requesting the original grant application amount of \$22,300 since CEQA in the amount of \$7,500 is not a covered expense. (\$22,300-\$7,500= \$14,800)

Attached you will find email correspondence between our District and DBW confirming that this grant program does allow reimbursement for a gate arm (new, installation, and/or relocation).

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

Regards,

  
John Friedenbach  
General Manager

Encl: Project Narrative, Section B  
Emails dated July 18, 2022 from HBMWD and August 2, 2022 from DBW

cc: [Edward.Hard@parks.ca.gov](mailto:Edward.Hard@parks.ca.gov)  
[Cara.Roderick@parks.ca.gov](mailto:Cara.Roderick@parks.ca.gov)



# Engineering

GAVIN NEWSOM  
GOVERNOR



MARK S. GHILARDUCCI  
DIRECTOR

July 26, 2022

John Friedenbach  
General Manager  
Humboldt Bay Municipal Water District  
P.O. Box 95  
Eureka, CA 95502-0095

Subject: **Notification of Approval of Supplemental Funds**  
Hazard Mitigation Grant Program  
FEMA-4240-DR-CA, Project #PJ0017, FIPS #023-91000,  
Supplement #125

Dear Mr. Friedenbach:

The California Governor's Office of Emergency Services (Cal OES) has received a notification from the Federal Emergency Management Agency (FEMA) approving **\$307,500.00** in additional funds for this grant subaward. A copy of FEMA's letter is enclosed for your records.

Payments will be made on a reimbursement basis using the Hazard Mitigation Reimbursement Request form. A ten percent (10%) retention will be withheld from all reimbursement payments and will be released as part of the grant subaward closeout process. Please note that your organization must maintain an active registration in the SAM.gov (System for Award Management) database for the duration of this grant subaward.

Please read the enclosed supplement. In accordance with Title 44 Code of Federal Regulations, Part 206.440, if you disagree with FEMA's obligated amount or scope of work listed in the supplement, you can appeal. All appeals must be in writing and received by Cal OES within 60 days from the receipt of this letter.

If you have any questions or need assistance, please contact the Recovery Financial Processing Unit at (916) 845-8110 or at HMGrantsPayments@caloes.ca.gov.

Recovery Financial Processing Unit

Enclosures

c: Subrecipient's Project File



3650 SCHRIEVER AVENUE • MATHER, CA 95655  
RECOVERY FINANCIAL PROCESSING UNIT  
(916) 845-8110



**FEMA**

July 14, 2022

Ryan Buras, Deputy Director  
 Governor's Authorized Representative  
 California Governor's Office of Emergency Services  
 3650 Schriever Avenue  
 Mather, California 95655

Reference: Approval of Additional Funding, HMGP DR-4240-17-24R  
 Humboldt Bay Municipal Water District  
 12kV Switchgear Relocation Mitigation Project  
 FIPS Code: 023-04A9F, Supplement 125

Dear Ryan Buras:

This is in response to your letter on January 24, 2022, requesting additional Hazard Mitigation Grant Program (HMGP) funds for the Humboldt Bay Municipal Water District, HMGP DR-4240-17-24R, 12kV Switchgear Relocation Mitigation Project. You indicate that costs have increased due to a generator controller upgrade which can be programmed to integrate with the new switchgear equipment to allow the generator to function as required by PG&E.

We approve and issue additional funds. The total Federal share increased from \$2,267,496 to \$2,574,996, and the total project cost is now \$3,433,328. As shown in the enclosed Obligation Report - Supplement 125, we are obligating \$307,500 for the 75 percent Federal share; the 25 percent non-Federal share is \$102,500. These funds are available in SmartLink for immediate and eligible disbursements.

The following is a summary of the approved funding and award conditions:

<b>Approvals:</b>	<b>Federal Share:</b>	<b>Non-Federal Share:</b>	<b>Total Project Cost:</b>
Supplements 64 & 107	\$2,267,496	\$ 755,832	\$3,023,328
Additional Funding, Supplement 125	\$ 307,500	\$ 102,500	\$ 410,000
<b>TOTALS</b>	<b>\$2,574,996</b>	<b>\$ 858,332</b>	<b>\$3,433,328</b>

- 1. Scope of Work (SOW)** – The SOW in the original award letter states that the Humboldt Bay Municipal Water District is to replace the current 12-kilovolt switchgear equipment with new equipment on an adjacent site that is outside a flood and dam break inundation zone. The approved revised to the scope of work is to includes the physical controller, the planning for the project, the conduit and wiring, and programming the controller.

2. **Project Completion Date** – The work schedule in the original award states the project completion time frame is September 22, 2023. Please inform the subrecipient that work completed after this date is not eligible for federal funding, and federal funds may be de-obligated for work not completed within schedule for which there is no approved time extension.
3. **Record of Environmental Consideration (REC)** – FEMA has determined that this project is Categorically Excluded from the need to prepare either an Environmental Impact Statement or Environmental Assessment in accordance with FEMA Instruction 108-1-1 and FEMA Directive 108-1-1 as authorized by DHS Instruction Manual 023-01-001-01, Revision 1. Categorical Exclusion N8 (Federal Assistance for New Construction Activities of Less Than One Acre in Undisturbed or Undeveloped Areas) has been applied. Particular attention should be given to the project conditions before and during project implementation. Failure to comply with these conditions may jeopardize federal assistance including funding.
4. **Standard Conditions** – This project approval is subject to the enclosed *Standard Mitigation Grant Program (HMGP) Conditions*, amended August 2018. Please note that federal funds may be de-obligated for work that does not comply with these conditions.

If you have any questions, please contact Aaron Lim, Hazard Mitigation Assistance Specialist, by email at [aaron.lim@fema.dhs.gov](mailto:aaron.lim@fema.dhs.gov) or phone at (510) 627-7036.

Sincerely,

**KATHRYN J LIPIECKI**

Digitally signed by KATHRYN J

LIPIECKI

Date: 2022.07.14 08:51:13 -07'00'

Kathryn Lipiecki  
Director, Mitigation Division  
FEMA Region 9

Enclosures (4):

Obligation Report – Supplement 125  
Project Management Report  
Record of Environmental Consideration (REC)  
Standard Mitigation Grant (HMGP) Conditions

cc: Jennifer Hogan, State Hazard Mitigation Officer, California Governor's Office of Emergency Service  
Jacy Hyde, Ph.D., Branch Chief, California Governor's Office of Emergency Services  
Robert McCord, Chief, Hazard Mitigation Assistance Branch, FEMA Region 9

7/6/2022  
7:48 AM

FEDERAL EMERGENCY MANAGEMENT AGENCY  
HAZARD MITIGATION GRANT PROGRAM

HMGP-OB-01

SECTION 10.1 ai PAGE NO. 4

Obligation

Disaster No	FEMA Project No	Amendment No	State Application ID	Action No	Supplemental No	State	Recipient
4240	24 -R	2	17	3	125	CA	Statewide

Subrecipient: HUMBOLDT BAY MUNICIPAL WATER DISTRICT Project Title : Humboldt Bay MWD 12kV Switchgear Relocation

Subrecipient FIPS Code: 023-04A9F

Total Amount Previously Allocated	Total Amount Previously Obligated	Total Amount Pending Obligation	Total Amount Available for New Obligation
\$2,574,996.00	\$2,574,996.00	\$0.00	\$0.00

Project Amount	Recipient Admin Est	Subrecipient Admin Est	Total Obligation	IFMIS Date	IFMIS Status	FY
\$307,500.00	\$0.00	\$0.00	\$307,500.00	06/23/2022	Accept	2022

Comments

Date: 06/17/2022 User Id: SSCOTT39

Comment: Approved funding for HMGP 4240-17-24R-Humboldt County-Humboldt Bay Municipal Water District-12KV Switchgear Relocation Mitigation Project for \$307,500.00.

Authorization

Preparer Name: STEVEN SCOTT

Preparation Date: 06/17/2022

HMO Authorization Name: AARON LIM

HMO Authorization Date: 06/23/2022

APPLICATION AND CERTIFICATION FOR PAYMENT

TO: HBMWD PROJECT: HBMWD 12kv Switchgear Relocation APPLICATION NO: 17  
 828 7th St  
 Eureka, CA 95501  
 FROM: Sequoia Construction Specialties ENGINEER: GHD PERIOD FROM: 06/01/22  
 PO Box 6061 Eureka, CA 95502-6061 PERIOD TO: 07/11/22  
 FEMA NO.: 4240-DR-CA-PJ0017

CONTRACT FOR: APPLICATION DATE: 07/11/22

APPLICATION FOR PAYMENT

Application is made for Payment, as shown below, in connection with the Contract.  
 Continuation Sheet is attached.

1. Original Contract Sum	2,448,063.00
2. Net Change by Change Orders	408,965.20
3. Contract Sum to Date (Line 1 and 2)	2,857,028.20
4. Total Completed & Stored to Date	2,857,028.20
5. Retainage:	
a. 5% of Completed & Stored Work	142,851.41
<b>Total Retainage</b>	<b>142,851.41</b>
6. Total Earned Less Retainage	2,714,176.79
7. Less Previous Certificates for Payment (Net amount)	2,544,149.19
8. Current Payment Due	170,027.60
9. Balance to Finish, Plus Retainage	0.00

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months.	400,962	0
Total approved this Month	8,003	0
<b>TOTALS</b>	<b>\$408,965</b>	<b>\$0</b>
<b>NET CHANGES BY Change Order</b>		<b>\$408,965</b>

APPROVED BY

*North Ste* 7/15/2022

ENGINEER: GHD

OWNER: HBMWD

The undersigned Contractor certifies that to the best of the contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is not due.

Contractor:

By: Brian Pritchard

7/11/2022

PROJECT: HBMWD 12kV Relocation

Application and Certificate for payment, containing Contractor's signed certification is attached. In tabulations below, amounts are stated to the nearest dollar.

APPLICATION NO: 17.00  
 APPLICATION DATE: 07/11/22  
 PERIOD TO: 07/11/22

ITEM NO.	DESCRIPTION OF WORK	SCHEDULED VALUE	WORK COMPLETED		STORED MATERIALS	TOTAL COMPLETED AND STORED TO DATE	%	BALANCE TO FINISH	RETAINAGE
			PREVIOUS APPLICATIONS	THIS PERIOD					
1	Mobilization	120,000.00	80,000.00	40,000.00	0.00	120,000.00	100%	0.00	6,000.00
2	Erosion Control	10,000.00	6,000.00	4,000.00	0.00	10,000.00	100%	0.00	500.00
3	Access Road	32,500.00	29,250.00	3,250.00	0.00	32,500.00	100%	0.00	1,625.00
4	Trenching	320,895.00	320,895.00	0.00	0.00	320,895.00	100%	0.00	16,044.75
5	Vaults	109,450.00	109,450.00	0.00	0.00	109,450.00	100%	0.00	5,472.50
6	Building Pad	108,020.00	108,020.00	0.00	0.00	108,020.00	100%	0.00	5,401.00
7	Drainage	24,453.00	10,000.00	14,453.00	0.00	24,453.00	100%	0.00	1,222.65
8	Ramp & Wall	81,070.00	63,000.00	18,070.00	0.00	81,070.00	100%	0.00	4,053.50
9	Site Grading	119,340.00	92,000.00	27,340.00	0.00	119,340.00	100%	0.00	5,967.00
10	Fence	27,025.00	27,025.00	0.00	0.00	27,025.00	100%	0.00	1,351.25
11	IPA Building	404,808.00	404,808.00	0.00	0.00	404,808.00	100%	0.00	20,240.40
12	PG&E Interconnection	33,000.00	29,700.00	3,300.00	0.00	33,000.00	100%	0.00	1,650.00
13	1200 A Metering	34,068.00	34,068.00	0.00	0.00	34,068.00	100%	0.00	1,703.40
14	1200 A Breakers	169,514.00	169,514.00	0.00	0.00	169,514.00	100%	0.00	8,475.70
15	1200 A Feeders	482,470.00	482,470.00	0.00	0.00	482,470.00	100%	0.00	24,123.50
16	1200 A Bus	108,966.00	108,966.00	0.00	0.00	108,966.00	100%	0.00	5,448.30
17	Switchgear Battery	57,108.00	57,108.00	0.00	0.00	57,108.00	100%	0.00	2,855.40
18	Relocate Gen Controller	43,287.00	41,122.65	2,164.35	0.00	43,287.00	100%	0.00	2,164.35
19	Testing	116,186.00	110,376.00	5,810.00	0.00	116,186.00	100%	0.00	5,809.30
20	Decommissioning	45,903.00	43,607.00	2,296.00	0.00	45,903.00	100%	0.00	2,295.15
C.O.									
1	Fence upgrade	23,265.00		23,265.00	0.00	23,265.00	100%	0.00	1,163.25
2	Contract Days	0.00		0.00	0.00	0.00	0%	0.00	0.00
3	Controller	291,742.00	291,742.00	0.00	0.00	291,742.00	100%	0.00	14,587.10
4	Scada Panelview	3,466.00	3,466.00	0.00	0.00	3,466.00	100%	0.00	173.30
5	Test Switches	42,281.07	42,281.07	0.00	0.00	42,281.07	100%	0.00	2,114.05
6	Feeder #5 + Additional Rock	15,294.92	15,294.92	0.00	0.00	15,294.92	100%	0.00	764.75
7	Misc Electrical	13,385.43	13,385.43	0.00	0.00	13,385.43	100%	0.00	669.27
8	Feeder #5 Splices	4,660.71	4,660.71	0.00	0.00	4,660.71	100%	0.00	233.04
9	Move CT's	6,867.00	6,867.00	0.00	0.00	6,867.00	100%	0.00	343.35
10	Feeder #3 Splices	8,003.07	8,003.07	0.00	0.00	8,003.07	100%	0.00	400.15
				8,003.07	0.00	8,003.07	0%	0.00	0.00
	Sub-Total	2,857,028.20	2,678,051.78	178,976.42	0.00	2,857,028.20	100%	0.00	142,851.41

# FINANCIALS



HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
STATEMENT OF FUND BALANCES - PAGE 1 OF 2



<u>BANK ACCOUNT BALANCES AT MONTH-END</u>	July 31, 2022	July 31, 2021
<b>GENERAL ACCOUNTS</b>		
1. US Bank - General Account	3,833,446.68	3,248,911.59
2. US Bank - Xpress BillPay/Electronic Payments Account	3,382.52	1,848.16
<i>Subtotal</i>	3,836,829.20	3,250,759.75
<b>INVESTMENT &amp; INTEREST BEARING ACCOUNTS</b>		
3. US Bank - DWR/SRF Money Markey Acctnt	166,548.44	166,530.97
4. US Bank - DWR/SRF Reserve CD Account	547,336.94	547,329.73
5. US Bank - PARS Investment Account	906,479.07	1,047,146.99
<i>Contributions = \$800,000 Earnings = \$106,479</i>		
6. L. A. I. F Account - MSRA Reserve Account	445,577.91	443,506.98
7. CalTRUST - Restricted Inv. Account (Medium Term)	1,329,638.18	1,329,638.18
8. CalTRUST - Unrestricted Inv. Account (Medium Term)	369,207.67	423,277.65
9. CalTRUST - DWFP Reserve Account (FedFund)	241,439.02	240,692.44
10. CalTRUST - ReMat Account (LEAF Fund)	1,071,198.83	780,347.80
11. CalTRUST - General Reserve Account (Short-Term)	2,369,534.14	2,383,348.11
<i>Total CalTRUST Accounts</i>	<i>5,381,017.84</i>	<i>5,157,304.18</i>
12. Humboldt County - SRF Loan Payment Account	326,473.33	52,804.75
13. Humboldt County - 1% Tax Account	(18,048.38)	-
14. Principle Investment Account	35,745.93	33,177.42
<i>Subtotal</i>	7,791,131.08	7,447,801.02
<b>OTHER ACCOUNTS</b>		
15. ReMat Deposit - Mellon Bank	27,000.00	27,000.00
16. Cash on Hand	650.00	650.00
<i>Subtotal</i>	27,650.00	27,650.00
<b>TOTAL CASH</b>	<b>11,655,610.28</b>	<b>10,726,210.77</b>

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
STATEMENT OF FUND BALANCES - PAGE 2 OF 2



<u>FUND BALANCES AT MONTH-END</u>	July 31, 2022	July 31, 2021
<b>RESTRICTED FUNDS - ENCUMBERED</b>		
1. Prior-Year Price Factor 2 Rebate	(26,693.85)	(3,289.92)
2. Prior-Year Restricted AP Encumbrances	(577,939.00)	(360,351.00)
3. Advanced Charges - 12Kv Relocation	-	(821,879.67)
4. Advanced Charges - 18,000lb Excavator	-	(1,500.00)
5. Advanced Charges - 3x Tank Seismic Retrofit	(1,256,440.67)	(1,056,440.67)
6. Advanced Charges - Cathodic Protection Project	(124,999.96)	(102,083.33)
7. Advanced Charges - Collector 2 Rehabilitation	(1,319,299.00)	(1,210,004.00)
8. Advanced Charges - On-Site Generation of Chlorine	(994,042.37)	(800,676.92)
9. Advanced Charges - Redundant Pipeline	(315,003.96)	(168,337.33)
10. Advanced Charges - TRF Emergency Generator	(375,000.00)	(306,250.00)
11. 3AC Collected Funds - TRF Emergency Generator	(317,390.32)	-
12. Advanced Funding - Community Power Resiliency	-	(215,000.00)
13. Advanced Funding - FEMA, Shoreline Debris Removal	(97,941.60)	-
14. Advanced Funding - August Complex-Ruth Paving	(112,456.22)	-
15. Advanced Charges - Assist. Spillway Seismic Grant	(23,333.32)	(2,083.33)
16. Advanced Funding - Eureka Cyber Security	(19,597.72)	-
17. Advanced Charges - Essex Facility Expansion	(105,400.00)	-
18. Advanced Charges - Capital Financing/Debt Service	(94,616.67)	-
<i>Subtotal</i>	(5,760,154.66)	(5,047,896.17)
<b>RESTRICTED FUNDS - OTHER</b>		
19. 1% Tax Credit to Muni's	18,048.38	-
20. DWR Reserve for SRF Payment	(166,548.44)	(166,530.97)
21. DWR Reserve for SRF Loan	(547,336.94)	(547,336.94)
22. Pension Trust Reserves	(906,479.07)	(1,047,146.99)
23. ReMat Deposit	(27,000.00)	(27,000.00)
24. HB Retail Capital Replacement Reserves	(130,355.84)	(92,712.85)
<i>Subtotal</i>	(1,759,671.91)	(1,880,727.75)
<b>UNRESTRICTED FUNDS</b>		
<b>BOARD RESTRICTED</b>		
25. MSRA Reserves	(445,577.91)	(443,506.98)
26. DWFP Reserves	(241,439.02)	(240,692.44)
27. ReMat Reserves	(1,071,198.83)	(780,347.80)
28. Paik-Nicely Development	(4,158.00)	(4,158.00)
29. Principle Investment Reserves	(35,745.93)	(33,177.42)
30. Northern Mainline Extension Study Prepayment	56.40	(5,651.43)
<i>Subtotal</i>	(1,798,063.29)	(1,507,534.07)
<b>UNRESTRICTED RESERVES</b>		
31. Accumulation for SRF Payment	(52,804.85)	(52,804.75)
32. Accumulation for Ranney/Techite Payment	-	(7,703.17)
33. General Fund Reserves	(2,284,915.57)	(2,235,177.30)
<i>Subtotal</i>	(2,337,720.42)	(2,290,052.78)
<b>TOTAL NET POSITION</b>	<b>(11,655,610.28)</b>	<b>(10,726,210.77)</b>

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
 REVENUE REPORT  
 July 31, 2022

8%  
 Of Budget Year



**A. REVENUE RETURNED TO CUSTOMERS VIA PF2**

	MTD RECEIPTS	YTD RECEIPTS	PRIOR YEAR	BUDGET	% OF BUDGET
1. Humboldt Bay Retail Water Revenue	22,415	22,415	23,479	375,000	6%
<b>General Revenue</b>					
Interest	0	0	0	0	0%
FCSD Contract (Maint. & Operations)	24,052	24,052	30,139	225,000	11%
Power Sales (Net ReMat)	8,277	8,277	3,925	125,000	7%
Tax Receipts (1% Taxes)	0	0	0	975,000	0%
2. Miscellaneous Revenue*	10,684	10,684	0	50,000	21%
<i>*Detail on following page</i>					
<b>TOTAL PF2 REVENUE CREDITS</b>	<b>65,428</b>	<b>65,428</b>	<b>57,543</b>	<b>1,750,000</b>	<b>4%</b>

**B. DISTRICT REVENUE**

	MTD RECEIPTS	YTD RECEIPTS	PRIOR YEAR	BUDGET	% OF BUDGET
3. Industrial Water Revenue					
Harbor District	0	0	0	0	0
<i>Subtotal Industrial Water Revenue</i>	0	0	0	0	0
4. Municipal Water Revenue					
City of Arcata	113,362	113,362	107,146	1,382,827	8%
City of Blue Lake	15,095	15,095	14,890	187,624	8%
City of Eureka	264,525	264,525	251,947	3,264,015	8%
Fieldbrook CSD	14,350	14,350	13,830	184,279	8%
Humboldt CSD	83,680	83,680	84,432	1,029,609	8%
Manila CSD	6,254	6,254	5,367	78,430	8%
McKinleyville CSD	91,958	91,958	86,182	1,131,105	8%
<i>Subtotal Municipal Water Revenue</i>	589,224	589,224	563,793	7,257,889	8%
<b>TOTAL INDUSTRIAL &amp; WHOLESALE REVENUE</b>	<b>589,224</b>	<b>589,224</b>	<b>563,793</b>	<b>7,257,889</b>	<b>8%</b>
5. Power Sales					
Power Sales (ReMat Revenue)	13,802	13,802	6,569	300,000	5%
Interest (ReMat Revenue)	0	0	0	0	
<b>TOTAL REMAT REVENUE</b>	<b>13,802</b>	<b>13,802</b>	<b>6,569</b>	<b>300,000</b>	<b>5%</b>
6. Other Revenue and Grant Reimbursement					
HB Retail Capital Replacement Rev.	3,640	3,640	3,768		
FCSD Contract (Admin & Overhead)	16,945	16,945	12,550		
FEMA/CalOES Grant Revenue	0	0	0		
SWRCB In-Stream Flow Grant Revenue	0	0	0		
Quagga Grant (Pass-Through)	0	0	0		
August Complex Fire Recovery	0	0	0		
Interest - Muni PF2 Retained	836	836	0		
Net Increase/(Decrease) Investment Accounts	(36,457)	(36,457)	1,990		
<b>TOTAL OTHER/GRANT REVENUE</b>	<b>(15,036)</b>	<b>(15,036)</b>	<b>18,308</b>		
<b>GRAND TOTAL REVENUE</b>	<b>653,418</b>	<b>653,418</b>	<b>646,213</b>	<b>9,307,889</b>	<b>7%</b>

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
 MISCELANEOUS REVENUE - DETAIL REPORT  
 July 31, 2022



**B. MISCELLANEOUS RECEIPTS (RETURNED TO CUSTOMERS VIA PF2)**

	MTD RECEIPTS	YTD RECEIPTS
<u>Miscellaneous Revenue</u>		
Dividend - Principal Life	342	342
Fees - Park Use	50	50
Rebate - CALCard	-	-
Refund - Diesel Fuel Tax	43	43
Refunds - Miscellaneous	6,588	6,588
Reimb - Blue Lake SCADA/Internet Monthly Fees	51	51
Reimb. - Copies & Postage	-	-
Reimb. - Gas	-	-
Reimb. - Telephone	-	-
UB - Water Processing Fees	30	30
UB - Hydrant Rental Deposit/Use	876	876
Sale of Scrap Metal/Equipment	2,325	2,325
State Water Arrearages Administration Rev.	-	-
ACWA/JPIA HR LaBounty Safety Award	-	-
<u>Ruth Area</u>		
Lease - Don Bridge	-	-
Rent - Ruth Cabin	280	280
August Complex Wildfire FEMA Reimbursement	-	-
Ruth Annual Lessee Water Fees	100	100
<b>TOTAL MISCELANEOUS REVENUE</b>	<b>10,684</b>	<b>10,684</b>

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
 ALL - MONTHLY EXPENDITURE REPORT - PAGE 1 OF 3  
 July 31, 2022



**SALARY AND EMPLOYEE BENEFIT EXPENDITURES (S. E. B.)**

	Month-to-Date	Year-to-Date	Prior Year	Budget	% of Budget
<b>Compensation</b>					
1. Wages - Regular	186,551.05	186,551.05	187,752.33	2,615,927	8%
1a. COVID Essential Service Pay*	-	-	(9,453.08)	-	
2. Wages - Sick	6,460.40	6,460.40	5,238.04		
3. Wages - Vacation	20,137.18	20,137.18	11,253.42		
<i>Subtotal</i>	213,148.63	213,148.63	194,790.71	2,615,927	8%
4. Wages - Overtime	1,194.77	1,194.77	720.00	15,000	
5. Wages - Holiday (Worked)	919.11	919.11	853.84	15,850	
<i>Subtotal</i>	2,113.88	2,113.88	1,573.84	30,850	7%
6. Wages - Part-Time	3,256.57	3,256.57	1,467.33	114,455	3%
7. Wages - Shift Differential	875.40	875.40	837.04	11,000	8%
8. Wages - Standby	7,139.14	7,139.14	6,229.21	88,000	8%
9. Director Compensation	2,720.00	2,720.00	2,320.00	26,000	10%
10. Secretarial Fees	262.50	262.50	262.50	3,200	8%
11. Payroll Tax Expenses	17,486.31	17,486.31	16,477.28	222,144	8%
11a. COVID Ess. P/R Tax*	-	-	(723.16)	-	
<i>Subtotal</i>	31,739.92	31,739.92	27,593.36	464,799	7%
<b>Employee Benefits</b>					
12. Health, Life,& LTD Ins.	40,667.30	40,667.30	60,052.44	750,230	5%
13. Air Medical Insurance	-	-	-	1,885	0%
14. Retiree Medical Insurance	8,059.02	8,059.02	11,133.43	91,200	9%
14a. Retiree Medical Reimb.	(4,078.68)	(4,078.68)	(10,290.00)		
15. Employee Dental Insurance	2,940.76	2,940.76	2,875.56	41,261	7%
16. Employee Vision Insurance	631.04	631.04	612.48	7,573	8%
17. Employee EAP	81.11	81.11	78.54	1,116	7%
18. 457b District Contribution	2,750.00	2,750.00	2,650.00	31,800	9%
19. CalPERS Expenses	319,690.47	319,690.47	277,174.81	573,327	56%
20. Workers Comp Insurance	30,880.14	30,880.14	21,712.87	137,181	23%
<i>Subtotal</i>	401,621.16	401,621.16	366,000.13	1,635,573	25%
<b>TOTAL S.E.B</b>	<b>648,623.59</b>	<b>648,623.59</b>	<b>589,958.04</b>	<b>4,747,149</b>	<b>14%</b>

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
 MONTHLY EXPENDITURE REPORT - PAGE 2 OF 3  
 July 31, 2022



8%  
Of Budget Year

**SERVICE & SUPPLY EXPENDITURES (S & S)**

	Month-to-Date	Year-to-Date	Prior Year	Budget	% of Budget
<b>Operations &amp; Maintenance</b>					
1. Auto Maintenance	4,383.27	4,383.27	4,197.39	39,200	11%
2. Engineering	13,365.31	13,365.31	-	75,000	18%
3. Lab Expenses	-	-	-	13,000	0%
4. Maintenance & Repairs					
General	2,749.03	2,749.03	94.26	47,000	6%
TRF	284.03	284.03	1,131.56	17,000	2%
Subtotal	3,033.06	3,033.06	1,225.82	64,000	5%
5. Materials & Supplies					
General	595.36	595.36	8,724.87	42,000	1%
TRF	-	-	1,814.51	35,000	0%
Subtotal	595.36	595.36	10,539.38	77,000	1%
6. Radio Maintenance	257.50	257.50	553.90	8,500	3%
7. Ruth Lake License	-	-	-	1,500	0%
8. Safety Equip./Training					
General	1,628.60	1,628.60	1,977.99	22,000	7%
TRF	144.00	144.00	289.62	2,000	7%
Subtotal	1,772.60	1,772.60	2,267.61	24,000	7%
9. Tools & Equipment	387.89	387.89	24.09	5,000	8%
10. USGS Meter Station	8,220.00	8,220.00	-	9,000	91%
Operations Subtotal	32,014.99	32,014.99	18,808.19	316,200	10%

**General & Administration**

11. Accounting Services	7,908.75	7,908.75	807.50	29,000	27%
12. Bad Debt Expense	-	-	-	-	0
13. Dues & Subscriptions	592.66	592.66	3,962.34	38,000	2%
14. General Manager Training	-	-	-	-	0%
15. IT & Software Maintenance	16,824.44	16,824.44	1,744.64	33,000	51%
16. Insurance	48,787.24	48,787.24	38,537.37	111,000	44%
17. Internet	926.01	926.01	838.21	10,000	9%
18. Legal Services	62.00	62.00	1,194.00	35,000	0%
19. Miscellaneous	712.25	712.25	164.75	10,000	7%
20. Office Building Maint.	2,006.74	2,006.74	1,587.23	15,000	13%
21. Office Expense	2,546.48	2,546.48	1,526.29	40,000	6%
22. Professional Services	1,107.50	1,107.50	1,518.00	20,000	6%
23. Property Tax	-	-	-	2,000	0%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
 MONTHLY EXPENDITURE REPORT - PAGE 3 OF 3  
 July 31, 2022



8%  
 Of Budget Year

<b>SERVICE &amp; SUPPLY EXPENDITURES (con't)</b>					
	Month-to-Date	Year-to-Date	Prior Year	Budget	% of Budget
24. Regulatory Agency Fees	-	-	-	190,500	0%
25. Ruth Lake Programs	-	-	-	5,000	0%
26. Safety Apparel	-	-	-	3,000	0%
27. Technical Training	-	-	-	14,000	0%
28. Telephone	1,864.43	1,864.43	2,801.90	40,000	5%
29. Travel & Conference	-	-	-	22,000	0%
<i>Gen. &amp; Admin. Subtotal</i>	<i>83,338.50</i>	<i>83,338.50</i>	<i>54,682.23</i>	<i>617,500</i>	<i>13%</i>
<b>TOTAL SERVICE &amp; SUPPLY</b>	<b>115,353.49</b>	<b>115,353.49</b>	<b>73,490.42</b>	<b>933,700.00</b>	<b>12%</b>

**Power**

30. Essex - PG & E	-	-	87,954.95		
31. 2Mw Generator Fuel	-	-	-		
<i>Subtotal Essex Pumping</i>	<i>-</i>	<i>-</i>	<i>87,954.95</i>		
32. All other PG & E	6,971.20	6,971.20	7,611.97		
<i>Subtotal All Power</i>	<i>6,971.20</i>	<i>6,971.20</i>	<i>95,566.92</i>	<i>907,000</i>	<i>1%</i>
<b>Total Service and Supplies incl. Power</b>	<b>122,324.69</b>	<b>122,324.69</b>	<b>169,057.34</b>	<b>1,840,700</b>	<b>7%</b>

**PROJECTS, FIXED ASSETS & CONSULTING SERVICES**

	Month-to-Date	Year-to-Date		Budget	% of Budget
	94,837.00	94,837.00		19,840,575	0%

<b>GRAND TOTAL EXPENSES</b>	<b>865,785.28</b>	<b>865,785.28</b>	<b>759,015.38</b>	<b>26,428,424</b>	<b>3%</b>
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33. Debt Service - SRF Loan	-	-	-	547,337	0%
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**TOTAL EXPENSES WITH DEBT SERVICE**

	869,941.80	869,941.80	759,900.20	26,975,760.96	
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**OTHER EXPENSES**

34. ReMat Consultant Exp.	4,156.52	4,156.52	884.82		
35. Capital Replacement Exp.	-	-	-		

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
 PROJECT PROGRESS REPORT  
 July 31, 2022

8% Of Budget Year



**A. CAPITAL PROJECTS**

	MTD	YTD		% OF
GRANT FUNDED CAPITAL PROJECTS	EXPENSES	TOTAL	BUDGET	BUDGET
1 Grant - 12kV Switchgear Relocation <i>(\$3.4M - FEMA, Approved)</i>	4,773	4,773	723,991	1%
2 Grant - Collector 2 Rehabilitation <i>(\$1.6M - NCRP Prop 1, Approved)</i>	0	0	1,600,000	0%
3 Grant - 3x Tank Seismic Retro <i>(\$5.7M - FEMA, Phase 1 Approved)</i>	0	0	5,435,506	0%
4 Grant - Collector Mainline Redundancy Pipeline <i>(Treatment/Base Facility Project, \$3.1M - FEMA, Approved)</i>	0	0	3,100,000	0%
5 Grant - TRF Generator <i>(Treatment Facility Project, \$1.9M - FEMA, In Process)</i>	0	0	0	0
<b>TOTAL GRANT FUNDED CAPITAL PROJECTS</b>	<b>4,773</b>	<b>4,773</b>	<b>10,859,497</b>	<b>0%</b>

**NON-GRANT FUNDED CAPITAL PROJECTS**

6 Cathodic Protection Project	0	0	0	0
7 Underground Power to Collector 2 - Phase 3	0	0	250,000	0%
8 Mainline Valve Replacement Program	0	0	60,000	0%
9 Retaining Wall for Valve Access <i>(Treatment Facility Project)</i>	0	0	40,000	0%
10 Main Office Roof Replacement	0	0	69,000	0%
<b>TOTAL NON-GRANT FUNDED CAPITAL PROJECTS</b>	<b>0</b>	<b>0</b>	<b>419,000</b>	<b>0%</b>

**B. EQUIPMENT AND FIXED ASSET PROJECTS**

	MTD	YTD		% OF
	EXPENSES	TOTAL	BUDGET	BUDGET
11 FY23 Replace ESSEX Administrative Computers	0	0	7,000	0%
12 FY23 Replace Control Computers	0	0	5,250	0%
13 Electrical PPE	0	0	6,000	0%
14 Essex Stand Alone Security and Fire Monitoring	0	0	1,750	0%
15 PBX Upgrade	0	0	3,000	0%
16 Upgrade Admin Routers	0	0	4,000	0%
18 Replace Bucket Truck (Unit 4)	0	0	127,000	0%
19 Electrical Shop Offices	0	0	31,750	0%
20 Fleet Back-Up Cameras	0	0	2,250	0%
21 Upgrade Admin Switches	0	0	10,500	0%
22 Handheld Lights	0	0	3,500	0%
23 Ergonomic Mop Basins <i>(Treatment Facility Project)</i>	0	0	2,000	0%





**B. EQUIPMENT AND FIXED ASSET PROJECTS (con't)**

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
24 TRF EOC Office Furniture <i>(Treatment Facility Project)</i>	0	0	3,750	0%
25 FY22 Replace EUREKA Administrative Computers	0	0	3,800	0%
26 Hydro Plant PRV Internal Belzona Repairs	0	0	4,750	0%
27 Hydro Plant Neutral Overvoltage Relay	0	0	14,750	0%
28 Hydro Plant Wicket Gate & HBV Signal Upgrade	0	0	8,500	0%
29 Ruth Fire Response Trailer & Equipment	0	0	3,500	
30 Tesla Battery Project - TRF	233	233	0	
<b>TOTAL EQUIPMENT &amp; FIXED ASSET PROJECTS</b>	<b>0</b>	<b>0</b>	<b>243,050</b>	<b>0%</b>

**C. MAINTENANCE PROJECTS**

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
31 FY23 Pipeline Maintenance	79	79	4,000	2%
32 FY23 12 kV Electric System Maintenance	0	0	4,200	0%
33 FY23 Main Line Meter Flow Calibration	0	0	28,000	0%
34 FY23 Technical Support and Software Updates	4,200	4,200	31,500	13%
35 FY23 Generator Services	0	0	3,500	0%
36 FY23 Hazard & Diseased Tree Removal	0	0	8,000	0%
37 FY23 Cathodic Protection	0	0	1,500	0%
38 FY23 Maintenance Emergency Repairs	0	0	50,000	0%
39 FY23 Fleet Paint Repairs	0	0	5,000	0%
40 FY23 Power Pole/Line Inspection/Maintenance	15,853	15,853	17,500	91%
41 Truesdale to Samoa Booster Station Telemetry Radio	0	0	3,750	0%
42 Line Shed Alarm Upgrades	0	0	6,500	0%
43 Right-of-Way Clearing Under Cable Cars	0	0	5,000	0%
44 FY23 TRF Generator Service <i>(Treatment Facility Project)</i>	0	0	500	0%
45 FY23 TRF Limitorque Valve Retrofit Supplies <i>(Treatment Facility Project)</i>	0	0	14,500	0%
46 TRF Instrumentation Replacement <i>(Treatment Facility Project)</i>	0	0	24,750	0%
47 TRF Valve Network Upgrade (Phase 1 of 5) <i>(Treatment Facility Project)</i>	0	0	121,000	0%
48 TRF Plant Water System <i>(Treatment Facility Project)</i>	0	0	2,000	0%
49 FY23 Brush Abatement Ruth Hydro	0	0	6,500	0%
50 FY23 LTO Insurance	0	0	5,000	0%
51 FY23 Spillway Repairs	0	0	10,000	0%
52 Investigate/Repair Flip Bucket/Curtain Drain	0	0	105,000	0%
54 Ruth Security and Fire Control Panel	0	0	4,500	0%
Fire Disaster Recovery 2020	149	149	0	0



**C. MAINTENANCE PROJECTS (con't)**

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
55 Load Bank Hydro Plant Generator	0	0	2,000	0%
56 Main Office Parking Lot Sealing and Stripping	0	0	3,000	0%
<b>TOTAL MAINTENANCE PROJECTS</b>	<b>20,280</b>	<b>20,280</b>	<b>467,200</b>	<b>4%</b>

**D. PROFESSIONAL & CONSULTING SERVICES**

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
57 Prof. Services for New Capital Debt	0	0	0	0
58 FY23 Crane Testing/Certification	0	0	10,000	0%
59 FY23 Chlorine System Maintenance	0	0	6,750	0%
60 FY23 Hydro Plant Annual Elec. Maint./Testing	0	0	4,000	0%
61 Above Ground 10,000 Gallon Fuel Tank Testing	0	0	5,400	0%
62 ATS Pro-IT Support	0	0	19,000	0%
63 FY23 Essex Mad River Cross-Sectional Survey	0	0	12,000	0%
64 FY23 GHD Review Essex Mad River Cross-Sectional	0	0	5,000	0%
65 FY23 Technical Training	0	0	27,000	0%
66 FY23 O & M Training	0	0	20,000	0%
67 FY23 Public Education Funds	125	125	5,000	3%
68 TRF Router Multi-Year Support	0	0	2,000	0%
69 Ruth Router Multi-Year Support	0	0	1,000	0%
70 Transformer Testing and Repair	0	0	7,500	0%
71 GIS / FIS Essex Area	0	0	12,000	0%
72 Salary Survey	0	0	15,000	0%
73 FY23 Mad River Regulatory Compliance Assistance	0	0	50,000	0%
74 FY23 Annual Sect. 115 Pension Trust Contribution	0	0	50,000	0%
75 FY23 Grant Applications Assistance	0	0	20,000	0%
76 Domestic Water for Nordic Aqua Farm	0	0	5,000	0%
77 Engineering Support - On-Site Hypochlorite	0	0	10,000	0%
78 Engineering Study-Replace 15-inch Peninsula Pipe	0	0	38,000	0%
79 Samoa Peninsula Coastal Development Permit	0	0	31,200	0%
80 Engineering Support for Essex Tesla Battery	0	0	7,500	0%
81 Engineering Support for TRF Tesla Battery Proj <i>(Treatment Facility Project)</i>	0	0	7,500	0%
82 Essex Control Building Expansion Plans/Specs	0	0	46,000	0%
83 FY23 FERC DSSMR	2	2	5,000	0%
84 FY23 FERC Chief Dam Safety Engineer	0	0	12,000	0%
85 FY23 Dam Spillway Wall Monument Survey	0	0	16,000	0%
86 GHD Review of Matthews Dam Spillway Wingwall	0	0	6,500	0%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
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8% Of Budget Year

**D. PROFESSIONAL & CONSULTING SERVICES (CONT)**

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
87 FY23 Spillway Repair, Dam Inspection & Reporting	0	0	5,000	0%
88 DSSMP Update	0	0	10,000	0%
89 Assist Assessments Spillway Drains, Flip Bucket	0	0	20,000	0%
90 GEI Tiltmeter Monitoring	0	0	12,000	0%
<b>TOTAL PROF/CONSULTING SERVICES</b>	<b>127</b>	<b>128</b>	<b>503,350</b>	<b>0%</b>

**E. INDUSTRIAL SYSTEM PROJECTS**

91 Maintain Water Supply to Industrial Pump Station 6	0	0	13,250	0%
<b>TOTAL INDUSTRIAL SYSTEM PROJECTS</b>	<b>0</b>	<b>0</b>	<b>13,250</b>	<b>0%</b>

**F. CARRY-OVER PROJECTS FROM PRIOR YEAR**

92 Replace Collector 4 Cable	0	0	2,000	0%
93 Line Shed #8	0	0	10,000	0%
<b>TOTAL CARRYOVER PROJECTS</b>	<b>0</b>	<b>0</b>	<b>12,000</b>	<b>0%</b>

**H. ADVANCED CHARGES & DEBIT SERVICE FUNDS COLLECTED**

	MTD	YTD	BUDGET	% BUDGET
94 On-Site Generation of Chlorine <i>(\$1.2M - FY23, Treatment Facility Project)</i>	20,833	20,833	250,000	8%
95 Prof. Services for New Capital Debt	13,517	13,517	162,200	8%
<b>TOTAL ADVANCED CHARGES COLLECTED</b>	<b>34,350</b>	<b>34,350</b>	<b>412,200</b>	<b>8%</b>

**G. PROJECTS NOT CHARGED TO MUNICIPAL CUSTOMERS**

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
96 On-Site Generation of Chlorine <i>(\$1.2M - FY23, Treatment Facility Project)</i>	0	0	0	0
97 Humboldt Bay Radio Read Meters <i>(Capital Replacement Funds)</i>	0	0	9,500	0%
98 Ruth Paving and Repairs <i>(Non-FEMA August Complex Wildfire Funds Collected)</i>	0	0	112,250	0%
99 Pump Station 6 Gravel Bar Work and Permitting <i>(ReMat Reserves)</i>	0	0	40,000	0%
100 Domestic Water System Cathodic Protection <i>(Collected Advance Charges)</i>	0	0	65,000	0%
101 Streambed Flow Enhancement Grant <i>(DWR Grant)</i>	1,360	1,360	457,755	0%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
PROJECT PROGRESS REPORT - PAGE 5 OF 5

July 31, 2022

SECTION 10.2a PAGE NO. 12

8% Of Budget Year



**G. PROJECTS NOT CHARGED TO MUNICIPAL CUSTOMERS (con't)**

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
102 Forestry Consultant <i>(NCRP Grant)</i>	0	0	14,638	0%
103 Clean-Out Industrial Water Tank <i>(ReMat Reserves)</i>	0	0	100,000	0%
104 CalFire Healthy Forest Grant <i>(CalFire Grant)</i>	0	0	5,000,000	0%
105 CalFire Fuels Reduction Program <i>(CalFire Funding)</i>	0	0	500,000	0%
<b>TOTAL NOT CHARGED TO CUSTOMERS</b>	<b>1,360</b>	<b>1,360</b>	<b>6,299,143</b>	<b>0%</b>

**PROJECT PROGRESS REPORT SUMMARY OF ALL ACTIVITY**

CUSTOMER CHARGES	MTD	YTD	BUDGET	% BUDGET
TOTAL NON-GRANT FUNDED CAPITAL PROJECTS	0	0	419,000	0%
<i>Treatment Facility Portion</i>	0	0		
TOTAL EQUIPMENT & FIXED ASSET PROJECTS	0	0	243,050	0%
<i>Treatment Facility Portion</i>	0	0		
TOTAL MAINTENANCE PROJECTS	20,280	20,280	467,200	4%
<i>Treatment Facility Portion</i>	0	0	162,750	
TOTAL PROF/CONSULTING SERVICES	127	128	503,350	0%
<i>Treatment Facility Portion</i>	0	0	7,500	
TOTAL INDUSTRIAL SYSTEM PROJECTS	0	0	13,250	0%
TOTAL CARRYOVER PROJECTS	0	0	12,000	0%
<i>Treatment Facility Portion</i>	0	0	0	
TOTAL ADVANCED CHARGES/DEBIT SERVICE	34,350	34,350	412,200	8%
<i>Treatment Facility Portion</i>	\$20,833	\$20,833	\$250,000	
<b>TOTAL CUSTOMER CHARGES</b>	<b>\$54,758</b>	<b>\$54,758</b>	<b>\$2,070,050</b>	<b>3%</b>

NON-CUSTOMER CHARGES (CURRENT FY)	MTD	YTD	BUDGET	% BUDGET
TOTAL GRANT FUNDED CAPITAL PROJECTS	4,773	4,773	10,859,497	0%
TOTAL NON-CUSTOMER CHARGES	1,360	1,360	6,299,143	0%
TOTAL USE OF ENCUMBERED FUNDS	33,946	33,946	611,885	6%
<b>TOTAL NON-CUSTOMER CHARGES</b>	<b>\$40,078</b>	<b>\$40,079</b>	<b>\$17,770,525</b>	<b>0%</b>
<b>GRAND TOTAL PROJECT BUDGET ACTIVITY</b>	<b>\$94,837</b>	<b>\$94,837</b>	<b>\$19,840,575</b>	<b>0%</b>



HUMBOLDT BAY MUNICIPAL WATER DISTRICT  
ENCUMBERED FUNDS RECONCILIATION REPORT  
July 31, 2022

	MTD EXPENSES	YTD TOTAL	AMOUNT ENCUMBERED	REMAINING
<b>A. CAPITAL PROJECTS</b>				
1E Fiber Optic Link - Collector 2 (Phase 1)	0	0	28,500	28,500
2E Power and Fiber Optic Link to Collector 2, Phase 2	0	0	44,000	44,000
3E Line Shed #8	3,478	3,478	28,600	25,122
4E Solar at Eureka Main Office	0	0	29,650	29,650
5E TRF Line Shed 5 Ramp and Concrete Work	0	0	850	850
6E Headquarters Remodel	0	0	30,000	30,000
<b>B. EQUIPMENT &amp; FIXED ASSET PROJECTS</b>				
7E Penstock Ventilation System	0	0	2,525	2,525
8E Collector Lube Oil Detection System	0	0	3,050	3,050
9E Replace Unit 9	0	0	17,600	17,600
10E TRF Chemical Building PLC Module Expansion	3,326	3,326	2,090	(1,236)
11E Eureka Office Phone System	14,578	14,578	14,600	22
12E Transformer at Hydro Plant	894	894	49,150	48,256
<b>C. MAINTENANCE PROJECTS</b>				
13E FY22 Brush Abatement Ruth Hydro	0	0	6,500	6,500
14E Replace Collector 4 Cable	106	106	3,650	3,544
15E Collector MCC Breaker & Door Switch Replacement	0	0	66,125	66,125
16E Collector 1 Interior Painting	0	0	600	600
17E FY22 Main Line Meter Flow Calibration	0	0	2,500	2,500
18E Cyber Assessment	0	0	19,250	19,250
19E Power Pole/Line Inspection/Maintenance	3,926	3,926	3,800	(126)
20E Upgrade Microsoft Office - Essex	0	0	900	900
21E Security Fencing Replacement - Essex & Samoa BPS	0	0	47,200	47,200
22E Lighting Upgrades for Shop/Collectors/Line Sheds	0	0	8,150	8,150
23E TRF Sludge Bed Gutter Replacement	807	807	8,175	7,368
<b>D. PROFESSIONAL &amp; CONSULTING SERVICES</b>				
24E 404 Permit Assistance	0	0	24,360	24,360
25E Lease Lots Surveys	0		25,000	25,000
26E GIS / FIS Ruth Area, Including Internship	0	0	5,000	5,000
27E GIS Project at Ruth Lake (USFS)	0	0	7,500	7,500
28E Ruth Vehicle Abatement	6,830	6,830	7,000	170
29E ATS Pro-IT Support	0	0	1,430	1,430

## HUMBOLDT BAY MUNICIPAL WATER DISTRICT

## ENCUMBERED FUNDS RECONCILIATION REPORT (con't)

July 31, 2022



	MTD EXPENSES	YTD TOTAL	AMOUNT ENCUMBERED	REMAINING
<b>D. PROFESSIONAL &amp; CONSULTING SERVICES (con't)</b>				
30E Collector Arc Flash Study Update and Breaker Testi	0	0	20,000	20,000
31E Collector 4 Restoration	0	0	5,000	5,000
32E FY22 Crane Operator Re-Certification	0	0	1,000	1,000
33E FY22 Backflow Tester Training	0	0	1,200	1,200
34E Public Education Funds	0	0	1,500	1,500
35E Mad River Watershed USFS Lidar	0	0	20,000	20,000
36E Coastal CDP - GHD	0	0	18,155	18,155
37E CAISO Meter Inspection Calibration	0	0	4,000	4,000
38E FERC Part 12 - Independent Consultant & Engineer	0	0	42,840	42,840
39E FERC Chief Dam Safety Engineer	0	0	10,435	10,435

ENCUMBERED FUNDS TOTAL

33,946

33,946

611,885

577,939

Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail Report--  
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Vendor Name	Date Paid	Description	Amount Paid
<b>101 NETLINK</b>			
101 NETLINK	07/08/2022	<i>Ruth Data Link/Internet</i>	190.00
Total 101 NETLINK:			190.00
<b>ACWA/JPIA</b>			
ACWA/JPIA	07/13/2022	<i>Property Program - TRF</i>	16,656.85
ACWA/JPIA	07/13/2022	<i>Property Program - Ruth Hydro</i>	5,456.44
ACWA/JPIA	07/13/2022	<i>Property Program - General</i>	26,673.95
ACWA/JPIA	07/29/2022	<i>Workers Compensation April - June 2022</i>	30,880.14
ACWA/JPIA	07/20/2022	<i>RETIREE MEDICAL</i>	7,975.26
ACWA/JPIA	07/20/2022	<i>COBRA Dental</i>	65.20
ACWA/JPIA	07/20/2022	<i>COBRA Vision</i>	18.56
Total ACWA/JPIA:			87,726.40
<b>Advanced Security Systems</b>			
Advanced Security Systems	07/08/2022	<i>Eureka Office Alarm System Maintenance</i>	159.96
Advanced Security Systems	07/08/2022	<i>Essex office Quarterly Alarm System Monitoring</i>	476.46
Total Advanced Security Systems:			636.42
<b>AirGas NCN</b>			
AirGas NCN	07/29/2022	<i>safety equipment</i>	51.96
AirGas NCN	07/29/2022	<i>safety equipment</i>	6.16
Total AirGas NCN:			58.12
<b>Almquist Lumber</b>			
Almquist Lumber	07/29/2022	<i>park 1 maintenance</i>	143.81
Almquist Lumber	07/29/2022	<i>Essex maintenance supplies</i>	197.18
Total Almquist Lumber:			340.99
<b>AT &amp; T</b>			
AT & T	07/29/2022	<i>Eureka/Essex LandLine</i>	79.26
AT & T	07/29/2022	<i>Arcata/Essex LandLine</i>	79.26
AT & T	07/29/2022	<i>Eureka office/modem</i>	60.08
AT & T	07/29/2022	<i>Eureka Office</i>	230.08
AT & T	07/29/2022	<i>TRF</i>	60.08
AT & T	07/29/2022	<i>Essex office/Modem/Control Alarm System</i>	60.08
AT & T	07/29/2022	<i>Eureka Office long distance</i>	7.45
AT & T	07/29/2022	<i>Ruth HQ Long Distance</i>	17.33
AT & T	07/29/2022	<i>SIMS Service</i>	319.53
Total AT & T:			913.15
<b>AT&amp;T Advertising Solutions</b>			
AT&T Advertising Solutions	07/29/2022	<i>white page listing</i>	21.00
Total AT&T Advertising Solutions:			21.00
<b>AT&amp;T Long Distance</b>			
AT&T Long Distance	07/08/2022	<i>Eureka Office Long Distance</i>	34.35
Total AT&T Long Distance:			34.35

Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail Report--  
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Vendor Name	Date Paid	Description	Amount Paid
<b>Buckles-Smith</b>			
Buckles-Smith	07/29/2022	TRF Chemical PLC Module Expansion	3,326.06
Total Buckles-Smith:			3,326.06
<b>Caselle, Inc</b>			
Caselle, Inc	07/29/2022	Accounting Software Annual Maintenance/Support	7,173.96
Caselle, Inc	07/29/2022	Humboldt Bay Retail Accounting Software Annual Maintenance/	1,765.67
Caselle, Inc	07/29/2022	Fieldbrook-Glendale CSD Accounting Software Annual Mainten	5,025.37
Total Caselle, Inc:			13,965.00
<b>City of Eureka</b>			
City of Eureka	07/11/2022	Eureka office water/sewer	101.64
Total City of Eureka:			101.64
<b>Coast Counties Truck &amp; Equipment Company</b>			
Coast Counties Truck & Equipment Compan	07/29/2022	Unit 10 maintenannce	641.30
Total Coast Counties Truck & Equipment Company:			641.30
<b>Coastal Business Systems Inc.</b>			
Coastal Business Systems Inc.	07/08/2022	Eureka office copy and fax machine	685.80
Coastal Business Systems Inc.	07/08/2022	Essex copy/fax machine	244.83
Total Coastal Business Systems Inc.:			930.63
<b>Downey Brand Attorneys LLP</b>			
Downey Brand Attorneys LLP	07/29/2022	Streambed Flow Enhancement Grant	1,360.00
Total Downey Brand Attorneys LLP:			1,360.00
<b>ESRI, Inc</b>			
ESRI, Inc	07/29/2022	Annual GIS Software Maintenance Support	4,200.00
Total ESRI, Inc:			4,200.00
<b>Eureka Oxygen</b>			
Eureka Oxygen	07/12/2022	cylinder rental	122.20
Total Eureka Oxygen:			122.20
<b>Eureka Readymix</b>			
Eureka Readymix	07/29/2022	TRF Sludge Bed Gutter Replacement	268.81
Eureka Readymix	07/29/2022	TRF Sludge Bed Gutter Replacement	538.31
Total Eureka Readymix:			807.12
<b>Eureka-Humboldt Fire Ext.,Co, Inc</b>			
Eureka-Humboldt Fire Ext.,Co, Inc	07/29/2022	Hydra test SCBA bottles	98.00
Eureka-Humboldt Fire Ext.,Co, Inc	07/29/2022	Essex Fire Extinguisher maintenance	1,110.29
Eureka-Humboldt Fire Ext.,Co, Inc	07/29/2022	TRF Fire Extinguisher Service	144.00
Eureka-Humboldt Fire Ext.,Co, Inc	07/29/2022	Fieldbrook-Glendale CSD Fire Extinguisher Service	48.00
Total Eureka-Humboldt Fire Ext.,Co, Inc:			1,400.29



Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail--  
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Vendor Name	Date Paid	Description	Amount Paid
<b>Fastenal Company</b>			
Fastenal Company	07/29/2022	Replace Collector 4 Cable Car cable	32.70
Fastenal Company	07/29/2022	Replace Collector 4 Cable Car cable	73.67
Total Fastenal Company:			106.37
<b>FEDEX</b>			
FEDEX	07/29/2022	Ship SCBA for annual testing	6.00
FEDEX	07/29/2022	Ship SCBA for annual testing	16.44
FEDEX	07/29/2022	ship DSSMR to GEI and Division of Safety of Dams	2.43
FEDEX	07/29/2022	Ship SCBA for annual testing	3.63
Total FEDEX:			28.50
<b>FleetPride</b>			
FleetPride	07/11/2022	Red Cotton long load flag	24.87
FleetPride	07/29/2022	equipment maintenance	30.37
Total FleetPride:			55.24
<b>Flo-Line Technology, Inc</b>			
Flo-Line Technology, Inc	07/29/2022	TRF Equipment maintenance	76.01
Total Flo-Line Technology, Inc:			76.01
<b>Frontier Communications</b>			
Frontier Communications	07/29/2022	Ruth HQ Phone	56.37
Frontier Communications	07/29/2022	Ruth Hydro/Ruth Dataline	213.85
Total Frontier Communications:			270.22
<b>GHD</b>			
GHD	07/29/2022	Ruth USFS Property Exchange	4,581.01
GHD	07/29/2022	General Engineering - Eureka	426.39
GHD	07/29/2022	12KV Switchgear Relocation - Grant	4,772.50
GHD	07/29/2022	Samoa Peninsula ROW - CDP	8,357.91
Total GHD:			18,137.81
<b>Harbor Freight Tools</b>			
Harbor Freight Tools	07/29/2022	Unit 7 equipment	37.96
Total Harbor Freight Tools:			37.96
<b>Health Equity Inc</b>			
Health Equity Inc	07/20/2022	District HSA Contributions - 6 employees	852.84
Health Equity Inc	07/20/2022	District HSA Contributions- 3 employees	1,034.24
Health Equity Inc	07/08/2022	HSA Admin Fee - 5 employees	14.75
Health Equity Inc	07/08/2022	HSA Admin Fee 9 employees	26.55
Total Health Equity Inc:			1,928.38
<b>Hensel Hardware</b>			
Hensel Hardware	07/29/2022	essex maintenance supplies	15.40
Hensel Hardware	07/29/2022	equipment maintenance	32.52

Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail Report--  
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Vendor Name	Date Paid	Description	Amount Paid
Total Hensel Hardware:			47.92
<b>Henwood Associates, Inc</b> Henwood Associates, Inc	07/13/2022	Consultant Services Agreement- May 2022	2,078.26
Total Henwood Associates, Inc:			2,078.26
<b>Hilfiker Co.</b> Hilfiker Co.	07/29/2022	Essex Yard Maintenance	168.05
Total Hilfiker Co.:			168.05
<b>Humboldt County Treasurer</b> Humboldt County Treasurer	07/29/2022	Fund No 3876 Account 800870	45,611.43
Total Humboldt County Treasurer:			45,611.43
<b>Humboldt Fasteners</b> Humboldt Fasteners Humboldt Fasteners	07/29/2022 07/29/2022	Essex Maintenance supplies eureka office building maintenance	195.27 30.59
Total Humboldt Fasteners:			225.86
<b>Hummel Tire &amp; Wheel</b> Hummel Tire & Wheel Hummel Tire & Wheel	07/29/2022 07/29/2022	Unit 6 tires Unit 6 tires	479.81 479.81
Total Hummel Tire & Wheel:			959.62
<b>Imperial Supplies LLC</b> Imperial Supplies LLC Imperial Supplies LLC	07/29/2022 07/29/2022	Ruth Hydraulic System maintenance Essex maintenance supplies	428.34 11.09
Total Imperial Supplies LLC:			439.43
<b>Industrial Electric</b> Industrial Electric	07/29/2022	TRF maintenance	66.26
Total Industrial Electric:			66.26
<b>Johnson's Mobile Rentals LLC</b> Johnson's Mobile Rentals LLC	07/29/2022	Tesla Battery Bank Project	232.74
Total Johnson's Mobile Rentals LLC:			232.74
<b>JTN Energy, LLC</b> JTN Energy, LLC	07/13/2022	Consultant Services Agreement - May 2022	2,078.26
Total JTN Energy, LLC:			2,078.26
<b>Kernen Construction</b> Kernen Construction	07/29/2022	Pipeline Maintenance	78.74
Total Kernen Construction:			78.74

Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail Report--  
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Vendor Name	Date Paid	Description	Amount Paid
<b>Mercer-Fraser Company</b>			
Mercer-Fraser Company	07/29/2022	Line Shed 8	3,431.84
Total Mercer-Fraser Company:			3,431.84
<b>Miller Farms Nursery</b>			
Miller Farms Nursery	07/29/2022	equipment maintenance	114.16
Miller Farms Nursery	07/29/2022	Replace weedeater	387.89
Miller Farms Nursery	07/29/2022	essex landscape maintenance	254.39
Total Miller Farms Nursery:			756.44
<b>Mitchell, Brisso, Delaney &amp; Vrieze</b>			
Mitchell, Brisso, Delaney & Vrieze	07/08/2022	Legal Services - June 2022 - North Mainline Extension Study	186.00
Mitchell, Brisso, Delaney & Vrieze	07/08/2022	Legal Services- June 2022	62.00
Total Mitchell, Brisso, Delaney & Vrieze:			248.00
<b>Mobley Construction</b>			
Mobley Construction	07/29/2022	Ruth Vehicle Abatement	6,830.00
Total Mobley Construction:			6,830.00
<b>Napa Auto Parts</b>			
Napa Auto Parts	07/29/2022	vehicle maintenance	56.17
Napa Auto Parts	07/29/2022	Unit 3 service	45.91
Total Napa Auto Parts:			102.08
<b>NEAC</b>			
NEAC	07/08/2022	Annual Membership	40.00
Total NEAC:			40.00
<b>North Valley Labor Compliance</b>			
North Valley Labor Compliance	07/29/2022	Annual Report for District submission to DIR	75.00
Total North Valley Labor Compliance:			75.00
<b>Northern California Safety Consortium</b>			
Northern California Safety Consortium	07/08/2022	membership fee	75.00
Total Northern California Safety Consortium:			75.00
<b>O&amp;M Industries</b>			
O&M Industries	07/29/2022	Eureka office HVAC maintenance	80.00
Total O&M Industries:			80.00
<b>Occu-Med, Ltd</b>			
Occu-Med, Ltd	07/29/2022	Pre-Placement Exam	320.82
Total Occu-Med, Ltd:			320.82
<b>Occupational Health Service of Mad River</b>			
Occupational Health Service of Mad River	07/08/2022	DMV physical	236.25

Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail Report--  
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Vendor Name	Date Paid	Description	Amount Paid
Total Occupational Health Service of Mad River:			236.25
<b>Pacific Gas &amp; Electric Co.</b>			
Pacific Gas & Electric Co.	07/29/2022	Eureka office	502.27
Pacific Gas & Electric Co.	07/29/2022	Jackson Ranch Rectifier	19.37
Pacific Gas & Electric Co.	07/29/2022	299 Rectifier	165.46
Pacific Gas & Electric Co.	07/29/2022	West End Road Rectifier	182.88
Pacific Gas & Electric Co.	07/29/2022	TRF	4,444.07
Pacific Gas & Electric Co.	07/29/2022	Ruth Hydro Valve Control	30.84
Pacific Gas & Electric Co.	07/29/2022	Ruth Hydro	835.72
Pacific Gas & Electric Co.	07/29/2022	Samoa Booster Pump Station	741.88
Pacific Gas & Electric Co.	07/29/2022	Samoa Dial Station	48.71
Total Pacific Gas & Electric Co.:			6,971.20
<b>Pacific Paper Co.</b>			
Pacific Paper Co.	07/29/2022	Eureka office supplies	190.95
Total Pacific Paper Co.:			190.95
<b>PERS</b>			
PERS	07/11/2022	Unfunded Accrued Liability Classic	286,507.00
PERS	07/11/2022	Unfunded Accrued Liability PEPR	4,625.00
Total PERS:			291,132.00
<b>Pitney Bowes</b>			
Pitney Bowes	07/21/2022	refill postage	500.00
Pitney Bowes	07/21/2022	refill postage	305.41
Pitney Bowes	07/21/2022	postage meter supplies - FERC EAP Updates	199.59
Total Pitney Bowes:			1,005.00
<b>Platt Electric Supply</b>			
Platt Electric Supply	07/29/2022	Ruth Hydro Transformer	893.71
Platt Electric Supply	07/29/2022	Eureka office building maintenace - electrical	448.65
Total Platt Electric Supply:			1,342.36
<b>R.J. Ricciardi, Inc, CPAs</b>			
R.J. Ricciardi, Inc, CPAs	07/29/2022	Annual Financial Audit	7,908.75
Total R.J. Ricciardi, Inc, CPAs:			7,908.75
<b>Recology Arcata</b>			
Recology Arcata	07/13/2022	Essex Garbage/Recycling Service	647.25
Total Recology Arcata:			647.25
<b>Recology Humboldt County</b>			
Recology Humboldt County	07/11/2022	Eureka office garbage/recycling service	93.21
Total Recology Humboldt County:			93.21
<b>Rental Guys, Inc</b>			
Rental Guys, Inc	07/29/2022	Essex yard maintenance	511.50

Humboldt Bay Municipal Water District

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Vendor Name	Date Paid	Description	Amount Paid
Rental Guys, Inc	07/29/2022	Line Shed 8	46.51
Total Rental Guys, Inc:			558.01
<b>Scrapper's Edge</b>			
Scrapper's Edge	07/29/2022	ACWA Region 1 Event	125.01
Total Scrapper's Edge:			125.01
<b>Sitestar Nationwide Internet</b>			
Sitestar Nationwide Internet	07/08/2022	Essex Internet	52.90
Total Sitestar Nationwide Internet:			52.90
<b>Stewart Telecommunications</b>			
Stewart Telecommunications	07/29/2022	Eureka office phone system	14,578.39
Total Stewart Telecommunications:			14,578.39
<b>Streamline</b>			
Streamline	07/08/2022	Website maintenance membership fee	450.00
Total Streamline:			450.00
<b>Sudden Link</b>			
Sudden Link	07/08/2022	Fieldbrook-Glendale CSD Internet	323.61
Sudden Link	07/08/2022	Essex internet	233.13
Sudden Link	07/08/2022	Essex Phones	72.14
Sudden Link	07/08/2022	TRF Internet - Fieldbrook-Glendale CSD	50.55
Sudden Link	07/08/2022	TRF Internet - Blue Lake SCADA Monitoring	50.55
Sudden Link	07/08/2022	TRF Internet	25.27
Sudden Link	07/12/2022	Eureka office Internet	208.45
Total Sudden Link:			963.70
<b>SWAPE, LLC</b>			
SWAPE, LLC	07/29/2022	Professional Assistance Hydrology, Hydrogeology and sampling	1,032.50
Total SWAPE, LLC:			1,032.50
<b>The Mill Yard</b>			
The Mill Yard	07/29/2022	Essex Maintenance supplies	16.26
The Mill Yard	07/29/2022	Eureka office building Maint - Electrical	26.34
Total The Mill Yard:			42.60
<b>Trinity County General Services</b>			
Trinity County General Services	07/29/2022	Pickett Peak site lease	257.50
Total Trinity County General Services:			257.50
<b>Trinity County Solid Waste</b>			
Trinity County Solid Waste	07/29/2022	Ruth HQ dump fees	35.31
Trinity County Solid Waste	07/29/2022	Ruth Hydro dump fees	35.31
Total Trinity County Solid Waste:			70.62

Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail Report--  
Report dates: 7/1/2022-7/31/2022Page: 8  
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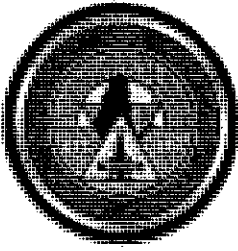
Vendor Name	Date Paid	Description	Amount Paid
<b>U.S. Geological Survey, WRD</b>			
U.S. Geological Survey, WRD	07/29/2022	USGS Gauging Station Maintenance	8,220.00
Total U.S. Geological Survey, WRD:			8,220.00
<b>Underground Service Alert</b>			
Underground Service Alert	07/29/2022	Annual Membership	369.17
Underground Service Alert	07/29/2022	Annual Membership	1,050.72
Total Underground Service Alert:			1,419.89
<b>Underground Service Alert of Northern CA</b>			
Underground Service Alert of Northern CA	07/29/2022	Humboldt Bay Retail	143.69
Underground Service Alert of Northern CA	07/29/2022	Fieldbrook-Glendale CSD	408.97
Total Underground Service Alert of Northern CA:			552.66
<b>USA Blue Book</b>			
USA Blue Book	07/29/2022	TRF lab maintenance	141.76
Total USA Blue Book:			141.76
<b>VALEO Networks</b>			
VALEO Networks	07/29/2022	Eureka Office computers monthly service maintenance	1,880.99
VALEO Networks	07/29/2022	Eureka office computer assistance	320.00
Total VALEO Networks:			2,200.99
<b>Valley Pacific Petroleum Servi, Inc</b>			
Valley Pacific Petroleum Servi, Inc	07/12/2022	Ruth Area Fire Disaster Recovery	118.59
Valley Pacific Petroleum Servi, Inc	07/12/2022	Pumping & Control	636.94
Valley Pacific Petroleum Servi, Inc	07/12/2022	Water Treatment	636.94
Valley Pacific Petroleum Servi, Inc	07/12/2022	Maintenance	636.94
Valley Pacific Petroleum Servi, Inc	07/12/2022	Humboldt Bay Retail	165.61
Valley Pacific Petroleum Servi, Inc	07/12/2022	Fieldbrook-Glendale CSD	471.34
Total Valley Pacific Petroleum Servi, Inc:			2,666.36
<b>Verizon Wireless</b>			
Verizon Wireless	07/13/2022	General Manager	38.93
Verizon Wireless	07/13/2022	Ruth Area Fire Recovery	30.07
Verizon Wireless	07/13/2022	Customer Service - Humboldt Bay	13.11
Verizon Wireless	07/13/2022	Customer Service - Fieldbrook-Glendale CSD	37.33
Verizon Wireless	07/13/2022	Operations 1	.18
Verizon Wireless	07/13/2022	Customer Service Ipad-Humboldt Bay	9.88
Verizon Wireless	07/13/2022	Customer Service Ipad - Fieldbrook-Glendale CSD	28.13
Verizon Wireless	07/13/2022	Ruth Area	18.06
Verizon Wireless	07/13/2022	Ruth Hydro	18.07
Total Verizon Wireless:			193.76
<b>Wahlund Construction</b>			
Wahlund Construction	07/29/2022	12 KV Power/Pole Inspection/Maintenance	3,925.99
Wahlund Construction	07/29/2022	Repair H-Pole Structure	15,852.93
Total Wahlund Construction:			19,778.92

Humboldt Bay Municipal Water District

--Monthly Expenses by Vendor Detail Report--  
Report dates: 7/1/2022-7/31/2022

Page: 9  
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Vendor Name	Date Paid	Description	Amount Paid
<b>Waterman Supply Company</b>			
Waterman Supply Company	07/29/2022	<i>Quagga Grant</i>	6,572.75
Total Waterman Supply Company:			6,572.75
Grand Totals:			570,766.20



## HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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

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

FAX 707-443-5731 707-822-8245

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Website: [www.hbmwd.com](http://www.hbmwd.com)

**BOARD OF DIRECTORS**

SHERI WOO, PRESIDENT

NEAL LATT, VICE-PRESIDENT

J. BRUCE RUPP, SECRETARY-TREASURER

MICHELLE FULLER, DIRECTOR

DAVID LINDBERG, DIRECTOR

**GENERAL MANAGER**

JOHN FRIEDENBACH

July 28, 2022

Ondrea Starzhevskiy, City of Arcata  
Mandy Mager, City of Blue Lake  
Brian Gerving, City of Eureka  
Rick Hanger, Fieldbrook-Glendale CSD  
Michael Montag, Humboldt CSD  
Chris Drop, Manila CSD  
Pat Kaspari, McKinleyville CSD

Dear Municipal Customers:

Earlier this month, Humboldt Bay Municipal Water Districts' Board of Directors approved the District's FY2022/23 budget. Attached for your information are the following items related to the approved budget.

**Attachment 1:** The estimated wholesale water charges for each customer. These are gross charges based on the approved FY2022/23 budget. Individual charges and revenue credits to each municipality are calculated based on the Moving Five-Year Average Water Use, the Peak Rate Allocation and the Assessed Valuation. These calculation factors are unique to each municipality and make equal cost increases or decreases very difficult to predict.

**Attachment 2:** The Price Factor 2 (PF2) reconciliation from FY2021/22, in accordance with Section 7.2.4 of Ordinance 16. The PF2 reconciliation amount is \$29,120.60. Based on the many factors involved in the PF2 calculations, this reconciliation results in a credit for all agencies. This total credit will be applied to your FY2022/23 monthly billings.

**Attachment 3:** The estimated *net* wholesale water charges after this PF2 credit has been applied.

Please review the attached documents and if you have any questions, please call me.

Sincerely,

  
Chris Harris  
Business Manager



**Humboldt Bay Municipal Water District  
2022/23 Budget**

**Summary of Wholesale Customer Charges Based on Adopted Budget**  
(Gross Charges which do not Reflect Prior-Year Price Factor 2 Reconciliation)

	2021/22 Budget	2022/23 Budget	Comparison	
			\$	%
Pulp Mill/Harbor Dist	\$0	\$0	\$0	
<b>Total Industrial:</b>	\$0	\$0	\$0	
Eureka	\$3,391,764	\$3,509,333	\$117,569	3.5%
Arcata	\$1,468,479	\$1,500,885	\$32,406	2.2%
Blue Lake	\$191,872	\$200,616	\$8,745	4.6%
Humboldt CSD	\$1,068,016	\$1,087,062	\$19,046	1.8%
McKinleyville CSD	\$1,197,404	\$1,225,845	\$28,440	2.4%
Fieldbrook CSD	\$186,361	\$196,170	\$9,809	5.3%
Manila CSD	\$80,331	\$85,315	\$4,984	6.2%
<b>Total Munis:</b>	\$7,584,227	\$7,805,225	\$220,998	2.9%
<b>Total Wholesale</b>	\$7,584,227	\$7,805,225	\$220,998	2.9%

Humboldt Bay Municipal Water District  
 PF2 Reconciliation  
 2021-22 Price Factor 2 Actual vs Flat Reconciliation

Month of Fiscal Year 12

Actual	Aracata	Blue Lake	Eureka	Fieldbrook	Humboldt	McKinleyville	Manila	Total	Month to date	Month end comparison between actual and flat
Jul-21	129,547.76	17,052.55	300,057.71	18,072.92	120,403.45	111,648.72	6,519.51	703,302.62	703,302.62	196,573.41
Aug-21	86,011.59	11,234.29	198,337.91	11,802.51	78,024.17	73,879.20	4,345.27	463,634.94	1,166,937.56	153,479.14
Sep-21	70,644.78	9,155.82	162,184.35	9,533.49	62,522.60	60,477.37	3,582.57	378,100.98	1,545,038.54	24,850.91
Oct-21	66,748.41	8,652.77	153,258.66	9,012.03	59,116.59	57,147.27	3,384.61	357,320.34	1,902,358.88	(124,557.96)
Nov-21	93,519.13	12,118.34	214,677.70	12,615.70	82,721.49	80,053.67	4,742.99	500,449.02	2,402,807.90	(130,838.15)
Dec-21	70,669.05	9,110.15	161,748.50	9,427.05	61,475.66	60,359.56	3,593.13	376,383.10	2,779,191.00	(261,184.26)
Jan-22	85,782.87	11,198.63	197,752.29	11,758.13	77,690.21	73,666.33	4,334.82	462,183.28	3,241,374.28	(305,730.19)
Feb-22	79,157.94	10,244.06	181,576.56	10,648.40	69,726.46	67,722.42	4,017.18	423,093.02	3,664,467.30	(389,366.38)
Mar-22	90,008.81	11,641.00	206,393.37	12,091.67	79,124.78	76,985.01	4,569.25	480,813.89	4,145,281.19	(415,281.70)
Apr-22	97,264.82	12,689.11	224,136.17	13,312.96	87,904.06	83,502.51	4,916.64	523,726.27	4,669,007.46	(398,284.64)
May-22	85,672.57	11,114.50	196,795.80	11,586.28	76,064.00	73,373.63	4,342.56	458,949.34	5,127,956.80	(446,064.51)
Jun-22	162,685.04	32,440.34	492,942.51	25,380.13	104,025.50	95,201.60	10,998.00	923,673.12	6,051,629.92	(29,120.60)
Total	1,117,712.77	156,651.56	2,689,861.53	155,241.27	958,798.97	914,017.29	59,346.53	6,051,629.92		

Flat	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Total
Jul-21	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Aug-21	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Sep-21	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Oct-21	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Nov-21	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Dec-21	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Jan-22	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Feb-22	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Mar-22	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Apr-22	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
May-22	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Jun-22	96,278.98	13,081.46	227,535.33	12,507.40	74,372.98	77,776.01	5,177.05	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21	506,729.21
Total	1,155,347.76	156,977.52	2,730,423.96	150,088.80	892,475.76	933,312.12	62,124.60	6,080,750.52	6,080,750.52	6,080,750.52	6,080,750.52	6,080,750.52	6,080,750.52

o Date - Month Total 1,155,347.76 156,977.52 2,730,423.96 150,088.80 892,475.76 933,312.12 62,124.60 6,080,750.52

o Total Flat difference 37,634.99 325.96 40,562.43 (5,152.47) (66,323.21) 19,294.83 2,778.07 29,120.60 Calculation uses Moving 5 year Average 21/22

**Humboldt Bay Municipal Water District  
2022/23 Budget  
Summary of Customer Charges Incorporating Prior-year Price Factor 2 Reconciliation**

	Estimated Charges Based on Approved 2022/23 Budget	PF 2 Reconciliation for FY 2021/22	Estimated Net Charges
Industrial Water	\$0	n/a	\$0
Total Industrial:	\$0		\$0
Eureka	\$3,509,333	(\$13,147)	\$3,496,186
Arcata	\$1,500,885	(\$6,185)	\$1,494,700
Blue Lake	\$200,616	(\$707)	\$199,910
Humboldt CSD	\$1,087,062	(\$3,145)	\$1,083,917
McKinleyville CSD	\$1,225,845	(\$5,018)	\$1,220,826
Fieldbrook CSD	\$196,170	(\$601)	\$195,569
Manila CSD	\$85,315	(\$318)	\$84,997
Total Munis:	\$7,805,225	(\$29,121)	\$7,776,105
Total Wholesale	\$7,805,225		\$7,776,105

# OPERATIONS

Memo to: HBMWD Board of Directors  
From: Dale Davidsen, Superintendent  
Date: August 2, 2022  
Subject: Essex/Ruth July 2022 Operational Report

### **Upper Mad River, Ruth Lake, and Hydro Plant**

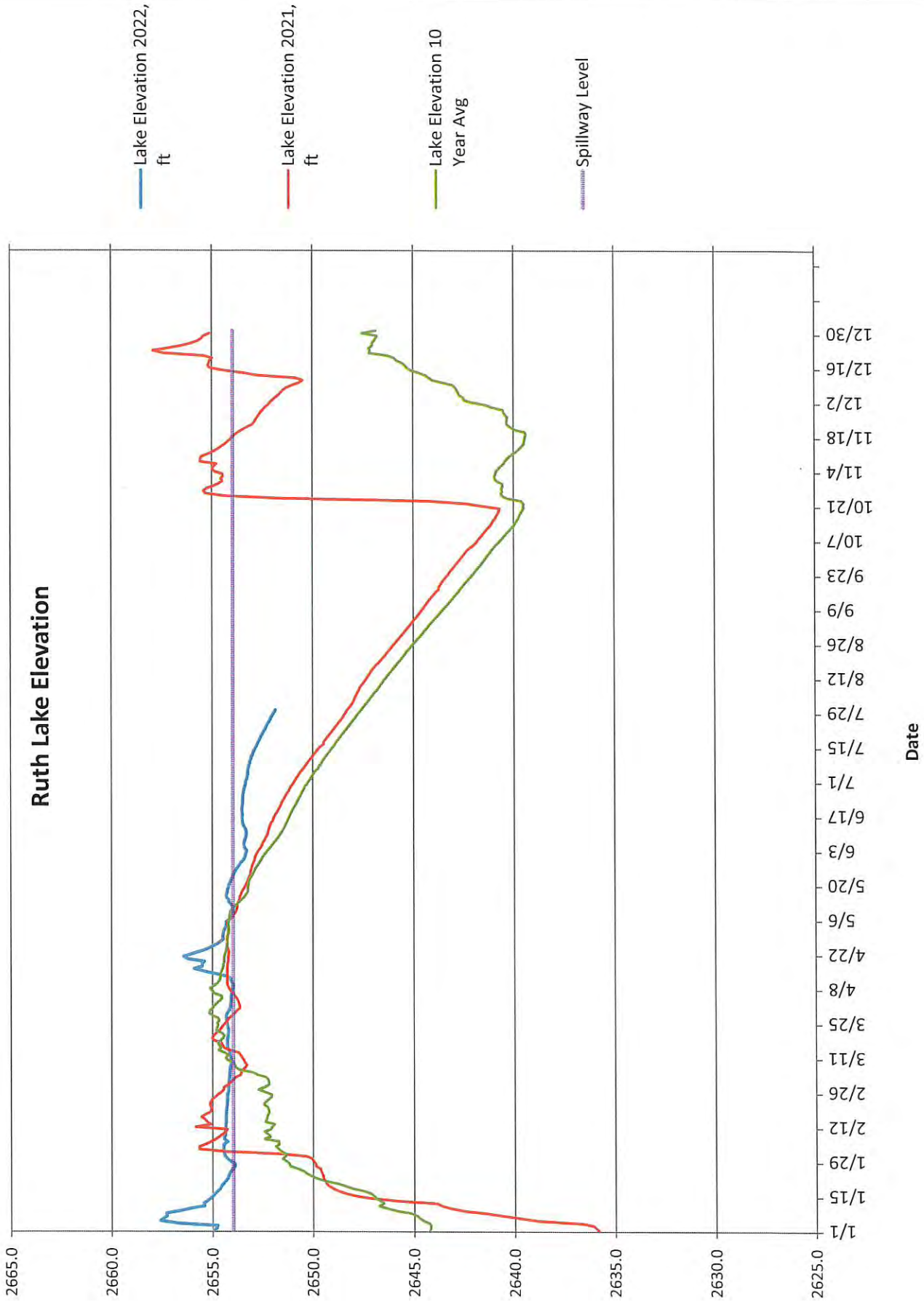
1. Flow at Mad River above Ruth Reservoir (Zenia Bridge) averaged 10 cfs with a high of 22 cfs on July 8<sup>th</sup> and a low of 1 cfs on July 31<sup>st</sup>
2. The conditions at Ruth Lake for July were as follows:  
The lake level on July 31<sup>st</sup> was 2651.86 feet which is:
  - 1.43 feet lower than June 30<sup>th</sup>, 2022
  - 3.58 feet higher than July 31<sup>st</sup>, 2021
  - 5.80 feet higher than the ten-year average
  - 2.14 feet below the spillway
3. Ruth Headquarters recorded 0.12 inches of rainfall for July.
4. Ruth Hydro produced 153,600 KWh in July. There were no shut downs.
5. The lake discharge averaged 40 cfs with a high of 42 cfs on July 20<sup>th</sup>.

### **Lower Mad River, Winzler Control, and TRF**

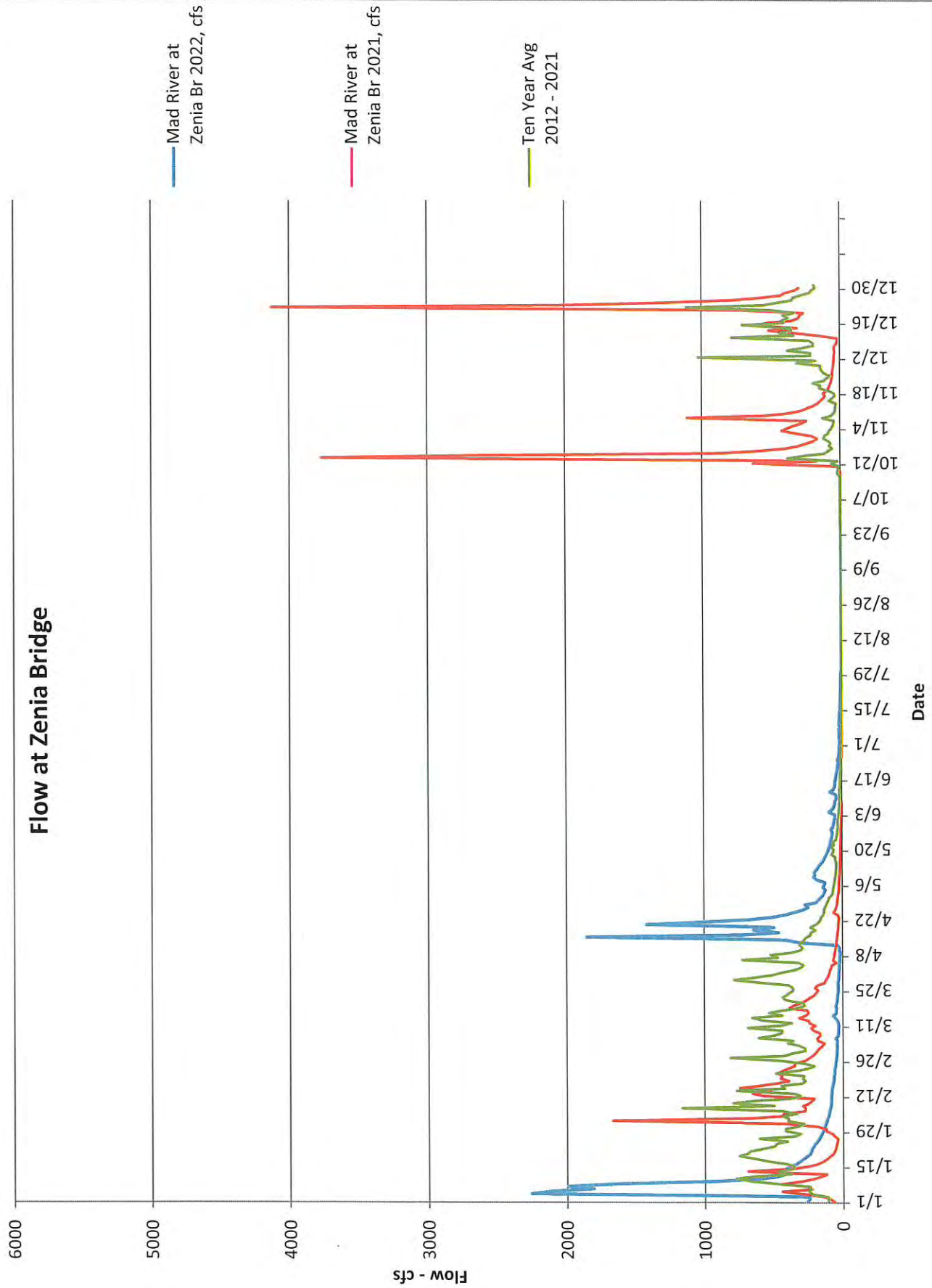
6. The river at Winzler Control Center, for July, had an average flow of 117 cfs. The river flow reached a high of 186 cfs on July 6<sup>th</sup>.
7. The domestic water conditions were as follows:
  - a. The domestic water turbidity average was 0.14 NTU, which meets Public Health Secondary Standards.
  - b. As of July 31<sup>st</sup>, we pumped 246.793 MG at an average of 8.227 MGD.
  - c. The maximum metered daily municipal use was 8.971 MG on July 18<sup>th</sup>.
8. The TRF conditions for July were as follows:
  - a. TRF is offline for the summer as of Jun 23<sup>rd</sup>.
9. July 1<sup>st</sup> – Ordered materials for 83 Bollards for the Ruth Quagga grant
10. July 5<sup>th</sup> – 90-day crane inspections, regulatory requirement
11. July 7<sup>th</sup> – Eureka Humboldt Fire Extinguisher on-site for annual fire extinguisher maintenance
12. July 8<sup>th</sup> – Six month fall protection equipment inspections

13. July 11<sup>th</sup> – Tesla did final electrical tie-in at TRF to new battery bank.  
Commissioning forthcoming.
14. July 13<sup>th</sup>
  - a. Wahlund crew on-site repairing rot damage to H-pole structure in Park 4.
  - b. Met with Cal-Trans fencing crew at 299 R-o-W regarding fence repairs needed due to urban campers cutting the fence for access to our property.
15. July 14<sup>th</sup> - Wahlund crew on-site installing lightning arresters at Collector 4. These have been backordered for months.
16. July 18<sup>th</sup> – First aid and CPR training at NCSC for part of Essex staff.
17. July 19<sup>th</sup>
  - a. SB 198 safety meeting
  - b. Met with Cal-Trans crew again regarding more fence damage at 299 R-o-W
18. July 20<sup>th</sup>
  - a. Safety meeting – Asbestos / Silica exposure safety training
  - b. BPM zoom meeting (Cybersecurity auditor)
19. July 25 - Quarterly Water Quality calibrations.
20. July 27<sup>th</sup> – Spillway inspection
21. July 28<sup>th</sup> – Crane operator evaluations, regulatory requirement
22. Current and Ongoing Projects
  - a. Tesla battery bank projects – TRF project is done, Commissioning soon. Essex project, In permitting.
  - b. OSHG – GHD working on RFP for equipment procurement
  - c. Collector 1 interior painting – In progress – Winter work, back burner for now.
  - d. Line shed 8 – In progress
  - e. Main Office Solar project – Waiting for new roof. Getting bids
  - f. Routine annual equipment maintenance and services.

### Ruth Lake Elevation

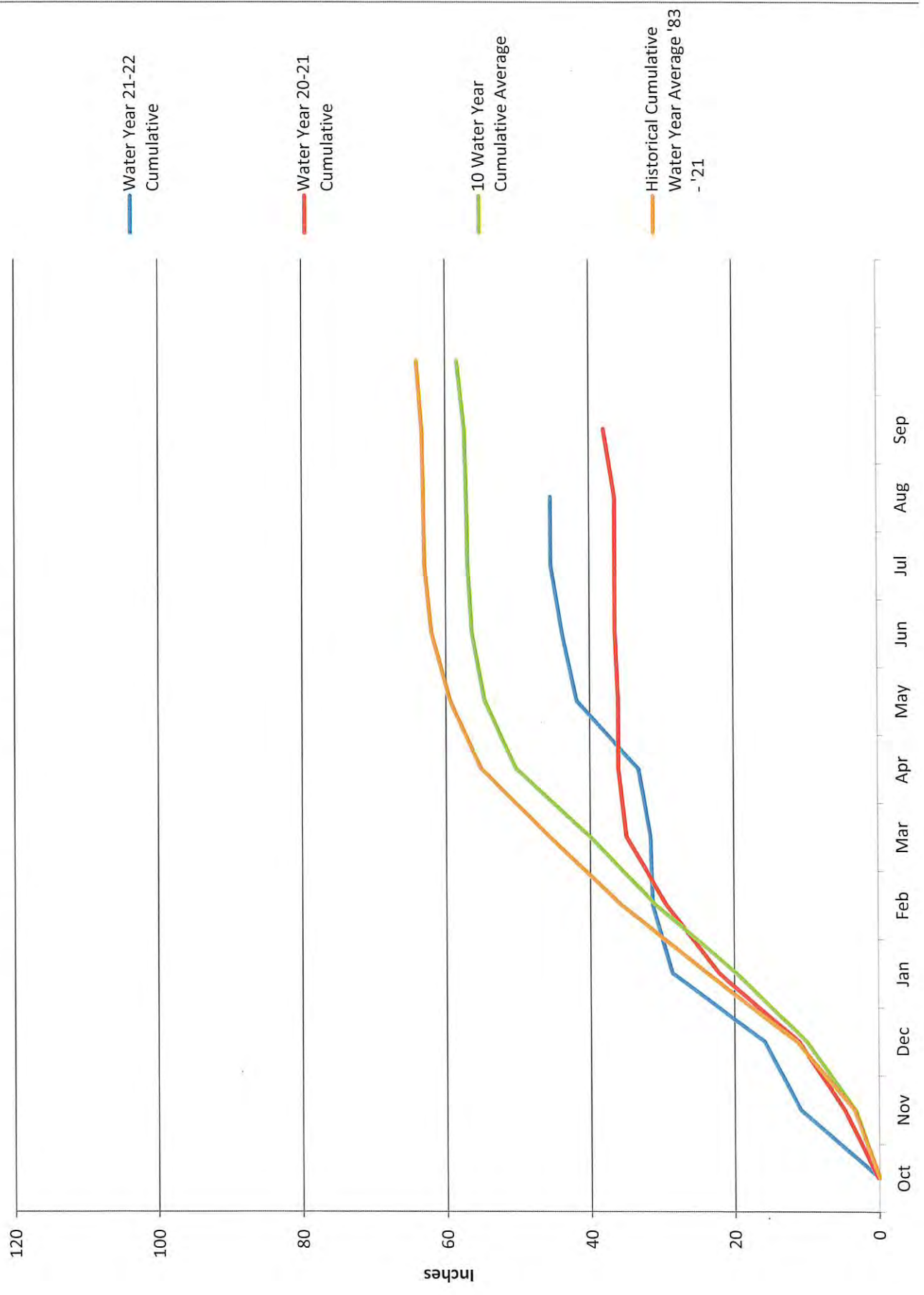


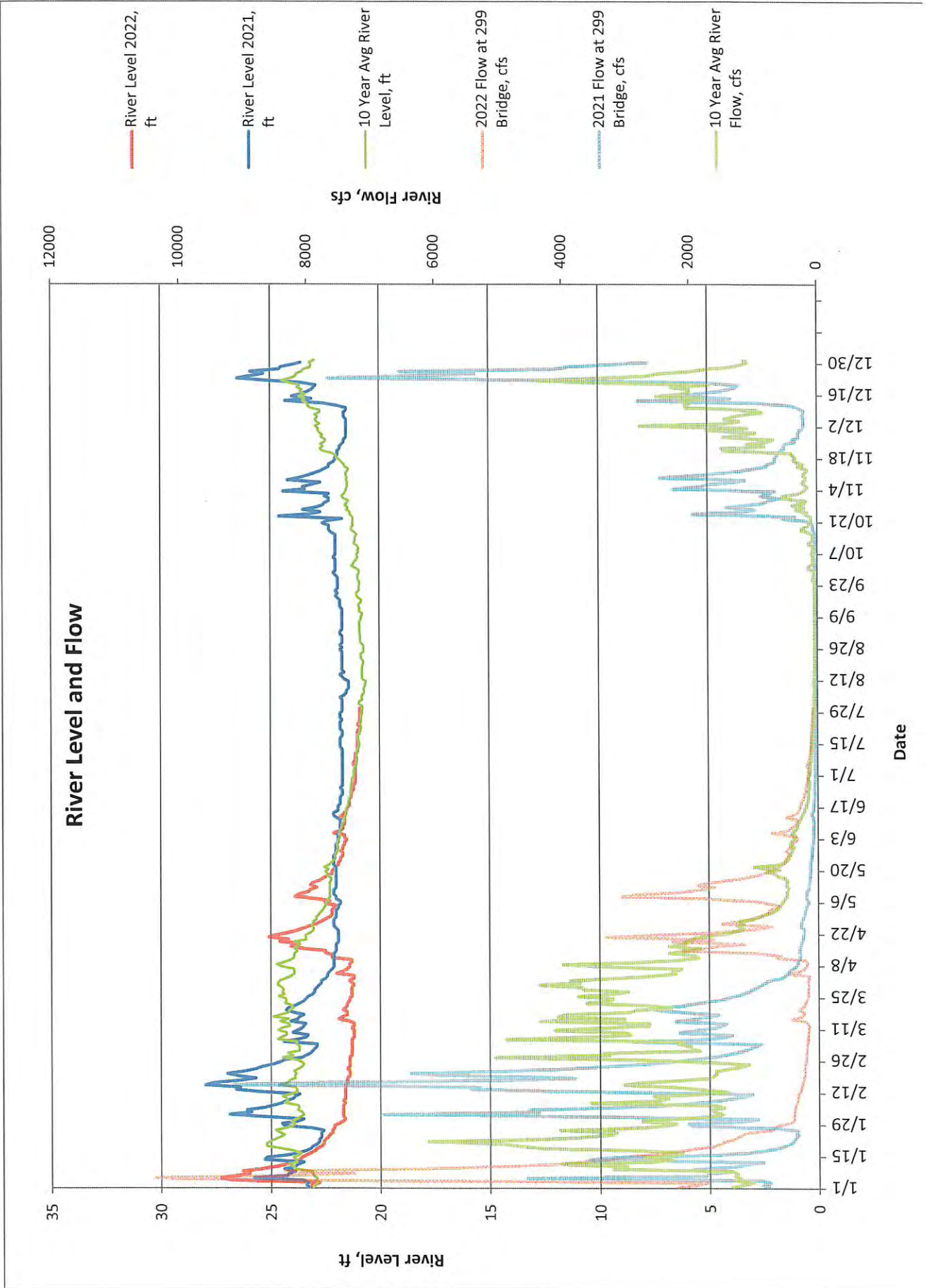
### Flow at Zenia Bridge



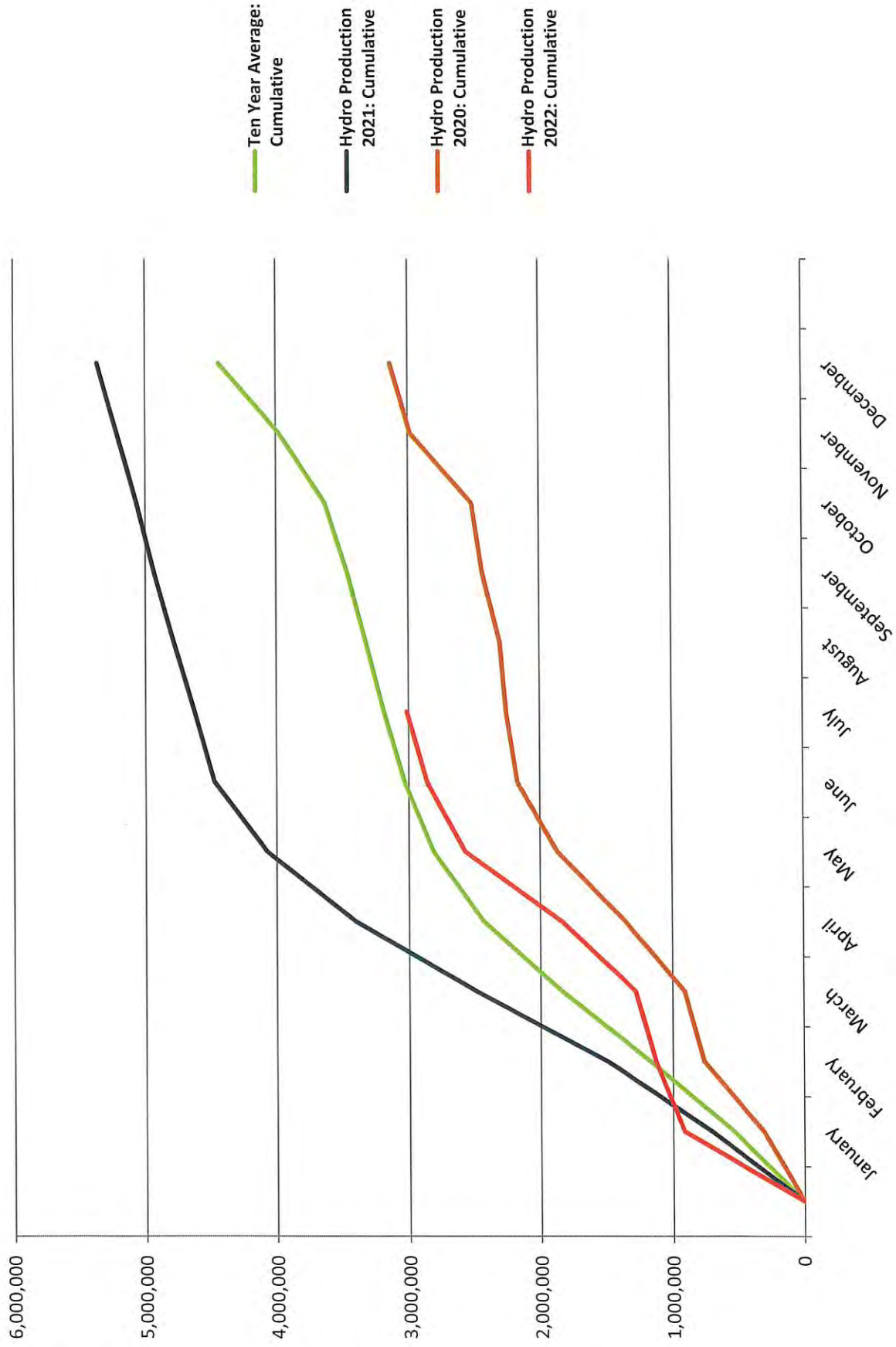


Ruth Rainfall - Water Year 2021-2022





### Ruth Hydro Production: Cumulative kWh



Memo to: Board of Directors  
From: Dale Davidsen, Superintendent  
Date: August 2, 2022  
Subject: Surplus equipment request

The District has replaced unit 9 in the FY 22-23 budget. I propose the District surplus Unit 9, a 2000 Ford F-350, single cab with utility bed and lumber rack.

Memo to: Board of Directors  
From: Dale Davidsen, Superintendent  
Date: August 2, 2022  
Subject: Request to add a project to the FY23 budget.

**Background:**

As part of our safety program, we hold quarterly Management and Staff safety meetings. Commonly referred to as our SB 198 safety meeting. During a recent meeting, one of the items brought to our attention was the request and need to add an articulating boom to our vac trailer. This boom is to help support the weight of the 4" vacuum hose and keep it suspended over the site being excavated.

Since it is still early in the Fiscal Year I decided not to wait until next year to request this purchase as this is a commonly used piece of equipment. Furthermore, the immediate purchase and deployment of this device will reduce the risk of worker injury while using this piece of equipment which is deployed on a frequent basis.

**Cost:**

\$2,542.44 Manufactured Articulating boom (See estimated quote attached)  
\$ 200.00 Installation materials only (District staff will install)  
\$2,742.44

**Request:**

The Board consider for approval, a new FY23 project budget item of \$2,750 to purchase and install an articulating boom on the Vacuum Trailer to help reduce potential strain injuries. The project will initially be funded from General Reserves with the intention to seek funding during the spring Project Budget Re-allocation.

Similar to:





DITCH WITCH  
NORTHWEST  
A PACE COMPANY

**Electronic Estimate**

SECTION 10.3C PAGE NO. 2

07/28/22  
11:51:32  
PAGE- 01

DITCH WITCH WEST

\*\* ESTIMATE \*\*

ESTIMATE #- 50239  
BRANCH- 11  
DIVISN- 02

5332193 HUMBOLDT BAY MUNICIPALIT  
7270 WEST END ROAD  
ARCATA CA 95521  
707-822-2918

MK/MODEL:  
SERIAL #:  
EQUIP #:

SEG- 1

Qty	Part Number/Description	Wt	O/H	Sell	Ext/Cst
1	190-2808 ARTICULATING JI	270.340	1	2,192.87	2,192.87
1	FREIGHT			179.62	179.62
PARTS					
2,192.87	LABOR	.00	MISC		
			179.62		2,372.49
			STATE/LOCAL TAX		169.95
			GRAND TOTAL-->		2,542.44

# MANAGEMENT

# Risk Management Center Training DLS-102

Introduction to USACE SQRA and  
FERC L2RA Process and Guidelines

## Course Information

Level: Fundamental (100 series)

Frequency: Semiannual

Professional Development Hours (PDH): 8 PDHs

Lead Instructor: Nate Snorteland, Carmen Williams, Andy Hill, Doug Boyer

### Course Overview

Explore how the U.S. Army Corps of Engineers (USACE) Risk Management Center (RMC) and the Federal Energy Regulatory Commission (FERC) prepare for, calculate, and evaluate the results of semi-quantitative risk assessments (SQRA). The training will focus on the SQRA process, the calculations and information required to complete an SQRA, and how the SQRA results are used by USACE and FERC.

### Learning Objectives

By the end of the training, participants will have a basic understanding of how to approach each element of SQRA. In addition, participants will be able to

- Understand the general SQRA process and how SQRA fits within USACE and FERC programs
- Calculate risk and use it to inform decisions
- Identify and participate in each phase of SQRA

### Target Audience

Technical staff outside USACE, FERC licensees and FERC consultants who will be participating in or leading SQRA for a variety of purposes. This course is appropriate for participants with other backgrounds or goals who could benefit from understanding all aspects of SQRA.

### Registration & Requirements

This course will be delivered in-person over one full day and will include lectures and demonstrations from USACE and FERC experts as well as hands-on exercises. A workbook of required materials and online resource will be provided to participants. Participants must bring a laptop. Registration is subject to availability of seating and is not guaranteed. Confirmation will be provided via email. There are no tuition costs associated with attending this course but participants are responsible for their own travel costs, meals and arrangements.



# TRAINING AGENDA

Time		Topic	Instructors
8:00 AM – 8:15 AM	15	Introduction and Agenda Review	Nate Shorteland Doug Boyer
8:15 AM – 8:30 AM	15	1 – Risk Overview	Nate Shorteland Doug Boyer
8:30 AM – 9:00 AM	30	2 – Overview of Federal Guidelines	Doug Boyer Carmen Williams
9:00 AM – 9:30 AM	30	3 – Introduction to SQRA	Andy Hill Doug Boyer
9:30 AM – 9:45 AM	15	<b>Break</b>	
9:30 AM – 11:00 AM	90	4 – PFMA/SQRA/L2RA Process	Nate Shorteland Doug Boyer
11:00 AM – 11:30 AM	30	Exercise 1: PFMA	Andy Hill Doug Boyer
11:30 AM – 1:00 PM	90	<b>Lunch</b>	
1:00 PM – 1:30 PM	30	5 – Team Selection and Schedule	Carmen Williams Doug Boyer
1:30 PM – 2:00 PM	30	Exercise 2: Establishing the Team	Carmen Williams Doug Boyer
2:00 PM – 2:30 PM	30	6 – L2RA/SQRA Documentation	Doug Boyer Carmen Williams
2:30 PM – 2:45 PM	15	<b>Break</b>	
2:45 PM – 3:30 PM	45	7 – Evaluation of L2RA/SQRA Results	Doug Boyer Carmen Williams
3:30 PM – 4:00 PM	30	Exercise 3: Portraying Results and Decision Example	Carmen Williams Doug Boyer
4:00 PM – 5:00 PM	60	General Discussion, Q&A, Close Out	All



**Energy Committee Meeting**  
*July 26 9:30 – 11:30 am*

<b>Chair: Gary Arant</b> Valley Center Water District	<b>Vice Chair: Tasha Wright</b> Santa Rosa Water	<b>Staff Liaison:</b> Nick Blair
<p style="margin: 0;"><a href="#"><u>Register Here</u></a></p> <p style="margin: 0;">After registering you will receive a confirmation email containing information about joining the zoom.</p>		

I. Chair’s Welcome & Introductions	Gary Arant, Chair
II. State 5000 MW Strategic Reserve	John Yarbrough, DWR
III. IOU Demand Response Programs and Lessons Learned	Jomo Thorne, PG&E Bryan Falconer, SCE Brad Mantz, SDG&E
IV. Terra Verde (Preferred Provider) Market Update	David Burdick, Terra Verde
V. Other Business	All
VI. Adjourn	

**Next Meeting:** – Nov 29, at Fall Conference & Exhibition in Indian Wells, CA. No virtual option will be provided

**ACWA**



## Region 1 Hosts North Coast Water Forum in Eureka

By ACWA Region 1 Chair Bruce Rupp

They came for the cruise on Humboldt Bay, but stayed for a deep dive into SCADA, microgrids, instream flows, water rights and Silver Tsunami succession planning.

For more than 40 members of the ACWA community, the July 7-8 Region 1 North Coast Water Forum in Eureka delivered value on multiple levels. The event started with an evening cruise on Humboldt Bay aboard the Madaket, the oldest continuously operated passenger ferry in the U.S.

Following the bay cruise, a dinner program featured updates and reports from ACWA leadership, including ACWA JPIA CEO Andy Sells. This included reports on the San Joaquin Valley Blueprint project and the latest legislative developments at the California Capitol, where ACWA is pursuing state funding opportunities for all association member agencies.

The Humboldt Bay Municipal Water District hosted a series of presentations the next morning at its headquarters. This began with my colleague on the Humboldt Bay MWD Board of Directors Michelle Fuller describing the district's extensive work to prove beneficial use by dedicating instream flow on the Mad River, essential to having the State Water Resource Control Board recognize our local water rights.

McKinleyville Community Services District General Manager Patrick Kaspari walked attendees through the creation of a microgrid to power his district's wastewater treatment facility. Water managers from throughout the state would have recognized, and appreciated, the determination required to complete such a project, while also benefiting from lessons learned. The theme repeated itself from a different angle when Humboldt Community Services District General Manager Terrence Williams described how his staff built their own SCADA system in-house.

During a concluding roundtable discussion, Region 1 Vice Chair and City of Santa Rosa Water Director Jennifer Burke shared a concern weighing on the minds of many ACWA member agency leaders – recruiting the next generation of water professionals. In Santa Rosa's case, this problem is exacerbated by employee burnout, stemming from a barrage of drought emergencies and catastrophic wildfires placing mental strain on water workers.

The dilemma Burke described resonated with attendees, many of whom lead agencies beset by the urgent need to find qualified water workers to replace retiring baby boomer professionals. Ultimately, overcoming this problem will

require attracting more people into the water industry and finding more ways to tell younger people about careers in water. Succeeding in that task, along with enhancing workforce diversity, will benefit all ACWA member agencies.

Wrapping up the day, attendees enjoyed lunch at Eureka's historic Carson Mansion. Finally, Nordic Aquafarms hosted a virtual tour of its proposed land-based fish farm at the site of a former pulp mill. If built, the facility would produce an estimated 28,000 metric tons of Atlantic salmon filets and gutted fish a year, employing an extensive filtration system similar to that used in water treatment.

It was a great event that wouldn't have been possible without several generous sponsors. A special thanks to my colleagues and the staff at Humboldt Bay MWD, along with GHD, U.S. Bank, Kennedy Jenks, Ameresco and the Cherae Heights Indian Community of the Trinidad Rancheria.

ACWA region events represent a great opportunity to connect, engage and learn from your ACWA member agency colleagues from throughout the state. I urge people to visit the Events page at [www.acwa.com](http://www.acwa.com) to learn about future events. ♦

Don't miss upcoming Region events – Region 8 on Aug. 12 and Region 10 on Aug. 2.  
For more information and to register, visit [www.acwa.com/events](http://www.acwa.com/events)

**John Friedenbach**

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**From:** Jennifer Rotz <JenniferR@acwa.com>  
**Sent:** Thursday, August 04, 2022 1:24 PM  
**To:** fuller@hbmwd.com; Patrick Kaspari (pkaspari@mckinleyvillecsd.com); Terrence Williams (twilliams@humboldtcsd.org)  
**Cc:** BruceRupp; JenniferBurke; John Friedenbach  
**Subject:** Thank you for participating in ACWA Region 1's North Coast Water Forum



Thank you for your participation as a speaker at ACWA Region 1's North Coast Water Forum in Eureka last month! ACWA depends on experts like you to continue to offer our members high quality, educational region programs. Your presentations added to the overall value and success of the event and your remarks provided insight on issues that are important to our members in the region and the California water community. We sincerely appreciate the time you took from your busy schedule to be with us.

Links to program materials are available [here](#).

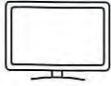
Thank you,  
Jennifer

**Jennifer Rotz**

Regional Affairs Representative II  
Association of California Water Agencies  
Office 916.441.4545 | Direct/Cell 916.669.2373  
[JenniferR@acwa.com](mailto:JenniferR@acwa.com) | [www.acwa.com](http://www.acwa.com)

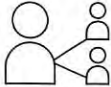


## REGISTRATION, MEALS AND HOTEL INFORMATION SHEET



### REGISTER ONLINE

Register online by **November 11, 2022** at [www.acwa.com](http://www.acwa.com) to take advantage of the advance pricing.



### REGISTER ON SOMEONE'S BEHALF

Select from a list of people affiliated with your company in your account. If the registrant is not listed, you will need to create a Portal profile for the registrant before registering.

**GROUP SAVINGS!** Register 5 individuals from the same organization, receive a 6th registration free!  
(Subject to terms and conditions.) **Contact Teresa Taylor at [TeresaT@acwa.com](mailto:TeresaT@acwa.com) for more information before registering.**

REGISTRATION OPTIONS <i>Advantage pricing applies to ACWA public agency members, associates &amp; affiliates. Standard pricing applies to non-members of ACWA.</i>	ADVANCE DEADLINE: 11/11/22		ONSITE	
	ADVANTAGE	STANDARD	ADVANTAGE	STANDARD
Full Conference Registration & Meals Package Includes access to all conference programs, meal functions, Exhibit Hall and access to On-Demand Conference Recordings after the live conference.	\$775	N/A	N/A	N/A
Full Conference Registration Only (meals sold separately) On-Demand Conference Recordings NOT included but may be purchased separately.	\$620	\$930	\$650	\$975
Tuesday Committee Meetings Only (complimentary - must register to attend)	\$0	\$0	\$0	\$0
One-Day Conference Registration (meals sold separately) <b>Wednesday, Nov. 30:</b> Includes access to Welcome Reception in the Exhibit Hall on Tuesday night, access to the Exhibit Hall and all conference programs on Wednesday only. <b>Thursday, Dec. 1:</b> Includes access to the Exhibit Hall, all conference programs and the Closing Reception on Thursday only.	\$370	\$555	\$390	\$585
Guest Conference Registration (meals sold separately) Guest registration is not available to anyone with a professional reason to attend.	\$75	\$75	\$75	\$75
<b>VIRTUAL OPTION:</b> On-Demand Conference Recordings Only Includes on-demand access to all recorded sessions after the live conference.	\$220	\$330	\$220	\$330
MEAL FUNCTIONS	ADVANCE		ONSITE	
Wednesday Opening Breakfast - November 30	\$50		\$55	
Wednesday Networking Luncheon - November 30	\$50		\$55	
Thursday Continental Breakfast in Exhibit Hall - December 1	\$40		\$45	
Thursday Luncheon - December 1	\$55		\$60	

### HOTEL INFORMATION

You must be registered for the ACWA conference in order to receive hotel reservation information and conference special room rate. **Conference special rate is available August 15 - November 7**, based on availability.

#### HOTEL & ROOM RATES

Renaissance Esmeralda Resort & Spa Indian Wells  
\$199 per night (plus applicable state, local taxes & fees, and \$10 discounted Resort fee)

Hyatt Regency Indian Wells Resort & Spa  
\$199 per night (plus applicable state, local taxes & fees, and \$10 discounted Resort fee)

#### HEALTH & SAFETY

Please check [ACWA's conference page HERE](#) for current health & safety mandates.

#### IMPORTANT DATES

**The conference hotel room block opens on August 15.**

**Deadline for group rate is November 7, 2022**

For those **registering for conference prior to August 15**, information on how to reserve your hotel room will be provided via e-mail on August 15.

For those registering for conference from **August 15 to November 7**, your **confirmation e-mail** will include the information on how to reserve your hotel room and an opportunity to receive a conference special hotel rate.



# ACWA PAST PRESIDENT JERRY GLADBACH PASSES AWAY

BY ACWA STAFF JUL 18, 2022 WATER NEWS

Past ACWA President, SCV Water Vice President and longtime local, state and national water leader E.G. "Jerry" Gladbach passed away July 13. He was 82.

Gladbach served as ACWA President during 2004 and 2005, and remained active within the association up until his passing, participating in Board of Directors' meetings and leading ACWA JPIA as its Board President. His extensive contributions to ACWA included chairing the Region 8 Board and work on association committees, including the Energy and Business Development committees.

"Jerry treated everyone with respect. He was not only my dear friend, but my mentor, a confidante and a true leader who was instrumental in my success," said ACWA President Pamela Tobin. "I will be forever grateful, and I aspire to be the person he confidently entrusted to follow in his footsteps in the water industry. We need more people like him in this world, and he left all of us who knew him better for knowing him."

A resident of the Santa Clarita Valley since 1968, Gladbach also served as a tireless water leader within his home community. He was first elected to the Castaic Lake Water Agency Board in 1985 and served from that point onward, including when the agency merged with other local water entities to become SCV Water in 2018. He was SCV Board of Directors Vice President at the time of his passing.

"We lost a dear friend and vital member of our board," said SCV Board of Directors President Gary Martin, in an SCV Water news release. "Jerry was one of the most knowledgeable and accomplished water professionals in the state, and we were fortunate to have him serving the SCV community for the last 37 years."

During his tenure as ACWA President, the association developed "No Time to Waste: A Blueprint for California Water," a landmark document which articulated the water community's call for a comprehensive solution to California's water problems.

Gladbach's experience in water spanned seven decades. He retired from the Los Angeles Department of Water and Power after 35 years of employment, concluding his career as Manager of its Marketing and Special Projects section. His extensive civic contributions included serving on the Board of Directors of the National Water Resources Association and as Past President of the California Association of Local Agency Formation Commissions.

## CSDA Mourns Passing of District Leader, Jerry Gladbach

By [Vanessa Gonzales](#) posted an hour ago



The California Special Districts Association (CSDA) is saddened to learn of the passing of active CSDA Member E.G. “Jerry” Gladbach. He passed away on July 13, 2022, at the age of 82.

Jerry Gladbach was a pillar in the water industry, locally, state-wide and nationally, with a career stretching more than 60 years; and was a key member of the CSDA team that developed the Special District Leadership Academy (SDLA) curriculum.

“I had the pleasure of working with Mr. Gladbach over the last 20+ years and have learned so much from his extensive experience as a district board member. At the California Special Districts Association, he was one of our main governance subject matter experts that helped develop our Special District Leadership Academy curriculum now used to train thousands of elected and appointed officials from special districts,” said CSDA CEO Neil McCormick. “His insights, experience, and leadership at the statewide and local levels throughout the years brought forward the best in governance practices to the benefit of his district’s constituents and the entire special district community.”



As a member of the National Water Resources Association Board of Directors, Mr. Gladbach helped promote the development and use of our nation's water resources. He was also active in the Association of California Water Agencies (ACWA) until his passing, serving as president from 2002 – 2004, and taking roles on many of its committees. During his tenure as ACWA President, the association developed “No Time to Waste: A Blueprint for California Water,” a landmark document which articulated the water community's call for a comprehensive solution to California's water problems. He was the current president of the ACWA Joint Powers Insurance Authority Board of Directors.



*Jerry Gladbach (on right) as ACWA President with “No Time to Waste: A Blueprint for California Water” publication*

“Jerry treated everyone with respect. He was not only my dear friend, but my mentor, a confidante and a true leader who was instrumental in my success,” said ACWA President Pamela Tobin. “I will be forever grateful, and I aspire to be the person he confidently entrusted to follow in his footsteps in the water industry. We need more people like him in this world, and he left all of us who knew him better for knowing him.”

A resident of the Santa Clarita Valley since 1968, Gladbach also served as a tireless water leader within his home community. He was first elected to the Castaic Lake Water Agency Board in 1985 and served from that point onward, including when the agency merged with other local water entities to become Santa Clarita Valley Water

(SCV) in 2018. He was the current SCV Board of Directors Vice President at the time of his passing.

“We lost a dear friend and vital member of our board,” said SCV Board of Directors President Gary Martin, in an SCV Water news release. “Jerry was one of the most knowledgeable and accomplished water professionals in the state, and we were fortunate to have him serving the SCV community for the last 37 years.”

Gladbach’s experience in water spanned seven decades. He retired from the Los Angeles Department of Water and Power after 35 years of employment, concluding his career as manager of its marketing and special projects section. His extensive civic contributions included serving on the board of directors of the National Water Resources Association and as past president of the California Association of Local Agency Formation Commissions.

He received his Master of Science and Bachelor of Science degrees from the University of Missouri – Columbia. He is a registered professional engineer in California and is a “Fellow” Life Member of the American Society of Civil Engineers.

Gladbach is survived by his wife, Donna, three children, and six grandchildren.

**RREDC/RCEA**



Redwood Coast Energy Authority  
633 3<sup>rd</sup> Street, Eureka, CA 95501

Phone: (707) 269-1700 Toll-Free (800) 931-7232 Fax: (707) 269-1777

E-mail: [info@redwoodenergy.org](mailto:info@redwoodenergy.org) Web: [www.redwoodenergy.org](http://www.redwoodenergy.org)

SECTION 12.4a PAGE NO. 1

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## **BOARD OF DIRECTORS MEETING AGENDA**

July 23, 2022 -Thursday, 3:30 p.m.

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### **COVID-19 NOTICE**

#### **RCEA AND HUMBOLDT BAY MUNICIPAL WATER DISTRICT OFFICES WILL NOT BE OPEN TO THE PUBLIC FOR THIS MEETING**

Pursuant to the AB 361 Brown Act open public meeting law revisions signed into law on September 16, 2021, and Governor Newsom's State of Emergency Proclamation of March 4, 2020, this meeting will not be convened in a physical location. Board members will participate in the meeting via an online Zoom video conference.

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**To listen to the meeting by phone**, call (669) 900-6833 or (253) 215-8782. Enter webinar ID: 819 7236 8051. **To watch the meeting online**, join the Zoom webinar at <https://us02web.zoom.us/j/81972368051>.

**You may submit written public comment** by email to [PublicComment@redwoodenergy.org](mailto:PublicComment@redwoodenergy.org). Please identify the agenda item number in the subject line. Comments will be included in the meeting record but not read aloud during the meeting.

**To make a comment during the public comment periods**, raise your hand in the online Zoom webinar, or press star (\*) 9 on your phone to raise your hand. You will continue to hear the meeting while you wait. When it is your turn to speak, a staff member will unmute your phone or computer. You will have 3 minutes to speak.

While downloading the Zoom application may provide a better meeting experience, Zoom does not need to be installed on your computer to participate. After clicking the webinar link above, click "start from your browser."

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In compliance with the Americans with Disabilities Act, any member of the public needing special accommodation to participate in this meeting should call (707) 269-1700 or email [Ltaketa@redwoodenergy.org](mailto:Ltaketa@redwoodenergy.org) at least 3 business days before the meeting. Advance notice enables RCEA staff to make their best effort to reasonably accommodate access to this meeting while maintaining public safety.

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Pursuant to Government Code section 54957.5, all writings or documents relating to any item on this agenda which have been provided to a majority of the Board of Directors, including those received less than 72 hours prior to the RCEA Board meeting, will be made available to the public at [www.redwoodenergy.org](http://www.redwoodenergy.org).

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## **OPEN SESSION Call to Order**

### **1. REPORTS FROM MEMBER ENTITIES**

### **2. 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 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.

### **3. CONSENT CALENDAR**

All matters on the Consent Calendar are considered to be routine by the Board and are enacted in 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.

**3.1** Approve Minutes of June 23, 2022, Board Meeting.

**3.2** Approve Disbursements Report.

**3.3** Accept Financial Reports.

**3.4** Accept Legislative Quarterly Report.

**3.5** Extend Resolution No. 2022-6 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies, for the period July 28, 2022, through August 26, 2022, pursuant to Brown Act revisions of AB 361.

**3.6** Approve Amendment No. 3 Extending the Term of the Current Professional Services Agreement with Frontier Energy Inc. for Reporting and Technical Services in Support of the RCEA-Administered CPUC Energy Programs through December 2023 and Authorize the Executive Director to Execute All Applicable Documents.

### **4. REMOVED FROM CONSENT CALENDAR ITEMS**

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

### **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 weighted voting as established in the RCEA joint powers agreement.

### **5. OLD CCE BUSINESS**

**5.1.** Energy Risk Management Quarterly Report

Accept Energy Risk Management Quarterly Report.

### **6. NEW CCE BUSINESS – None.**

## **END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS**

## 7. OLD BUSINESS

### 7.1 CC Power Firm Clean Resources Agreements

Delegate authority to Executive Director to execute necessary Project Participation Share Agreements and Buyer's Liability Pass Through Agreements with California Community Power and Participating Members for two new Geothermal Projects:

- Ormat Nevada Inc. Portfolio of Geothermal Projects
  - Expected Participation Share: 3.20% or 4.00 MW with quantity not to exceed 5.00 MW
  - Delivery term: 20 years starting on or about June 1, 2024
- Open Mountain Energy LLC., Fish Lake Geothermal
  - Expected Participation Share: 2.80% or 0.36 MW with quantity not to exceed 0.45 MW
  - Delivery term: 20 years starting on or about April 1, 2024.

### 7.2 Power Purchase Agreement for Renewable America Foster A Clean Power

Approve Power Purchase Agreement with Foster Clean Power A LLC and authorize the Executive Director to execute all applicable documents.

*NOTE: This power purchase agreement was not ready at the time of agenda publication and will be available for viewing at <https://redwoodenergy.org/board-of-directors/> by 5 p.m. on Tuesday, July 26, 2022.*

## 8. NEW BUSINESS – None.

## 9. STAFF REPORTS

### 9.1 Deputy Executive Director's Report

## 10. FUTURE AGENDA ITEMS

Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

## 11. CLOSED SESSION

- 11.1 Conference with real property negotiators pursuant to Government Code § 54956.8 in re: APNs 001-141-005 and 001-141-006; RCEA negotiator: Executive Director; Owner's negotiating party: Wells Commercial; Under negotiation: price and terms.

## 12. RECONVENE TO OPEN SESSION

## 13. CLOSED SESSION REPORT

## 14. ADJOURNMENT

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### NEXT REGULAR MEETING

Thursday, August 25, 2022, 3:30 p.m.

Meeting location to be determined. Online and phone participation will be available via Zoom.



## **BOARD OF DIRECTORS DRAFT MEETING MINUTES**

**June 23, 2022 - Thursday, 3:30 p.m.**

Notice of this meeting was posted on June 17, 2022. Chair Stephen Avis called a regular meeting of the Board of Directors of the Redwood Coast Energy Authority to order on the above date at 3:33 p.m., stating that the teleconference meeting was being conducted pursuant to the AB 361 Brown Act open public meeting law revisions signed into law on September 16, 2021, and Governor Newsom's State of Emergency Proclamation of March 4, 2020. Chair Avis stated that the posted agenda contained public teleconference meeting participation instructions.

PRESENT: Chair Stephen Avis, Scott Bauer, Rex Bohn, Vice Chair Chris Curran, Mike Losey, Sarah Schaefer (left 4:38 p.m.), Jack Tuttle (arrived 3:41 p.m., left 5:08 p.m.), Frank Wilson, Sheri Woo. ABSENT: None. STAFF AND OTHERS PRESENT: Demand-Side Management Manager Mike Avcollie; EDP Renewables Director of Origination (Central/West) Christopher Baxter; Business Development and Finance Director Lori Biondini; Power Resources Director Richard Engel; Senior Power Resources Manager Jocelyn Gwynn; EWPRC Senior Vice President of Operations Ed Kent; Demand Side Management Director Stephen Kullmann; Broad Reach Power Director of Storage Development Jacob Morgan; Community Strategies Manager Nancy Stephenson; Clerk of the Board Lori Taketa; Deputy Executive Director Eileen Verbeck.

Chair Avis commented that all directors and members of other legislative bodies took oaths to defend the Constitution and must take that oath seriously at all levels of government.

Director Losey congratulated Executive Director Matthew Marshall and staff for completing the first front-of-the-meter microgrid in California and expressed pride that multiple agencies, including state agencies, were able to collaborate to complete the project.

### **ORAL COMMUNICATIONS**

There were no public comments on items not on the agenda. Chair Avis closed the oral communications portion of the meeting.

### **CONSENT CALENDAR**

- 3.1 Approve Minutes of May 26, 2022, Board Meeting.
- 3.2 Approve Disbursements Report.
- 3.3 Accept Financial Reports.
- 3.4 Accept Update on Net Energy Metering Successor Tariff Comment Letter Submitted by RCEA Staff to the California Public Utilities Commission.

- 3.5** Adopt Resolution 2022-5 Adopting an Amended Conflict of Interest Code and Authorize the Board Clerk to Submit the Amended Conflict of Interest Code to the Humboldt County Board of Supervisors as the Code Reviewing Body.
- 3.6** Adopt Resolution No. 2022-6 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies, for the Period June 27, 2022, through July 27, 2022, Pursuant to Brown Act Revisions of AB 361, and Approve Conducting RCEA Board and Community Advisory Committee Meetings in a Hybrid In-Person and Teleconference Format at the Jefferson Community Center Auditorium Beginning July 28 for the Board and September 13, 2022, for the Community Advisory Committee.

Director Wilson requested that item 3.6 be pulled from the consent calendar. No member of the public requested removal of consent calendar items.

Paul Woodworth of Rise Energy asked RCEA to oppose non-bypassable charges on behind-the-meter energy consumption in a CPUC NEM Successor Tariff reply comment letter.

**M/S: Bauer, Losey: Approve the consent calendar items 3.1 through 3.5.**

**The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: None. Abstain: None.**

Director Wilson expressed concern about increasing COVID case counts and possible future variants. The directors supported continuing in a teleconference-only format until it becomes clear that future COVID waves will not overwhelm local response capacity.

**M/S: Wilson, Bohn: Continue conducting RCEA Board and Community Advisory Committee meetings in a virtual format until local COVID case counts trend downward.**

**The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: None. Abstain: None.**

**M/S: Woo, Wilson: Adopt Resolution No. 2022-6 Ratifying Governor Newsom's March 4, 2020, State of Emergency Proclamation and Authorizing Remote Teleconference Meetings of RCEA's Legislative Bodies, for the period June 27, 2022, through July 27, 2022, pursuant to Brown Act revisions of AB 361.**

**The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: None. Absent: None. Abstain: None.**

Chair Avis confirmed there was a quorum to conduct Community Choice Energy business.

## **OLD CCE BUSINESS**

- 5.1** Annual Report on Humboldt Sawmill Company Memorandum of Understanding Regarding Biomass Plant Performance and Alternative Feedstock Uses (Information only)



Director Wilson recused himself at 3:47 p.m. because he is employed by Humboldt Sawmill Company.

Power Resources Director Engel reported on the first annual meeting with Humboldt Sawmill Company (HSC) to review feedstock, plant performance and air quality emissions operational data and alternative biomass uses. The Board directed staff to "periodically review" the contract with HSC when approving a ten-year power purchase agreement with HSC in 2021. Most of the biomass plant's feedstock is local redwood waste material derived from the company's timberlands and sawmill operations. A third of the plant's generated electricity is used at the sawmill and the other two-thirds are sold to RCEA. Portions of the company's biomass are also being sold as soil amendment and made into biochar for local farms and activated charcoal for water treatment plants. An HSC consultant is studying biomass liquid vehicle biofuel production. Initial indications are that biofuel facility development might be too capital intensive. HSC's sister company, Mendocino Redwood Company, is exploring more promising offers with other biofuel companies, with potential to use some material generated by HSC. Staff would like more plant energy performance data in the next annual report.

The directors discussed HSC's motivation to find the best possible return for its biomass products and work with PG&E to change current requirements to disconnect biomass electricity generation during islanded operation of the PG&E's Humboldt Bay Generating Station.

There were no responses from the public to Chair Avis' invitation for comment. Chair Avis closed the public comment period. Director Wilson rejoined the meeting at 4:04 p.m.

## **NEW CCE BUSINESS**

### **6.1. Procuring PG&E Renewable Portfolio Standard Voluntary Allocation to Meet Compliance Requirements**

Senior Power Resources Manager Jocelyn Gwynn reported on an opportunity to purchase Renewable Portfolio Standard (RPS) contract renewable certificates from PG&E. Previously, while CCE customers paid the Power Charge Indifference Adjustment (PCIA) to cover the IOU's above-market energy purchases made on their behalf before they moved to CCEs they did not receive any of the renewable certificates associated with those energy purchases. The recent CPUC PCIA proceeding now enables CCEs to receive an allocation of renewable certificates from the IOU serving the same customer territory. The Energy Authority recommends purchasing 20% of PG&E's long-term resource pool allocation available to RCEA and 100% of the short-term resource pool available to RCEA to mitigate the risk of not meeting RPS procurement requirements should the Sandrini solar project experience further delays. Costs for this purchase are not additional for RCEA, i.e. they would replace renewable purchases from other sources and are therefore already reflected in the fiscal year 2022-2023 budget.

Chair Avis invited public comment. There were no comments from the public. Chair Avis closed the public comment period.

**M/S: Losey, Schaefer: Authorize the Executive Director to sign PG&E's RPS Voluntary Allocation Attestation and execute the final Confirmation Agreement with PG&E, with changes from the Proforma Confirmation Agreement approved by Counsel.**

**The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Schaefer, Tuttle, Wilson. Noes: None. Absent: None. Abstain: None. Non-Voting: Woo.**

## **OLD BUSINESS**

### **7.1. Proposed Amendment to Sandrini Solar Power Purchase Agreement**

Power Resources Director Richard Engel reported on proposed amendments to the 100 MW Sandrini Solar Project power purchase agreement with EDPR which will provide 45% of RCEA's customer load. The project experienced delays related to the COVID pandemic, supply chain challenges, and permitting delays in Kern County. As a result, the project is six months behind schedule. Large tariff increases on solar panels originating in China have been postponed and will not affect this project; however, inflation has driven cost increases since contract execution. Staff and EDPR renegotiated the contract, increasing price by 10% over the 10-year contract term, reducing the buyer security deposit by 20% and narrowing construction timeframe extension condition requirements. The Energy Authority advised staff that the cost increases would be more favorable than exiting the contract and seeking a new contract, as solar power purchase prices have increased considerably.

The directors discussed the increased power purchase price's effect on customer rates, and how the security deposit is held over the life of the contract unless RCEA achieves an investment grade credit rating or reaches a net worth threshold that would alleviate seller concern. Staff will prepare for a Board discussion at a future meeting on balancing CCE formation goals of increasing customer savings with renewable energy procurement goals and building financial reserves.

EDPR's Director of Origination Chris Baxter reported that the project is in late-stage development. Construction is expected to begin in July 2022, with commercial operation beginning in June 2023. This project has been permitted.

There were no responses from the public to Chair Avis' invitation for comment. Chair Avis closed the public comment period.

**M/S: Woo, Bauer: Approve First Amendment to 15-year power purchase agreement with EDPR CA Solar Park II LLC for its Sandrini solar project and authorize RCEA's Executive Director to execute all applicable documents.**

**The motion passed with the following roll call vote. Ayes: Avis, Bauer, Curran, Losey, Schaefer, Tuttle, Wilson, Woo. Noes: Bohn. Absent: None. Abstain: None.**

### **7.2. Fairhaven Energy Storage Mid-Term Reliability Procurement**

Director Woo recused herself at 4:38 p.m. because her employer, SHN Consulting Engineers & Geologists, is contracted to work with the project's developers.

Power Resources Director Engel reported on the proposed 10-year resource adequacy (RA) agreement with Broad Reach Power and EWPRC at the former DG Fairhaven mill site. This would be the first utility-scale storage project in Humboldt County. The system's batteries will store power from the grid during the day when renewable resources are producing energy

and discharge energy to the grid in the evenings when renewable power is scarce. This RA purchase fulfills the CPUC's June 2021 Mid-Term Reliability requirements to replace retiring nuclear and natural gas power plant capacity with clean energy or storage projects. The project's 17.25 MW battery storage is much larger than the Airport Microgrid's 2.2 MW battery storage capacity and uses all the former biomass plant's electricity grid interconnection capacity. The project is expected to be online by October 2023 and would help RCEA meet the 2024 portion of the mid-term reliability compliance obligation. Purchase of RA at the proposed rate hedges costs as RA prices have been increasing. This contract aligns with RCEA strategic plans to maximize local renewable energy production, minimize greenhouse gas emissions, and ensure diversity in local sources.

EWPRC Senior Vice President of Operations and former operator of the Fairhaven biomass plant Ed Kent described his company's other battery storage projects in California. The directors discussed other grid interconnection opportunities at the Blue Lake biomass plant and how Diablo Canyon's 2 GB grid interconnection is fueling offshore wind development interest on the central coast. Broad Reach Power Director of Storage Development Jacob Morgan described interest in increasing storage capacity in the future as grid capacity increases in support of offshore wind energy production.

There were no responses from the public to Chair Avis' invitation for comment. Chair Avis closed the public comment period.

**M/S: Bauer, Losey: Approve Resource Adequacy Agreement with Fairhaven Energy Storage LLC and authorize the Executive Director to execute all applicable documents.**

**The motion passed with a unanimous roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Tuttle, Wilson. Noes: None. Absent: Schaefer, Woo (recused). Abstain: None.**

Director Woo returned to the meeting at 4:54 p.m.

### 7.3. Fiscal Year 2022-23 Proposed Budget and Addition of Staff Positions

Deputy Executive Director Verbeck described the fiscal year 2022-23 revised proposed budget draft which was based on The Energy Authority's lower revenue April 30 forecast instead of the higher revenue June 1 modeling. Staff followed Board direction to conservatively budget in recognition of the extremely volatile energy market and regulatory environment. The budget model also included a 3.1% PG&E rate increase. Three new full-time positions are included in the budget, as are RCEA's current 0.5% generation rate discount from PG&E's generation rates. Funds not yet awarded were not included. The budget projects \$8 million in net revenue. Staff strongly advocated that those funds be used to replenish the reserve fund which was depleted during the present fiscal year. A loan and a power product sale were needed to bridge the cash shortfall. During creation of the Community Choice Energy program, the Board adopted reserve goals of at least \$10 million during adverse times and \$35 million when conditions are favorable in its launch period program guidelines. When cash reserves are below those thresholds, TEA fees are higher. When reserves approach levels originally set by the Board, the Board may wish to discuss how customers should benefit from increased revenues.

The directors discussed PG&E's anticipated rate hike, how RCEA's rates and revenue increase when PG&E increases rates, and how the program's power purchase costs are fairly well hedged for the coming fiscal year. The directors expressed support for allocating net revenue to the reserve fund.

There were no responses from the public to Chair Avis' invitation for comment. Chair Avis closed the public comment period.

**M/S: Losey, Curran: Approve:**

1. **Adoption of the proposed RCEA Fiscal Year 2022-23 budget,**
2. **Creation of an Infrastructure Programs Manager position,**
3. **Addition of a DSM Intake Coordinator position,**
4. **Addition of a Power Resources Specialist position,**
5. **Update to the RCEA Organization Chart, and**
6. **Revising the Assistant/Coordinator/Associate position to clarify the distinction between limited-term and permanent positions.**

**The motion passed with the following roll call vote. Ayes: Avis, Bauer, Bohn, Curran, Losey, Wilson, Woo. Noes: None. Absent: Schaefer, Tuttle. Abstain: None.**

**STAFF REPORTS**

- 9.1. Update on RCEA's Public Agency Solar Program and the California Schools Healthy Air and Plumbing Efficiency Program by Demand-Side Management Director Stephen Kullmann, Senior DSM Manager Patricia Terry and DSM Manager Mike Avcollie

DSM Manager Avcollie reported on the Public Agency Solar Program (PASP), which the Board approved in 2018. PASP is locally funded through Community Choice Energy program revenues. In the past four years, PASP has helped 24 cities, schools, first responder stations and tribes determine whether solar systems are appropriate, conduct electricity load analyses, increase energy efficiency, and conduct solar site assessments and project feasibility studies. RCEA staff helps the agency leverage CEC loan programs and navigate the public works contracting process to install appropriate energy saving, production and storage measures. RCEA has conducted 57 solar site assessments so far and helped 13 projects receive a total of \$4.4 million in grant funds. A total energy-producing capacity of 780 kW has been installed to date that produce 1.3 million kW hours annually.

Solar projects at the following agency facilities have been installed or are in process with help from the PASP: City of Trinidad Town Hall, Rio Dell City Hall and police station, Ferndale wastewater treatment plant and Ferndale police station, Eureka water treatment plant and Sequoia Park Zoo, Ridgewood Elementary School, Mattole Unified School District library, Honeydew Elementary School, Southern Humboldt School District, Kneeland Fire Protection District, Burnt Ranch Elementary School, Eureka City School's 14<sup>th</sup> Street corporation yard.

Project Manager Avcollie also reported on RCEA's work through the state Cal SHAPE program, which disbursed grants to schools to upgrade noncompliant plumbing fixtures and maintain and replace heating, air conditioning and ventilation systems. Upgrading inadequate ventilation became important with the spread of COVID. Staff worked with four schools in

disadvantaged communities to assess existing equipment, write and submit applications and all four schools received funding to install ventilation systems in buildings that lacked them. Later this year, staff will assist with replacing water-wasting plumbing fixtures with high efficiency fixtures and will help two additional school districts add filtration to improved ventilation systems. A total of \$186,000 in grant funding was awarded to Humboldt County schools through RCEA assistance with the Cal SHAPE program.

The directors thanked staff for their work to improve health and safety in classrooms and to give kids a better head start.

There were no public comments on this item. Chair Avis closed the public comment period.

## **9.2. Deputy Executive Director's Report**

Deputy Executive Director Verbeck thanked everyone who participated in the Redwood Coast Airport Microgrid opening event and acknowledged Community Strategies Manager Stephenson's hard work to make the event successful. Staff is working on comments for the Bureau of Ocean Energy Management's proposed offshore wind lease notice. Lost Coast Wind continues its outreach to local tribal organizations. Director of Business Planning and Finance Biondini participated in a Harbor District preliminary infrastructure plan meeting. The Harbor District received funding through the California Energy Commission for harbor infrastructure improvement to support the heavy lifting needed for offshore wind industry development in Humboldt County.

## **CLOSED SESSION**

**11.1** Conference with real property negotiators pursuant to Government Code § 54956.8 in re: APNs 001-141-005 and 001-141-006; RCEA negotiator: Executive Director; Owner's negotiating party: Wells Commercial; Under negotiation: price and terms.

There were no public comments on this closed session item. Chair Avis closed the public comment period.

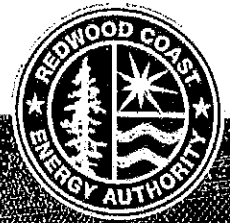
The Directors adjourned to closed session at 5:40 p.m. and reconvened in open session at 6:07 p.m.

Chair Avis stated that there was nothing to report out from closed session and adjourned the meeting at 6:07 p.m.

Lori Taketa  
Clerk of the Board

# July 2022 News and Updates

from the Redwood Coast Energy Authority



### Net Energy Metering (NEM):

RCEA paid a total of \$142,284 to NEM customers for excess on-site solar generation for the 2021/22 NEM Program payout.

### Public Safety Power Shutoff (PSPS):

Although the 2022 PSPS season is underway, Humboldt County has not been affected by any PSPS related outages. RCEA staff continue to monitor PG&E's PSPS portal for potential alerts affecting RCEA customers. An "Electricity Grid Alerts" banner is on the front of RCEA's website that provides updates and useful links, including signing up for Flex Alerts.

### Offshore Wind:

The Bureau of Ocean Energy Management (BOEM) completed its environmental review in May of potential impacts from offshore wind energy leasing activities in the Humboldt Wind Energy Area (WEA) and issued a finding of no significant impact. The review considered potential impacts from the issuance of leases, site assessment activities, site monitoring activities, and project easements and related right-of-way grants.

BOEM also filed a Proposed Sale Notice for the Humboldt WEA providing an opportunity for public input. BOEM is expected to hold its auction for offshore wind leases in Fall 2022.

Director of Business Planning and Finance, Lori Biondini, gave a presentation to the Marin Conservation League on July 15 on the status of offshore wind energy planning in California, and RCEA's proposed project for the Humboldt WEA. A senior attorney with the NRDC also presented, allowing attendees to consider some of the identified environmental concerns within the context of the State's and RCEA's energy goals.

## WE ARE HIRING!

### Current Employment Opportunities at RCEA

- Administrative Support
- Customer Service Representative
- Field Technician
- Human Resources
- Marketing
- Operations
- Project Management
- Public Affairs
- Utility Worker

### 2022 totals

<p><b>Residential EV Charging Equipment</b></p> <p>11 approved</p>	<p><b>Electric Vehicles</b></p> <p>27 approved</p>	<p><b>EV Charge REBATE</b></p> <p>30 approved</p>	<p><b>Residential Services ASSESSMENTS</b></p> <p>57 completed</p>	<p><b>Non-Res Services ASSESSMENTS</b></p> <p>23 completed</p>
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## Mobile Solar and Battery Trailer:

RCEA facilitated a one-year assignment of a mobile solar and battery trailer for the Southern Humboldt Fire Chiefs Association. The trailer, which is to be utilized by 17 fire agencies, was provided at no cost by the Empowered by Light Organization and Captain Richard Birt. It was delivered during an inter-agency training in Briceland on June 11. This project will inform future mobile renewable energy deployment opportunities for essential services.

## Agency Projects - ongoing

**City of Ferndale** - solar and lighting project completed

**City of Rio Dell** - solar & storage installed, generator installation in progress

**Eureka City Schools** - solar, storage, and EV bus charger installation project is progressing

**Yurok Tribe** - benchmarking and making connections for multiple project locations

**City of Arcata** - outlining an energy efficiency project at Arcata Community Center

**City of Eureka** - upgrading solar and lighting at Water Treatment Plant and High Tank

**Burnt Ranch Elementary School** - contracting for roof-mounted solar array project

**Arcata School District** - helped with Board acceptance and paperwork processing for CalSHAPE program and contract assistance for the CalSHAPE HVAC project

**Redwood Coast Montessori School** - issued a re-bid for the ECAA-Ed project and assisted with the CalSHAPE RFQ for Plumbing services for phase two of the application

**Coastal Grove Charter School** - helped with Board acceptance and paperwork processing for CalSHAPE program and contract assistance for the CalSHAPE HVAC project

**Loleta Union Elementary School** - assisted with a board resolution and processed paperwork for acceptance in the CalSHAPE program.

**Rural REN** - We submitted our business plan to the CPUC and have met with commission staff and other stakeholders and are addressing any feedback.

**TECH Quick Start Grant** - We have secured partnerships with area contractors, identified potential customers, and are beginning outreach.

**Mobile Home Solar** - We have completed plan set for pole-mounted solar for mobile home installations and are identifying sites with Bear River Rancheria for installations.

## Transportation:

RCEA's Infrastructure and Transportation Team received a notice of proposed award for a \$700,000 Rural Electric Vehicle (REV) Charging grant (GFO-21-604) from the California Energy Commission. RCEA received the second highest scoring application in the state and is committed to supporting the adoption of zero emission vehicles in the region. RCEA will also provide technical assistance to Mendocino County for their proposed award.

HTA won a \$38.7M TIRCPs grant to bring 11 hydrogen buses and refueling infrastructure to Humboldt County. HTA will provide "over the fence" refueling for private vehicles, which will be a critical first step in exploring hydrogen as an advanced transportation fuel in our region. This development will inform our work on our CEC medium-duty/heavy duty vehicle blueprint grant (ARV-21-035).

RCEA is now facilitating a monthly regional transportation roundtable for various agencies and stakeholders to share project updates and collaborate on competitive state and national grant applications.



Redwood Region Economic Development Commission  
 325 2nd Street, Suite 203, Eureka, California 95501  
 Phone 707.445.9651 Fax 707.445.9652 www.rredc.com

**REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION**  
**Regular Meeting of the Board of Directors**

In person: Eureka City Hall, Conference Room 207, 531 K Street, Eureka CA  
 or Zoom: <https://us02web.zoom.us/j/82132105250?pwd=TjFY2tgZVBJdGhrbld4VmpIODdiUT09>  
 or phone: call +1 669 900 6833  
 Meeting ID: 821 3210 5250  
 Passcode: 579768

**July 25, 2022 at 6:30 pm PT**  
**AGENDA**

- I. **Call to Order**
- II. **Approval of Agenda**
  - A. Approval of Agenda for July 25, 2022
- III. **Public Input for non-agenda items**
- IV. **Consent Calendar**
  - A. Approval of Minutes of the Board of Directors Regular Meeting: June 27, 2022
  - B. Acceptance of Agency-wide Financial Reports: 4<sup>th</sup> QTR FY 2022
- V. **Program – Allie Jones, Contractor for the County of Humboldt – Overview of the Development of the Humboldt County Comprehensive Economic Development Strategy (CEDs)**
- VI. **New Business**
  - A. Consideration of Co-Signing CORE Hub Comment Letter on Public Sale Notice for Bureau of Ocean Energy Management
  - B. Consideration of Agreement to Partner with the High Road Transition Collaborative for the Community Economic Resilience Fund Regional Planning Effort
  - C. Selection of Auditor for Fiscal Years 2022-2024
- VII. **Old Business None**
- VIII. **Reports – No Action Required**
  - A. Executive Director's Report
  - B. Loan Portfolio Report
- IX. **Member Reports**
- X. **Agenda/Program Requests for Future Board of Directors Meetings**
- XI. **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.*