

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



Minutes for Regular Meeting of the Board of Directors  
November 12, 2021  
Meeting Start Time: 9:00 am

**DUE TO COVID-19 THE DISTRICT WILL BE HOLDING THE MEETING VIA ZOOM**

**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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Time Set Items:	8.6 McNamara and Peepe Site	9:15 am
	8.1a WRP-Local Sales	10:00 am
	10.1 Engineering	11:00 am
	9.2 Samoa Peninsula EIFD Presentation	1:15 pm
	8.3 Annie & Mary Trail	2:00 pm

**1. ROLL CALL**

President Woo called the meeting to order at 9:01 am. Director Rupp conducted the roll call. Directors Fuller, Latt, Rupp, and Woo were present. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris, Tech Manager Dee Dee Simpson, and Board Secretary Fiona Wilson were present. David Lindberg joined the meeting at 9:15 am. Nathan Stevens of GHD, Scott Adair and Tanner Etherton from the County of Humboldt, and Emily Sinkhorn from the City of Arcata were present for a portion of the meeting. Director Latt stepped away from the meeting briefly at 1:45 pm. President Woo left the meeting at 2:52 pm.

**2. FLAG SALUTE**

President Woo led the flag salute.

**3. ACCEPT AGENDA**

On motion by Director Rupp, seconded by Director Fuller, the Board voted 4-0 by roll call vote to accept the agenda. Director Lindberg was not present for the vote.

**4. PUBLIC COMMENT**

There was no public comment.

**5. MINUTES**

**5.1 Minutes of the October 4, 2021 Special Meeting**

In Section 5.1, on Page 1, under Item 5., it was noted that the word "with" is missing from the final sentence. Staff will make the correction.

President Woo abstained from voting as she was not present for the October 4 meeting. Director Lindberg was not present for the vote. On motion by Director Rupp, seconded by Director Latt, the Board voted 3-0 by roll call vote to approve the minutes as amended.

## 5.2 Minutes of the October 14, 2021 Regular Meeting

In Section 5.2, on Page 2, under Item 8.1.a.ii., the last two sentences of paragraph 4 will be amended to emphasize the City of Trinidad's acknowledgement that future participation may not be an option, supply may be limited, and there will be no guarantee of availability at a later date. The last two sentences of paragraph 4 will be amended to, "Mr. Naffah acknowledged that supply may be limited upon completion of the project and that there will be no guarantee of future availability. He confirmed that the City would be willing to pay their fair share if they decide to opt-in and are able to participate at a later date."

In Section 5.2, on Page 3, under Item 8.3, "woody trees" will be amended to "woody debris."

In Section 5.2, on Page 3, under Item 8.4, "The City interprets the District's easement as 30' only, so the 55' easement could be lost if the property is sold," will be amended to, "The City interprets the District's easement as 30' only, which the District disputes."

In Section 5.2, on Page 6, under Item 10.2.a., language will be added to indicate that Director Rupp reviewed the September bills.

Staff completed the corrections and brought the item back to the Board for approval before the meeting was adjourned. President Woo was not present for the vote. On motion by Director Rupp, seconded by Director Latt, the Board voted 4-0 by roll call vote to approve the minutes as amended.

## **6. CONSENT AGENDA.**

### **6.1 Media articles of local/water interest**

President Woo pulled section 6, page 7 for discussion. On motion by Director Lindberg, seconded by Director Fuller, the Board voted 5-0 by roll call vote to approve the Consent Agenda with the removal of Section 6, page 7.

- 6.2 Section 6, page 7, AghaKouchak, A. (2021, October 24). Extreme Rain Heads for California's Burn Scars, Raising the Risk of Mudslides: This is What Cascading Climate Disasters Look Like. *The Conversation*.**  
The Board discussed the impact of runoff from burns scars into Ruth Lake. GM Friedenbach advised that due to runoff, dredging may become necessary at some time in the future. Additionally, silt is accumulating at the head of the lake which may also necessitate dredging. Staff will pursue funding opportunities to mitigate the issue as opportunities arise. On motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 by roll call to approve Section 6, page 7 of the Consent Agenda.

## **7. CORRESPONDENCE**

### **7.1 HBMWD Referral Agency Comments for North Wind Management, LLC Special Permit Application**

The Board discussed the North Wind Management, LLC application and the letter that was sent to Humboldt County Planning and Building. Director Latt recused himself from the item because he represents the applicant. After recusing himself, Mr. Latt made the following comments as a member of the public: he clarified that the application is for buildings on the inland (eastern) side of Vance Avenue. The parcel is currently served by the water line that serves the Harbor District; it is not a tenant of the Harbor District but is an inholding within the Harbor District. This parcel deserves water service and should be treated fairly by the District.

GM Friedenbach described the parcel map in the packet, explaining that the District has no meter to measure and charge for the parcel's water. The District has faced that issue with other parcels that have been carved out from larger industrial parcels containing internal water distribution grids on the customer's side of the water meter. The letter to the Planning Commission is not anti-development; it addresses the issue of the distribution grid for unmetered water service to the parcel. The Harbor District is not at liberty to shut off the water to the parcel. This issue will likely present itself again in the future. The Board discussed concerns about involving the District in disputes between land owners and other

agencies. If the Harbor District intends to extend lines to other parcels, it should be their responsibility, not the District's. GM Friedenbach clarified that the District had not received a will-serve request, and the applicant's statement that they receive water from HBMWD was incorrect. GM Friedenbach clarified that the Harbor District could extend a lateral line to the applicant's parcel once the Nordic line is installed, similar to the Rancheria/City of Trinidad mainline extension discussion. The District will send a letter to the Harbor District, asking how they would like to proceed.

7.2 HBMWD Referral Agency Comments for Humboldt Bay Company, LLC Special Permit Application

GM Friedenbach clarified that the applicant is purchasing the entire Sierra Pacific site so most of the concerns in the letter will be resolved. The District will respond once staff receive the will-serve request.

7.3 Welcome Letter from State Controller re: Participation in CUPCAA

The Resolution was received by CUPCAA and the District is officially a participant.

7.4 Letter to CalOES re: Hazardous Vehicles at Ruth Lake

The two abandoned Tetra Tek rental vehicles were recovered by the state and no longer pose threats to the environment.

7.5 DSOD Notice to Dam Owners, 10/26/21

The R.W. Matthews Dam received a DSOD hazard classification of "High." This classification indicates the potential loss of one life downstream in the unlikely event of dam failure. The "Condition Assessment" is listed as Satisfactory.

7.6 Email re: Article in Blue-Green Systems

An image of a District Ranney collector is featured in the "more green" category of the article.

**8. CONTINUING BUSINESS**

8.1 Water Resource Planning - General Manager Friedenbach provided a status report on water use options under consideration below.

a. Local Sales

i. Nordic Aquafarms update

Director Woo recused herself due to a remote potential conflict. The Nordic Aquafarms environmental documents are available for review on their website.

ii. Trinidad Rancheria Mainline Extension

The District and Rancheria will plan to finalize the agreement for the December Board meeting. The Rancheria is moving forward with the funding and engineering process. District Counsel Plotz provided an update on the project. The feasibility study has been completed, and regulatory approvals will be obtained before the construction phase begins. The MOU included a deposit for District costs that the Rancheria will maintain, and the District's cost recovery will be included in the mainline extension agreement. The Rancheria will be able to terminate the agreement prior to start of construction, but must obtain District approval to terminate after construction begins. The Rancheria will prepare plans and specifications for District approval and will secure all necessary real property entitlements for the project. The mainline extension improvements shall become property of the District upon completion, and the contractor will be required to warrant their work for one year against defective work or materials. A maintenance bond will be used to pay for any necessary repairs during the warrantee period. This is a normal risk management and mitigation measure. A water service agreement will be included with the mainline extension agreement, and will be executed after

construction. The District will provide a master-meter to the Rancheria as a retail customer. Once the Rancheria and District have reviewed the draft agreement, certificates of insurance, and appropriate resolutions, the District will consider final approval and authorization of the agreement. Regarding the City of Trinidad's potential interest in District water from the mainline extension, GM Friedenbach clarified that the City of Trinidad's water system is south of the Rancheria property. If engineering allows, the City of Trinidad would need Board approval to obtain water from the District in the future, and would have to access the line at a point where the District could meet their needs. The City would be fully responsible for 100% of costs from the point of the line that goes to City, and would have to obtain LAFCO approval to expand scope of service. The District would be able to approve service to the City once the District obtains possession of the transmission line. There will be potential to upsize the line for additional cities once the tribe's design has been prepared, but prior to construction.

b. Transport

The meeting with Congressman Huffman was canceled and will be rescheduled. The Board discussed Northern Mendocino's disinterest in transport from the District and the need to examine options before the District's water rights expire in 2029. The Board discussed inviting attorney David Aladjem to discuss District water rights and opportunities.

c. Instream Flow

The Board discussed instream flow regarding operational releases. Staff will send a narrative determining rate of releases to the National Marine Fisheries Service (NMFS).

8.2 Resolution 2021-21 – Extension of AB 361

The District is required to reaffirm the circumstances that qualify this act every 30 days. The January, April, and July meetings in 2022 fall outside that 30-day requirement and will require special meetings to approve. The Board discussed resuming in-person meetings. On motion by Director Latt, seconded by Director Fuller, the Board voted 4-1 by roll call vote to approve Resolution 2021-21. Director Rupp cast the dissenting vote.

8.3 Annie & Mary Trail property access agreement

The City of Arcata is extending a recreational trail from West End Road to the District's Park One to improve connectivity for walking and biking from the north end of Arcata. The City wants to begin environmental compliance work on District property in the vicinity of the proposed trail. The agreement will allow the City to begin the CEQA process. The City is working with the County to extend the trail to Park One and would primarily be located within NCRA and Caltrans right-of-ways. The Board discussed District concerns with Arcata's Environmental Services Director Emily Sinkhorn regarding easements on our transmission lines whose scope has been challenged by the City. Sinkhorn will share the District's concerns with Arcata's Community Development Department. The Board discussed concerns regarding the trail's impact on restroom facilities at Park One. Sinkhorn acknowledged District concerns and assured the Board that the City would assist with maintenance of the restroom. Sinkhorn will determine what the City and County will commit to, to ensure that restroom and trail maintenance will be included in a future agreement. On motion by Director Fuller, seconded by Director Lindberg, the Board voted 5-0 by roll call vote to approve and execute the agreement.

8.4 Ruth Lake Emergency Declaration

The rainy season has washed woody debris into the lake that is now underwater or floating atop the lake. The log boom has been successful at catching much of the debris. Erosion control measures have been delayed due to the rainy season and staff are troubleshooting how to adjust and modify erosion

control measures.

8.5 Boldway real property lot line

The Boldways have requested a lot line adjustment and are hoping to bring a proposal in December.

8.6 McNamara and Peepe Site

President Woo recused herself due to a remote potential conflict. She is employed by SHN Consulting Engineers which performs work at the McNamara and Peepe site. The district received the engagement letter from special counsel last week and the retainer is being processed. Progress should be made before the December meeting.

9. **NEW BUSINESS**

9.1 Ordinance 23 - Water Theft Penalties

Chris Harris introduced the draft Ordinance and associated Government Codes allowing increased penalties for water theft. Adoption of the Ordinance will permit the District to administer fees, fines, and penalties for theft and diversions. This would not apply to diversions from the river itself, but will apply to diversions from the Ruth reservoir. The Ordinance will be noticed twice prior to a Public Hearing during the December meeting.

9.2 Samoa Peninsula EIFD Presentation

Scott Adair and Tanner Etherton from the Humboldt County Economic Development Division presented information on the Enhanced Infrastructure Financing District to promote job creation and growth on the Samoa peninsula. Adair dispelled myths regarding the EIFD that:

- 1) There will be **no** new tax or levy.
- 2) Other districts or entities that receive tax revenues are **not** obligated to participate.
- 3) Infrastructure does **not** mean smokestacks and concrete, but rather education, trails, community, water lines, utilities, roads, etc.
- 4) The EIFD will **not** be used to fund port or harbor infrastructure because that would have to be managed by the port authority. It is applicable to non-port/non-harbor specific infrastructure, however and can be complementary. Projects in another part of the county that enhance the EIFD could potentially be funded, even if the project is not on the peninsula. This includes projects at Essex for industrial water use on the peninsula within the EIFD.

EIFD projects will be determined by the governing body. There will be three public hearings before the plan goes to County Supervisors for approval; the first will be on December 14. The EIFD can be used to attract complementary funding and grant funding. Once the Infrastructure Financing Plan is finalized, County Economic Development is hoping to have District input to present to County Supervisors. The County will send a tax increment analysis to the Board for consideration.

9.3 Governor Newsom Drought Proclamation

The governor declared a state of emergency, but there is not a mandatory statewide drought response.

9.4 Eureka Chamber Director Nominee Voting Authority

On motion by Director Rupp, seconded by Director Lindberg, the Board voted 5-0 by roll call vote to approve the recommended Chamber directors. GM Friedenbach will cast the vote on behalf of the Board.

9.5 Status of Peninsula CSD

This item was tabled to the December meeting, as no representative from the Peninsula CSD was present.

## **10. REPORTS (from Staff)**

### **10.1 Engineering**- District engineer Nathan Stevens provided updates on the projects listed below.

#### **a. 12kV Switchgear Replacement**

The IPA building shipped last week from Louisiana and should arrive on November 16. The contractor is working on updating the project schedule and will request a formal extension to March or April of 2022.

#### **i. Backup Generator during Controller Upgrade**

The Board weighed the pros and cons of renting a backup generator in the unlikely event of a power outage during the upgrade. Board directed staff to continue monitoring risks and use their best judgement.

#### **ii. Revised Match Commitment Letter**

On motion by Director Rupp, seconded by Director Fuller, the Board voted 5-0 by roll call vote to approve the Revised Match Commitment Letter required for the submittal of a grant budget increase request.

#### **b. R.W. Matthews Dam & Spillway Seismic Stability Analysis and Design HMGP Advance Assistance** Nothing new to report. The District is waiting to hear back on the submitted application.

#### **c. Reservoirs Seismic Retrofit Project Revised Match Commitment Letter**

Additional funding is now available. On motion by Director Rupp, seconded by Director Fuller, the Board voted 5-0 by roll call vote to approve the Revised Match Commitment Letter required for the submittal of a grant budget increase request.

#### **d. Collector 2 Rehabilitation Project**

The project should go out to bid in early December and the goal is to bring bids to the Board in February. The project should be completed in summer/fall of 2022.

#### **e. Status report re: other engineering work in progress**

There was nothing new to report.

### **10.2 Financial**

#### **a. Financial Report**

The Board approved the October 2021 financial statement & vendor detail report. Director Fuller reviewed the bills for the month. On motion by Director Rupp, seconded by Director Fuller, the Board voted 5-0 by roll call vote to approve the Financial Report and payment of bills in the amount of \$338,959.85.

### **10.3 Operations**

#### **a. Monthly report on projects and operations**

The Board discussed the Operations report that was included in the Board packet as presented by Superintendent Davidsen.

## **11. MANAGEMENT**

### **11.1 Supreme Court land management ruling**

The local Coastal Commission staff advised that the District should seek a development permit for vegetation removal on our right-of-way on the Samoa peninsula. The District is considering an annual permit or a program specific permit which would renew every five years. The CDP would be approved by County Planning.

11.2 CSDA Board Secretary Conference

The Board reviewed Board Secretary certificates for the CSDA Board clerk and minute-taking programs.

11.3 CSDA Bylaw Vote

The General Manager cast the Board-authorized vote to review and accept the changes.

**12. DIRECTOR REPORTS & DISCUSSION**

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

There was nothing to report.

**12.2 ACWA**

a. Investment Subcommittee

Unfunded liability continues to be an issue. PARS could free up funds for other purposes. One more meeting has been scheduled to determine what PERS will do. An ACWA Board meeting is scheduled for one week from today.

b. Statewide election results

Statewide results were included in the packet. Director Rupp will attend training next week on Region 1 Chair responsibilities.

**12.3 ACWA – JPIA**

There was nothing to report.

**12.4 Organizations on which HBMWD Serves**

a. RCEA

Net energy metering for solar may be discontinued in the future.

b. RREDC

David Cobb discussed updating public banking law, which would allow cities and counties to create their own banks.

**ADJOURNMENT**

The meeting adjourned at 3:04.

Attest:



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Sheri Woo, President



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J. Bruce Rupp, Secretary/Treasurer