

**Humboldt Bay Municipal Water
District 828 7th Street, Eureka**



**Minutes for Regular Meeting of the Board of Directors
September 14, 2023**

1. ROLL CALL

President Latt called the meeting to order at 9:00 AM. Director Rupp conducted the roll call. Directors Latt, Lindberg, Woo, Fuller, and Rupp were present. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris, and Board Secretary Contessa Dickson were present. District Engineer Nathan Stevens was present for a portion of the meeting.

2. FLAG SALUTE

President Latt led the flag salute.

3. ACCEPT AGENDA

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

4. PUBLIC COMMENT

No public comment was received.

5. MINUTES

On motion by Director Rupp, seconded by Director Lindberg, the Board voted 4-0 to approve the minutes of August 17, 2023. Director Woo abstained.

6. CONSENT AGENDA

Director Rupp requested item 6a to be pulled from Consent. President Latt requested Item 6g be pulled from consent. On motion by Director Rupp, seconded by Director Lindberg, the Board voted 5-0 to approve the Consent Agenda less items 6a and 6g. Mr. Friedenbach discussed item 6a, stating the District would be impacted if these regulations were approved. Although water conservation is wise, water conservation within our District does not benefit any other areas of the state because we are not connected to either the State or Federal water projects. Consequently, any water conserved flows into the ocean. Director Rupp suggested providing comments to the State Water Resources Control Board on the regulations, Mr. Friedenbach concurred. President Latt stated article 6g caught his attention due to the Sites Reservoir comments. On Motion by Director Rupp, seconded by Director Lindberg, the Board voted 5-0 to approve items 6a and 6g.

7. CORRESPONDENCE

a. FERC Emergency Action Plan Exercise Design Course

Staff received this correspondence from FERC announcing their Emergency Action Plan (EAP) training course and recommending the District's attendance. It was stated only 45 participants would be admitted on a first come first serve basis. Staff requested reservations for the class and was accepted. The class will be held in San Jose from October 17-18. Staff believes attending will be informative due to the fact the District conducts an EAP tabletop and functional exercise every 5 years. Our next EAP is scheduled for September 27, 2024. President Latt asked what the chain of events as well as what the Directors and staff roles would be, in the event the EAP is activated. Mr. Friedenbach stated there is a flow chart and specific order of agencies and staff that are contacted. Once everyone on the flow chart is

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contacted, Superintendent Davidsen will activate his staff as the District goes into response mode. Mr. Davidsen stated staff have between 5 to 7 hours before Essex could be flooded to evacuate supplies. The electronics would survive and be able to pump water. Every District site has a backup generator and a radio system that can be utilized in the event traditional communication is not available. The role the Directors could play is being available as a Public Information Officer (PIO). Staff would relay to the PIO who in turn relays updates to the press. If the EAP is activated Humboldt Office of Emergency Services (OES) would activate and ideally a Director would go to the EOC to represent the District.

b. FERC 2023 Dam Safety Inspection Follow-up

The District received this letter regarding the Dam Safety Inspection, which occurred on August 16. There were no follow-up items which staff credits largely to the maintenance staff and Mr. Davidsen who maintain and operate the site very well. President Latt stated good job.

c. Southern Trinity Health Services Thank You letter

Staff received this thank you for the donation the Board authorized last month in response to Southern Trinity's request for Financial Support. Southern Trinity Health Services is the only local medical operation in their immediate location. The District has 3 staff that reside and work in the area, as well as frequently sending maintenance staff.

d. Humboldt County Office of Emergency Services Local Hazard Mitigation Plan (LHMP) letter of commitment

Last month the Board authorized participation in the Humboldt County LHMP. Mr. Friedenbach shared the letter of commitment. In order to receive federal FEMA grants the District must be a plan partner in the LHMP. Humboldt County is on a 5-year renewal plan cycle with FEMA. Their plan is coming up for renewal in 2025. By adopting this plan and being a plan partner, the District will continue to have access to hazard mitigation grant opportunities when they arise from FEMA.

e. Coastal Development Permit (CDP), Dune Maintenance: Possible Remediation Location letters

The District is in the process of securing a Coastal Development Permit (CDP) to maintain the District's right of way for both the Industrial and Domestic pipelines that run through the Dunes. The biological investigations have determined there are some sensitive plants that have encroached into the right of way. GHD is anticipating once the CDP is submitted to the regulators, mitigation will be required. These letters were sent to various entities whom the District has worked with in the past, or their property is in or near the vicinity that might lend itself to mitigation. There has been an initial response from Mike Cipra with Friends of the Dunes, Jeff Meyer who owns the Sierra Pacific site, Chris Doan president of the gun club as well as the BLM office. Manila CSD responded stating they have some deed restrictions that may restrict any kind of mitigation from the District. USFW has responded with some interest. The next step is to schedule site visits. GHD will participate on these visits. The Board asked several clarifying questions.

8. CONTINUING BUSINESS

8.1 Water Resource Planning

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a. Local Sales

i. Nordic Aquafarms-discuss

No updates were reported.

ii. Trinidad Rancheria Mainline Extension

No updates were reported.

iii. Blue Lake Rancheria Mainline Extension

No updates were reported.

iv. Offshore Wind Heavy Lift Multipurpose Marine Terminal Project/Comments on
NOP Wind Heavy Lift letter

President Latt discussed this topic. The District sent a NOP comment letter to the Harbor District asking that their Draft Environmental Impact Report (DEIR) address: the anticipated water demand schedule, how much can be expected to be used from the domestic and industrial pipeline, and how water infrastructure improvements would be funded. President Latt's suggestion is to follow up on the letter until we receive any indication that their DEIR is going to include those. Mr. Friedenbach stated there has been no response yet.

b. Transport

No significant updates were reported. The Board discussed the article mentioned during the Consent Agenda, put in for the board's consideration: "Sites reservoir project is not the water solution California needs."

c. Instream Flow

A Special Board meeting was held in August to review the narrative of the Section 1707 petition for change. The finalized draft was sent to the District's Water Rights legal counsel. Staff sent a copy to the Wildlife Conservation Board (WCB) staff, which is the grant funding source. The grant timeline is through the end of September. The WCB may approve a 6-month extension. The WCB Grant only funds activities up to the Section 1707 petition for change. The next step is to submit a draft to the State Water Resources Control Board staff for their draft review. After providing feedback to the District, staff incorporates that feedback into the final submittal of the Section 1707 petition for change. Then that final Section 1707 petition for change is submitted to the Water Board. The Board asked clarifying questions.

Dan Free with National Marine Fisheries Service, wanted to let the Board know they plan to submit written comments under the authority of the Habitat Conservation Plan and their role with it. The intent is to submit it by next week. They are hoping their comments are considered by the District before they are sent to the Water Board.

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8.2 McNamara & Peepe

a. DTSC Monthly Summary Report

Director Woo recused herself due to a conflict of interest. Mr. Friedenbach reported out on the monthly site investigation and remediation activities. There was not a lot of activity in August. DTSC repaired a monitoring well that was damaged. They decommissioned a well and installed a new monitoring well on private residential property. The property is located south of the cap where the majority of the known contamination is located. Staff believes it will be helpful to have a new monitoring well at that location. DTSC stated they did the second annual groundwater sampling event, which occurred on August 22 and 23. DTSC is awaiting the results of that testing through a new lab they are utilizing. Results hopefully will be relayed at the quarterly October virtual meeting. No agenda or date for the October meeting has been received yet.

b. Email to Senator McGuire RE DTSC

Staff sent an email to Senator McGuire and Assemblymember Wood stating they were informed there was a one-year review of DTSC by a panel of legislators, one day before the hearing was to be held. This email was written to bring to the attention of our representatives the frustration of the lack of results by DTSC monitoring and remediation of the site. Senator McGuire's representative responded stating she could not attend. It is unknown if any other representative attended. The virtual recording of the hearing was located, but Mr. Friedenbach has not had a chance to review it yet.

Jen Kalt with Humboldt Bay Keeper made a public comment VIA Zoom, sharing the following: The US Environmental Protection Agency (EPA) recently suspended the registration of PCP for use on power poles. When it was restricted back in the 1980s for use in lumber mills, they kept the use for power poles. 40 years later they are getting rid of the use of PCP once and for all. It took a long time, but it should be phased out by the year 2026. Power poles are often located in wetlands or near streams. She stated it is good news, even though the old power poles may be in the environment for a long time.

c. Site maps & historical sampling results (stormwater and well water)

Mr. Friedenbach included the site investigation work plan for reference.

9. NEW BUSINESS

Employee Handbook Chapter 1

Ms. Harris reported on the revision of the employee handbook for the District. The last revision occurred in 2017. Based on several law and internal changes, staff has started the revision process using the ACWA JPIA employee handbook as guidance. In order to make the process less burdensome, a phased approach is being used over the next several months. Staff is providing Chapter 1 for Director review and input this month. Staff will provide additional chapters in the coming months. Once staff has received and included the Director's input in all chapters, the draft employee handbook will be provided to the District Counsel and ACWA JPIA for review. Suggestions provided by both the District Counsel and ACWA JPIA will then be provided to the Board for consideration and possible approval. Completion is anticipated in January 2024. The

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Board asked several questions with some recommendations, and a lengthy productive discussion ensued.

10. REPORTS

10.1 Engineering

a. Collector 2 Rehabilitation Project

Mr. Stevens reported there is a pay request from Layne Christiansen in the amount of \$716,000 for work covering August. They have requested roughly \$1.5 million to date out of the \$2 million available for this project. The work crew is working on the 4th lateral currently. They are out about 97 feet, which may be as far as they get. To date, crews have gotten 180 feet out on lateral 1, 120 feet out on lateral 2, and 130 feet on lateral 3. The target for total feet for all 4 laterals was 600 feet. There is still a lot of work to be done, but GHD is considering this a success.

b. Essex Onsite Sodium Hypochlorite Generation

Staff are still waiting on a couple of minor items to be delivered for this project. All tanks needed have been ordered. Staff is moving forward on the design to have the project construction go out for bid this winter.

c. TRF Generator

Both the District and GHD have reviewed the 30% design drawing from PACE. PACE is on track at this point to get the 60% design drawings finished by mid-November.

d. Collector Mainline Redundancy Project

FEMA has made a final determination that any ground-disturbing work is something that needs to go under environmental review. A revised scope of work is needed to use for their environmental review. The District has less than 90 days till the Phase 1 deadline. Staff is working on an extension request and GEI is preparing a revised scope of work.

e. 12kV Switchgear Relocation Project

Ms. Harris has provided all grant close out documents to CalOES and FEMA.

f. Status report re: other engineering work in progress

No updates were reported.

10.2 Legal

Substitution of Attorney

Donahue Davies, is the attorney firm that represents the District in the case of Van Duzen Investments LLC VS. HBMWD and Steve Morris Logging. The contract with Morris Logging, the District's salvage logger at Ruth Lake post-August Complex fire has an indemnification clause. One of the partners at Donahue Davies, Jim Donahue, left the firm. A new firm has been created, Davies Blakemore LLP. Due to the firm name change, California Rules of Court requires a Substitution of Attorneys document. Jim Donahue, along with his new partner Bill Blakemore will continue to represent the District.

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10.3 Financial

a. August 2023 Financial Statement & Vendor Detail Report

Ms. Harris provided the August financial report. The general account funds balance is \$32,000. The various investment balance is \$11 million. Funds allocated to specific projects (advanced charges) are \$5.8 million. The general reserve is at \$1.3 million. The District is still unable to transmit power from the Hydro plant to PG&E due to the downed transformer and therefore are not receiving payments.

The City of Eureka continues to be late making their wholesale water payments to the District. Mr. Friedenbach suggested staff draft a letter to the Eureka City Manager regarding the payments and possible penalty assessments. The Board suggested looking into the wholesale contract between the District and City of Eureka, identifying language, and sending a letter. It was also suggested that this be discussed at a Municipal Customer meeting so all Municipal Customers are aware.

The District received \$331,000 reimbursement for CAL Fire fuel reduction activities at Ruth Lake. This contract with CAL Fire is not yet complete. There is funding up to \$500,000 available, and another Request for Proposal is expected in the future to gain more fuel reduction at Ruth Lake. The District withdrew \$75,000 from the PARS account to balance the unfunded liability annual expense. Roughly \$1 million went out last month for the Collector 2 Rehabilitation project which is projected to finish in October. \$391,762 was expended last month for the Essex onsite Sodium Hypochlorite Generation project. On motion by Director Rupp, seconded by Director Fuller, the Board voted 5-0 to accept the August financial report and Vendor Detail Report in the amount of \$1,577,297.49.

b. August 2023 Fieldbrook-Glendale contract revenue and Expense Summary

The District billed Fieldbrook-Glendale \$20,206.49 and the revenue received was \$46,924.59 for the month of August.

10.4 Operations

August Operations Report

Mr. Davidsen provided the August Operations Report. A Traffic Control safety meeting was held on August 3. A meeting with JPIA property appraiser occurred on August 13. Staff marked areas for Quagga bollard locations at various locations at Ruth Lake to prevent unauthorized lake access. The Dam FERC inspection occurred on August 16. On August 23, Cal-Trans performed the spillway bridge inspection. Current ongoing projects for the District include TRF off-season maintenance and inspections, and the Collector 2 underground power and communications project.

10.5 Management

a. College and Career Expo

The District was invited to attend the College of the Redwoods College and Career Expo, being held today at 3:30 P.M. Mr. Davidsen volunteered to attend and provide information and answer questions from interested students. The Board thanked Dale for volunteering.

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- b. Assembly Constitutional Amendment 13 (Ward) support
This was an announcement CSDA put out regarding assembly constitutional amendment 13. CSDA is working to try to get it amended, if it is not amended the District may withdraw their support. Mr. Friedenbach sent a letter regarding the wording. The way the amendment is worded it would only apply to Charter Cities.

- c. Resolution 2023-10 Annual California Water Professionals Appreciation Week
This Resolution is for California Water Professionals Appreciation Week October 7th-15th to acknowledge the District's employees for their work. On motion by Director Rupp, seconded by Director Lindberg the Board voted 5-0 by roll call vote to adopt Resolution 2023-10.

11. DIRECTOR REPORTS & DISCUSSION

11.1 General – comments or reports from Directors

The Board discussed the concern of wake boats transporting Quagga in their ballast tanks into Ruth Lake. The Board discussed the joint board meeting occurring with RLCSO on September 22, 2023. Director Rupp will not be able to attend due to a prior commitment.

11.2 ACWA

Director Report:

Director Rupp reported the full ACWA Finance Committee met and adopted their proposed budget. The board will be meeting again on September 29 and Director Rupp will be attending.

11.3 ACWA – JPIA

Director Report

JPIA is meeting on September 27-28, 2023, Director Rupp will be attending.

11.4 Organizations on which HBMWD Serves

a. RCEA

Director Woo reported out on the monthly RCEA meeting and discussed the Local Biomass Plant.

b. RREDC

President Latt reported out on the RREDC monthly meeting. They discussed the new business item, a CORE Hub comment letter on the Notice of Preparation of a Draft Environmental Impact Report for the Humboldt Bay Offshore Wind Heavy Lift Multipurpose Marine Terminal Project. President Latt included he wanted to let the Board know he spoke on a personal level at the meeting. The Board discussed this topic and had several questions.

ADJOURNMENT

The meeting adjourned at 12:01 p.m.

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Attest:



Neal Latt, President



J. Bruce Rupp, Secretary/Treasurer