



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors
March 11, 2021

1. Roll Call

Vice-President Latt called the meeting to order at 9:00 am and noted the Time Set items. Director Rupp conducted the roll call. The meeting was conducted within all Brown Act requirements.

Members Present:

Director Neal Latt
Director Bruce Rupp
Director Michelle Fuller
Director David Lindberg

Members Absent:

Director Sheri Woo

Staff:

John Friedenbach, General Manager
Dale Davidsen, Superintendent
Chris Harris, Business Manager
Heather Bitner, Board Secretary
Dee Dee Simpson, Accounting and HR Assistant

Others Present

Sherrie Sobol, Regulatory and Program Analyst
Jennifer Kalt, Humboldt Baykeepers

2. Flag Salute

Vice-President Latt led the flag salute.

3. Accept Agenda

Mr. Friedenbach requested an edit to Item 12.3, a., which should read Resolution 2021-03, and item 12.3b should read 2021-04. The Resolutions are numbered properly in the Board packet.

On motion by Director Lindberg seconded by Director Rupp, the Board Accepted the Agenda with Revisions for the March 11, 2021 Regular Meeting by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

4. Public Comment

There was no public comment.

5. Minutes

An amendment to the minutes was requested to reflect that surface water is what will be tested in Agenda Item 8.5.



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On motion by Director Fuller seconded by Director Rupp, the Board Approved the Minutes for the February 11, 2021 Regular Meeting, with edits, by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

6. Consent Agenda

Item 6.1, pg. 12, was pulled to point out that the Eel River water is included in the Russian River watershed and is often overlooked. There was clarification of the empirical source “Maven,” which is an online news source that combs news services for relevant articles related to water in California.

On motion by Director Fuller seconded by Director Lindberg, the Board Approved the Consent Agenda by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

7. Correspondence

7.1 02-02-21 letter from Division of Safety of Dams (DSOD) accepting inundation maps submitted for Matthews Dam - In the unlikely event of a dam failure, the District’s Inundation Maps are complete and have been accepted.

7.2 District letter to municipal customers regarding domestic usage per Ordinance 16 contracts - Ordinance 16 provides for utilizing the metrics (on a 5-year rolling basis) for rates of the domestic water sales. The Board asked if the numbers represented an increase in water usage, to which Staff answered that they are slightly down in usage and will provide the relative % usage to the Board.

7.3 Cal OES lease lot debris removal letter
 Staff was notified by Cal OES that they will not be removing the debris from the lease lot that is on the District’s property. Currently staff is negotiating with CalOES to remove the debris. Mr. Ponney spoke to staff about the lease lot subdivision boundaries, and is understandably upset about the lack of clarity for his debris. Additional research is needed to determine the best course of action prior to continuation of hazardous debris removal work at the lake.

7.4 Invasive Species alert letter
 Zebra mussels have been detected in the sale of moss balls at a pet store in Washington state. Local pet stores and aquatic supplies stores have been alerted and asked to share the information with their staff and



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customers in order to protect the lake and local water infrastructure. We did receive feedback from one pet store who have destroyed their inventory of moss balls by putting it in their freezer.

There was no public comment.

8. Continuing Business

8.1 Water Resource Planning-Local Sales

i. Nordic Aquafarms update –

Staff has received a letter requesting confirmation that the District can provide adequate water for their domestic needs. As there is adequate water supply to the peninsula, as was planned for in anticipation of future businesses opening, Staff will draft a letter of confirmation to Nordic Aquafarms for them to use in their permitting process.

ii. Trinidad Rancheria Feasibility Study update

Staff sent a letter to Westhaven CSD per Board direction, regarding the use of future water from the Trinidad Rancheria pipeline. There has not been a response yet.

Staff has met with Caltrans regarding putting a water pipeline extension along the Little River crossing with the trail being created. Another option is a pedestrian trail or using the existing bridge crossing. They seemed to be generally in favor of the waterline extension.

McKinleyville CSD (MCSD) has approved the waiver of conflict for Mitchel Law Firm. MCSD also provided a map of their distribution grid, including the termination pipelines' northern boundaries. The next step is to talk with Trinidad Rancheria staff about their specific water needs to determine pipe size and water line routes. Green Diamond is aware of the project and approached staff about the possibility of a pipeline going through their property. Further updates will be presented next month.

b. Transport – no updates

c. Instream Flow – no updates

d. McNamara and Peepe

i. Media coverage of McNamara and Peepe

ii. District letters to Senator McGuire and Assembly member Wood requesting additional funding for remediation efforts

iii. Letter from City of Eureka to DTSC

Senator McGuire and Representative Wood's offices have requested a meeting with Staff as a result of the letters of support from the City of Arcata, Humboldt Baykeepers, and Humboldt CSD requesting additional funds for the McNamara – Peepe site to be allocated. Staff requested the Mad River Policy Committee also attend that meeting.

Mr. Friedenbach wanted to be very clear that the source water has not been contaminated by this area of concern. The source water is very pure and meets all drinking water standards. There is no reason to avoid tap water. The Board commended the preventative efforts to reach out for additional support from other agencies which has been so effective. The focus on remediation is to prevent any contamination by the site. Surface and ground water sampling have occurred by SHN. By mid-April, DTSC should publish those results.



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RRDEC has also been instrumental in promoting the issue. Jennifer Kalt, with Humboldt Baykeepers, added that she has set up a meeting with Jim Wood’s and Senator McGuire’s office and McNamara-Peepe is on the radar for the elected officials.

8.2 Disaster declaration at Ruth Lake

a. Cal fire letter acknowledging Timber Harvest Plan

PG&E is nearly done with Phase 2 (P2) tree felling operations. The trees remaining are on burned lease lots and PG&E work has been halted until the hazardous structures can be removed. The District logger has begun removing the District’s hazardous trees. Road conditions and weather are preventing the trees being taken offsite, but will resume when possible.

A Timber Harvest Plan was approved by Cal Fire.

There was no public comment.

9. New Business

9.1 Resolution 2021-01: Appreciation of Sherrie Sobol

Resolution 2021-01: Appreciation of Sherrie Sobol was read aloud and enthusiastically approved. Ms. Sobol was presented a framed certificate and expressed her appreciation to the Board.

On motion by Director Rupp seconded by Director Latt, the Board Adopted Resolution 2021-01 by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

9.2 PARS client review

Staff met with PARS regarding the District’s pension stabilization rate program. The District has contributed \$750,000, with almost \$200,000 in interest earned. Since its inception, the total portfolio has had a performance of 9.71% with last year’s average being 12.5%. Staff stated that we are slightly ahead in the plan to fund the District’s PERS obligation.

There was no public comment.

9.3 Preliminary Pension Liability Assessment

Staff heard a presentation from Cal Muni Advisors regarding CalPERS information for the District’s unfunded liability. Staff will evaluate the information and come back in the Summer with a plan regarding the OPEB liabilities going forward. Cal Muni Advisors will send a proposal and will be presented at the following meeting.



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There was no public comment.

9.4 COVID-19 Essential Service Pay Increase

Staff introduced the proposal, noting that with the extreme contagiousness of COVID-19, District staff has negotiated their responsibilities through unprecedented times. When the inevitable positive cases arose, the remaining District staff stepped up in an extraordinary way. It had a tremendous emotional and physical impact.

The District has repeatedly been denied requests for vaccination by County Public Health, and no foreseeable dates to receive vaccines. With the hyperawareness that is required, staff recommends a temporary, 365 days, 5% increase to acknowledge the past, and to help prevent the pandemic fatigue. The cost to the District is \$131,000 and represents an average \$1.93 increase for each permanent staff member, which includes PERS costs. The request is to be retroactive to March 1, 2021, and will continue until February 28, 2022. Staff has requested to take funding from the general reserve fund for emergency funds. Staff acknowledged prior requests for reserve funds multiple times this year, but is anticipating not needing the majority of past requests as emergency debris removal has cost less than the District had anticipated. The Board acknowledged the amazing work and day to day sacrifices made by the staff.

On motion by Director Lindberg seconded by Director Rupp, the Board Approved the COVID-19 Essential Service Pay by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

9.5 CLOSED SESSION-

Public Employee Performance Evaluation for General Manager (pursuant to Section 54957(b)(1).
 The Board Adjourned to Closed Session at 1:02 pm and returned to Open Session at 1:09 pm.

- a. Closed Session report out

The Board had nothing to Report Out other than to state the Item will be brought forward to the April meeting to have all Board Members present. There was no public comment.

10. Reports from Staff

10.1 Engineering (Time set 11:00 am)

- a. 12kV Switchgear Replacement (\$755,832 District Match)

GHD and PG&E have reviewed and approved the most recent switchgear equipment proposal. There is a scheduled shipping date of July 9, 2021 for the switchgear equipment. This is critical for the schedule. And construction could be completed by November, 2021. The generator controller change order is also moving forward.



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For the CalOES grant proposal, as a result of the PSPS for \$215,000, Mr. Stephens noted that although denial notices have gone out, the District has not received notice either way. It is suspected that the District’s grant request will be approved.

b. Collector Mainline Redundancy Hazard Mitigation Grant (\$790,570 District Match)

The response to the RFI was related to the Phase 1 Geotech work. This is a competitive process, and FEMA is moving forward on Phase 1 funding. An RFQ (Request for Qualifications) would determine who the engineer will be for the project.

c. Reservoir Structural Retrofit Hazard Mitigation Grant (\$914,250 District Match)

Draft 65% plans were submitted to the District in February. Final drawings will be presented to the District at the end of March for the biological and cultural resources study. Cal OES completes the NEPA process and will award Phase 1 funding when completed.

d. TRF Generator Hazard Mitigation Grant (\$460,431 District Match)

This was just completed under the most recent round of applications for emergency grants. It will be Fall 2021 when we hear back.

e. Appeal of FEMA Funding Denial for Collector 4 Emergency Restoration Work

There is nothing new to report.

f. R.W. Matthews Dam Spillway Retrofit Scoping Project HMG Program

GHD is repackaging past applications (at no charge) to fit into the application.

g. Status report re: other engineering work in progress

There is nothing to report on this item.

The Board asked about the 90-day period passing on the grant in item e. His sense is that they are just very backed up. There have been requests for information so he believes it is still in process.

10.2 Financial

a. Financial Report– accept February 2021 financial statement & vendor detail report

Staff presented the financial report for the month of February. Although the five Cal trustaccounts are much more conservative than PARS, last month they still had slightly less than 1% returns.

The District is currently collecting advanced funds for the redundant pipeline and is anticipating having it fully funded by the time it is needed for the project’s matching funds. A new listed item, Line 22a, which is the \$10,000 deposit from Trinidad Rancheria to report out status of these funds.

At 67% of the budget year, the District’s water revenue, and personnel expenses are close to trend. DG Fairhaven has been sold and it is anticipated they will be running again. Engineering expenses have all been grant related, and is why the Expense category reports out \$0 expenses. PG&E is trending over budget. Fire Disaster recovery expenses are going to be roughly \$73,000 and submitted to FEMA. District final costs are \$3500. Reimbursement requests have been sent as they are incurred.

Monthly expenses by vendor came to \$291,915.47. Director Woo reviewed the expenditures and did not report any concerns at the time of the review.



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On motion by Director Rupp seconded by Director Lindberg the Board Accepted the February 2021 Financial Statement and Vendor Detail Report in the amount of \$291,915.47 by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

b. Fiscal Year 2021-22 Budget Discussions Calendar

The Board agreed with the budget calendar with a Special Meeting on May 20, 2021 at 9:00 am. There was no public comment.

c. Project Budget Additions – Army Corps of Engineers (ACE) 404 Permit and Water Board 401 Permit –

The biological opinion needs to be completed, and is a \$30,000 addition to the FY 2020-21 budget. It will be financed from reserves initially. The Board would like it to be funded through a reallocation.

On motion by Director Rupp seconded by Director Lindberg, the Board Approved the addition to the FY 2020/21 budget for the ACE 404 Permit and Water Board 401 Permit in the Amount of \$30,000 by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

10.3 Operations

a. Monthly report on projects and operations

The Board asked if a trend is being highlighted regarding backwashes in the report? Staff noted that the turbidity was higher than in past months, and it takes more to maintain the high standard of water quality. That is the purpose of the TRF, and it is typical for this time of year.

Mapping for the seismic retrofitting is moving along. Staff reiterated that cybersecurity is of the utmost importance. Live connections to outside access to the computer system is very limited and turned off as soon as maintenance has been completed by an offsite vendor.



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A tree branch knocked power lines down on a Saturday, resulting in some overtime, but was repaired by Electrical Maintenance staff. The Eureka backup generator is up and running. All lake and spillway levels are better than last year, despite having less than average rainfall.

11. Management

11.1 ACWA – Energy Committee

Staff attended the ACWA Energy Committee. The main takeaway was regarding the electrical vehicle fleet program. There was a follow up presentation by the District account representative. Staff is researching the state requirement to convert its fleet and to see if it will apply to our fleet. There are rebate programs for both charging stations and vehicles.

- a. Electric Vehicle Fleet
- b. ACWA Coalition Support for SB 323

This legislation would shorten the statute of limitations regarding the increase in fees. A District was sued five years after a rate increase. The new legislation would make it 120 days to pursue a change. HCSD has also supported this legislation.

On motion by Director Rupp seconded by Director Lindberg, the Board Authorized joining the coalition in support of SB 323 by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

Mr. Friedenbach presented a District jacket to the new Board Secretary, Heather Bitner, who was very appreciative of the District’s generosity, and forgave the unscheduled appearance on camera since her name was embroidered on the beautiful blue jacket.

12. Director Reports & Discussion

12.1 General -comments or reports from Directors -There were no reports.

12.2 ACWA

Director Rupp attended the meeting and reported out that there are solid cash reserves, and they do want to sell their commercial building.

12.3 ACWA – JPIA

- a. Resolution 2021-03: Concurrence of Nomination for Ms. Melody Henriques-McDonald for the Executive Committee



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On motion by Director Rupp seconded by Director Lindberg, the Board Approved Resolution 2021-03: Concurrence of Nomination for Ms. Melody Henriques-McDonald, and Resolution 2021-04: Concurrence of Nomination Mr. Thomas A. Cuquet for the Executive Committee by the following Roll Call Vote:

Director Michelle Fuller	AYE
Director Neal Latt	AYE
Director Lindberg	AYE
Director Bruce Rupp	AYE
Director Sheri Woo	ABSENT

There was no public comment.

12.4 Organizations on which HBMWD Serves:

- a. RCEA- There was no report.
- b. RREDC-There was strong support from membership for the DTSC issue with McNamara and Peepe. A letter of support is being sent.

The Board Adjourned for lunch at 11:45am and returned at 1:00pm.

Adjournment

The meeting adjourned at 1:10pm.

Attest:

Neal Latt, Vice-President

J. Bruce Rupp, Secretary/Treasurer