Humboldt Bay Municipal Water District
828 7th Street, Eureka

Agenda for Special Meeting of the Board of Directors
May 31, 2022
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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COVID-19 Notice

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

Members of the public may join the meeting online at:

https://us02web.zoom.us/j/86710296323?pwd=MjZldGxRa08wZ0FWOHJrUlNhZnFLQT09

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.

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. **CONTINUING BUSINESS**

   5.1 FY 2022/23 Project Budget: Presentation and discussion of proposed Project Budget* - discuss

   5.2 Instream Flow Update - discuss

   5.3 Letter to Humboldt County Board of Supervisors re: Auditor-Controller* - discuss and possibly approve

   5.4 Change Order for 12kV Project* - discuss and possibly approve

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 May, 27 2022.)

Color Coding for Project Budget

Blue - Recurring Projects

Purple - Essex Driven Projects

Red - Regulatory Required Project

Green - Grant Funded or Main Office Driven Projects

Orange - CIP Project

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

FY2022/23 Project Budget

	CATEGORY, LOCATION, PROJECT NUMBER & TITLE	PROJECT EXPENDITURES THIS FY			PROCEEDS FOR PROJECTS				ADDITIONAL CHARGES		Resulting Customer Charges	2020/21 Prior Year Budget Amount	PROJECT DESCRIPTION
		Treatment	Base Facility	Total	Advance Charges (Collected)	Grants	Reserves	Loans	Advance Charges (Cur. FY)	Debt Service			
	Maintenance												
	Essex Area Maintenance												
M1	FY23 Pipeline Maintenance		4,000	4,000							4,000	14,000	**ANNUAL PROJECT:** Routine annual maintenance to include re-establishing access to the right-of-way, minor grading, sign replacement, and equipment maintenance.
M2	FY23 12 kV Electric System Maintenance		4,200	4,200							4,200	4,200	**ANNUAL PROJECT:** Required to inspect, clean, maintain, and ensure the safe operation of the existing 12kV system which supports the Domestic Water System, Industrial Water System, and the Control Center at Essex.
M3	FY23 Main Line Meter Flow Calibration		28,000	28,000							28,000	14,000	**ANNUAL PROJECT:** The District uses a five-year cycle for mainline meter maintenance. This year, the Arcata and HCSD meters are due for maintenance. The meters will be removed for calibration during the winter months.
M4	FY23 Technical Support and Software Updates to Include Control System		31,500	31,500							31,500	29,000	**ANNUAL PROJECT:** This is a yearly allocated expense for technical support and licensing on an as needed basis: 1) Rockwell Automation ; 2) ESRI GIS; 3) IMSI CAD; 4)Microsoft software; 6) Firewall software;7) Phone system support; 8) Antivirus software; 9) Datto Backup service. Increased this year to include external back-ups for Essex servers as well ($2,000).
M5	FY23 Generator Services		3,500	3,500							3,500	3,500	**ANNUAL PROJECT:** Routine service on 2MW and 35kw emergency generators.
M7	FY23 Hazard & Diseased Tree Removal		8,000	8,000							8,000	8,000	**ANNUAL PROJECT:** Required to remove hazardous trees in the Essex parks.
M8	FY23 Cathodic Protection		1,500	1,500							1,500	6,500	**ANNUAL PROJECT:** To inspect and perform minor maintenance on cathodic protection system.
M9	FY23 Maintenance Emergency Repairs		50,000	50,000							50,000	50,000	**ANNUAL PROJECT:** Funding for unforeseen maintenance, unplanned replacements, and emergency repairs.
M10	FY23 Fleet Paint Repairs		5,000	5,000							5,000	5,000	**ANNUAL PROJECT**: This project continues preventive maintenance to preserve our equipment to prolong assets useful life.
	Power Pole/Line Inspection/Maintenance		17,500	17,500							17,500	17,500	**CIP - Related:** This project is a multi year CIP project to go through the entire 12 kV system. This project will provide funding to hire a contractor to perform pole coring inspections while also inspecting, cleaning, and maintaining the pole top equipment and wiring on the 12KV overhead electrical system, which powers our collectors.
	Truesdale to Samoa Booster Station Telemetry Radio Upgrade		3,750	3,750							3,750		The project will replace the current obsolete telemetry 900 MHz radios used between the Truesdale and Samoa booster pump station with the replacement 2.5 GHz radios and antennas. This project also includes the installation of an antenna mast or tower to facilitate better line of site.
	Line Shed Alarm Upgrades		6,500	6,500							6,500		This project will install alarm systems on two newer line sheds, replace an old system at the Samoa Booster Station, and upgrade old alarm systems on line sheds #4 & #6. These line sheds store vital equipment and supplies necessary for emergency repairs and maintenance activities and protecting these assets from theft is important.
	Right-of-Way Clearing Under Cable Cars		5,000	5,000							5,000		This project is to clear the trees and brush out from under the Collectors 1 and 2 cable car paths.
	TRF Maintenance												
M6	FY23 TRF Generator Service	500		500							500	500	**ANNUAL PROJECT:** Routine service on Korblex emergency generator.
	FY23 TRF Limitorque Valve Retrofit Supplies	14,500		14,500							14,500	14,500	This reoccurring budget item is for the purchase of additional Limitorque Valve Actuator Retrofit Kits and spare parts for the TRF valves. It is essential that we maintain sufficient inventory of spare parts and actuators while we are phasing out the Limitorque Actuators.
	TRF Instrumentation Replacement	24,750		24,750							24,750	15,750	**CIP Related:** This project will be used purchase four additional replacement turbidimeter units and controller heads due to the successful testing/trial period of the unit purchased last year. The prior years' budget provided for the purchase of one new replacement unit to test for accuracy, quality and reliability. This project will also fund the purchase of additional spare transducers for TRF level indications
	TRF Valve Network Upgrade (Phase 1 of 5)	121,000		121,000							121,000	15,750	**CIP - Related:** This project will purchase, install and test a new type of valve actuator at the TRF. This trial is essential before proceeding with the complete network valve actuator replacement project. Our current actuators cost between $10,000-$15,000 annually to maintain and retrofit. Our current actuators are beginning the third generation of retrofitting for these valves. It is in the District's best financial interest to have fully vetted a prospective replacement for compatibility and reliability in order to ensure lower maintenance costs in the future.
	TRF Plant Water System		2,000	2,000							2,000	0	This project will provide a low volume high pressure pump for inventory for the TRF plant water system. This pump is used for suppling potable water supply to multiple plant functions and operates frequently to maintain the pressure in the system.

	A	B	D	H	I	J	K	L	M	N	O	P	Q	R	T
6	CATEGORY, LOCATION, PROJECT NUMBER & TITLE			PROJECT EXPENDITURES THIS FY			PROCEEDS FOR PROJECTS				ADDITIONAL CHARGES		Resulting Customer Charges	2020/21	PROJECT DESCRIPTION
7				Treatment	Base Facility	Total	Advance Charges (Collected)	Grants	Reserves	Loans	Advance Charges (Cur. FY)	Debt Service		Prior Year Budget Amount	
29	**Ruth Area Maintenance**														
30	RM1		FY23 Brush Abatement Ruth Hydro		6,500	6,500							6,500	6,500	**ANNUAL PROJECT:** Dam-safety related; FERC and DSOD require that we remove or kill trees and brush to prevent the root systems of the trees from damaging the face of the Dam. It is essential to keep earth-fill dams clear of such growth so that root systems do not weaken the impervious clay core.
31			FY23 LTO Insurance		5,000	5,000							5,000	5,000	**ANNUAL PROJECT:** This project purchases insurance for our LTO for tree management on lease lots and general timber management.
32			FY23 Spillway Repairs		10,000	10,000							10,000	15,000	**ANNUAL PROJECT**: This project funds normal and smaller repairs as needed .
33			Investigate/Repair Flip Bucket; Locate Curtain Drain Weir (Reduced from $125k)		105,000	105,000							105,000	0	This project will investigate the possible under slab void near the flip bucket near the left wall and provide funds for locating for the curtain drain weir.
34			Ruth Security and Fire Control Panel		4,500	4,500							4,500	0	This project will provide a new security and fire panel at Ruth for Advanced Security monitoring via internet instead of the often disabled phone line. This upgrade will also require a additional $26.50 monthly fee for a total of $54.50 monthly.
35			Load Bank Hydro Plant Generator		2,000	2,000							2,000	0	This project will provide a load bank run for the Ruth Hydro standby generator. This generator typically runs with such a low load that the system does not run hot enough to keep carbon buildup out of the cylinders. "Load Banking" is a normal as needed maintenance item on standby generators.
36			Ruth Paving and Repairs		112,250	112,250			112,250				0	0	This project is in the MRAR for re-paving the Dam crest road. The Dam crest is not in need of re-paving. It needs to have a number of minor cracks sealed but otherwise it is in good shape. Headquarters way and the circle driveway at Headquarters does need repairs and paving. The equipment used for logging and fire recovery damaged the road into Headquarters. For this project, I propose we seal the cracks in the dam crest road and repair and overlay Headquarters Way and repair and overlay the circle driveway at Headquarters. **This project is being funded with revenues from the August Wildfire Complex Recovery.**
37	**Eureka Office Maintenance**														
38			Main Office Parking Lot Sealing and Stripping		3,000	3,000							3,000		This project will remove old stripes, reseal parking lot area and restripe the rear parking area at main office. This will include sealing and striping of the new parking spaces created from the tree removal project
39	**Subtotal Maintenance Projects**			**160,750**	**418,700**	**579,450**	**0**	**0**	**112,250**	**0**	**0**	**0**	**467,200**	**224,700**	
40	**CAPITAL PROJECTS**														
41	**Essex Area Capital Proj.**														
42	C1		Professional Services for New Capital Debt		243,300	243,300	81,100					0	162,200	81,100	With the current low interest rate market conditions, this project would provide for a financing consultant and bond counsel to begin exploring and pursue long term financing options for CalPERS UAL, OPEB Liability, and CIP Projects.
43			Collector Mainline Redundancy Project ($3.1M FY 25)		205,000	205,000	205,000				0		0	40,000	This project will provide a redundant pipeline to convey water from the District's collectors to the TRF. There is currently only one water line that conveys the water from all of the District's collectors to the TRF for treatment, storage, and distribution to customers. Failure of this source water supply line would mean total failure of the HBMWD system. Repair of the collector mainline would be very difficult, as it travels along a steep and narrow road, and failure of the pipe would likely cause significant erosion of the hillside and roadway creating costly and time-consuming repairs. Currently in the approval process for FEMA Hazard Mitigation Grant funding, construction is anticipated in FY22/23. Project total is currently budgeted at $3,100,000 with a District match of $775,000.
44			Collector 2 Rehabilitation (Project $2.6M - FY24)		1,600,000	1,600,000	1,000,000	600,000			0		0	175,000	This project will begin the rehabilitation of Collector 2. This will include the design/engineering/replacement of the laterals. Engineering is complete and construction will likely begin in FY23. The project is currently estimated at $1,658,000 and has received NCRP Prop. 1 grant funding of $600,000, and Advanced Charges collected of $1,000,000. This project will go out to bid in FY23.
45			3x Tank Seismic Retro Grant (Project $5.2M - FY24)		3,738,910	3,738,910	1,113,910	2,625,000			0		0	0	This project will provide a Seismic Retrofit for all three storage reservoirs (1MG and 2MG at TRF, and 1MG Industrial). This will bring all three reservoirs up to the current seismic code. Currently in the approval process for FEMA Hazard Mitigation Grant funding, construction is anticipated in FY23. Project total is currently budgeted at $3,500,000 with a District match of $875,000.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

FY2022/23 Project Budget

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		Treatment	Base Facility	Total	Advance Charges (Collected)	Grants	Reserves	Loans	Advance Charges (Cur. FY)	Debt Service			
46	Cathodic Protection Project ($445,000 - FY24)		125,000	125,000	125,000				0		0	25,000	**CIP - Related:** Cathodic protection is a form of corrosion control commonly used to mitigate external corrosion on buried pipelines. Impressed Current Cathodic Protection (ICCP) is a type of cathodic protection relying on an external power source: AC power which is converted to DC by a rectifier. DC current is sourced through the soil via buried anodes to the project pipeline(s). There are typically several anodes associated with a single rectifier that may be buried in various configurations or arrays; including installation of multiple anodes in a vertical column as a part of a shallow anode well array or a deep anode well. HBMWD has an ICCP system dedicated to the DW pipelines; composed of five (5) rectifiers and associated anode beds. The CP system components are aging, and in some cases are estimated to have been in service for 30 or more years. The CP systems have been maintained by HBMWD staff and periodic system surveys have been conducted by a specialized Contractor retained by the District. Of the five District Rectifiers, two (the Jackson Ranch and Jane's Creek), were found to not be functioning at the time of assessment.
47	On-Site Generation of Chlorine, Phase 2 ($1.2M - FY23)	850,000	250,000	1,100,000	850,000				0		250,000	53,807	To eliminate the high risk hazard of Chlorine Gas at Essex, this project replaces our current Chlorination system with a Chlorine gas generator. This is a much safer process than the District currently uses. Chlorine generation is a very low concentration process therefore, it is not considered a hazardous product with far less regulation. There will be no need for our SCBA PPE. The District has collected advanced funding as well as reallocation funding for this project.
48	Underground Power to Collector 2 - Phase 3		250,000	250,000							250,000	0	**CIP - Related:** This Project will complete the underground power and communications to Collector 2. This year we will purchase power cables and fiber optic cable and install, testing and connections.
49	Mainline Valve Replacement Program		60,000	60,000							60,000		**CIP - Related:** Valves to be replaced TBD. Propose we consider installing 2 Domestic water transmission line isolation valves in strategic locations.
50	**TRF Capital Proj.**												
51	TRF Emergency Generator (Project $1.9M - FY24)	375,000		375,000	375,000						0	75,000	This project will continue Advance Charges to install a larger Emergency Generator at the TRF to power the facility at full functionality. The current generator is not large enough to operate all of the components of the facility at the same time. Currently in the approval process for FEMA Hazard Mitigation Grant funding, construction is anticipated in FY23. Project total is currently budgeted at $1,925,000 with a District match of $500,000.
52	Retaining Wall for Valve Access	40,000		40,000							40,000	0	This project will build a retaining wall at the 3 valves going to the TRF and 2 MG reservoir to make better access for repair/replacement and also valve actuator installation and maintenance. Budget includes $10,000 for any engineering costs.
53	**Eureka Office Capital Proj.**												
54	Main Office Roof Replacement		69,000	69,000							69,000	0	This project will replace the main office existing "torchdown" type roof with a new PVC vulcanized membrane roof. When preparing for the installation of the solar panel array project (funded FY22) at the Eureka Office, it was noted that not only is the current roof at the end of its useful life, the current roof is not conducive to the installation of solar panels. The new roof will be installed prior to the installation of the solar array panels and will allow for the incorporation of the necessary support bracketry for the solar panels. Due to the roof penetrations necessary to install the brackets for the solar panels, replacing the roof now will avoid potential installation alterations that could cause warranty issues and/or introduce a potential roof leak.
55	**Ruth Area Capital Proj.**												
56													
57	**Subtotal Capital Projects**	**1,265,000**	**6,541,210**	**7,806,210**	**3,750,010**	**3,225,000**	**0**	**0**	**0**	**0**	**831,200**	**449,907**	
58	**Equipment/Fixed Assets**												
59	**Essex Area Equipment/Fixed**												
60	FY23 Replace ESSEX Administrative Computers		7,000	7,000							7,000	6,300	Annually replace two oldest workstations in the administration network with new computers including peripherals, printers and monitors. Also maintain software security at the highest levels currently available. On average these computors are on a 5-7 year replacement cycle. Mission critical one may be replaced more often and recycled in to less critical positions.
61	FY23 Replace Control Computers		5,250	5,250							5,250	0	Annually replace two Control computers with new computers including monitors.. Also maintain software security to the highest levels currently available. On average these computors are on a 5-7 year replacement cycle. Mission critical one may be replaced more often and recycled in to less critical positions.
62	Electrical PPE		6,000	6,000							6,000	0	This project will replace existing high voltage arc flash window hoods with a newer ventilated flash hoods, arc flash balaclava hoods for use with hardhat visors, rubber insulated electrical gloves, a static discharge stick and a new arc flash equipment bag for storing arc flash suit. These are all critical items that are necessary for work in the arc flash zones presented with our high voltage equipment. The equipment will add to and or replace existing equipment that either needed redundancy or needed to be upgraded due to age, condition, and use conditions
	Essex Stand Alone Security and Fire Monitoring		1,750	1,750							1,750	0	This project will add Advanced Security monitoring equipment at Essex which will provide zone reporting for Essex location. Currently the District only has an account at the TRF. This service requires a $70 monthly monitoring fee for Security and Fire.
64	PBX Upgrade		3,000	3,000							3,000	0	This project is to upgrade the PBX software and operating system. Both are at end of their usefull life and are out of support.

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65	Humboldt Bay Radio Read Meters		9,500	9,500			9,500				0	0	This project would be for purchasing more radio read meters to install where safety is an issue. These meters will be placed along West End Rd, Warren Creek Rd, in Backyards, Cow fields, Etc. Radio read meters will help us become more time efficient and follow in the footsteps of some of the city's around us that have went to all radio reads. **This project is funded using Capital Replacement Reserves.**
66	Upgrade Admin Routers		4,000	4,000							4,000		This project is to upgrade the admin router and purchase a 5 year comprehensive support plan. The 60D router is at end of life and falling out of support. To purchase a 1 or 3 year support package is more costly over time. The savings of multi year and annual renewal of support pachages is, a 3 year plan is 30% savings and a 5 year plan is a 50% savings.
67	Replace Bucket Truck (Unit 4)		127,000	127,000							127,000		This project would be to surplus and sell the current 2006 F550 electrical bucket truck and replace it with one of two options. The reason for replacement is based on California Emissions Tier 4 compliancy issues with this model year engine. This option is for the purchase of a newer used truck meeting our needs.
68	Electrical Shop Offices		31,750	31,750							31,750		This project will modify the existing electrical shop to include three offices, one for each Electrician and an one for the Assistant Maintenance Supervisor. Due to the on-going ramifications of COVID-19, it is essential the we provide staff separate work space. With the initial COVID crisis began, the District had created temporary work areas to separate staff to ensure the District was able to continue functioning. Since a COVID-19 outbreak continues to be a threat to the safety and functionality of the District, measures need to be taken to ensure District staff will be able to practice social distancing and self-isolate at work in a worst case scenario.
69	Fleet Back-Up Cameras		2,250	2,250							2,250		Based on input during a safety meeting meeting , this project would install backup cameras in the fleet vehicles that currently don't have them. This will not only increase safety, but will also reduce damage and repair costs.
70	Upgrade Admin Switches		10,500	10,500							10,500		This project is to upgrade 9 of the admin switches and purchase 5 years of comprehensive support on all switches. All the switches are at end of life and falling out of support. All switches are managed switches that support VLAN's for our PBX system. To purchase a 1 or 3 year support package is more costly over time. The savings of multi year and annual renewal of support pachages is, a 3 year plan is 30% savings and a 5 year plan is a 50% savings.
71	Handheld Lights		3,500	3,500							3,500		The current inventory of District handheld lights are at the end of their useful life. This project will purchase new LED lighting and will install lights and charging stations at various District facilities to support crews during nighttime emergency operations.
72	**TRF Equipment/Fixed Assets**												
73	Ergonomic Mop Basins		2,000	2,000							2,000		This project would involve building and installing dedicated mop bucket wash/fill stations at Essex and TRF facilities. The proposed stations would provide a more ergonomically way to fill and dump mop buckets to help mitigate a potential injury. This project was developed based on a safety concern brought forward by staff.
74	TRF EOC Office Furniture		3,750	3,750							3,750		The FY22 budget included the development of an EOC (Emergency Operations Center) inside the TRF Pipe Gallery. That project is now complete and needs to be furnished in order to be fully functional.
75	**Eureka Equipment/Fixed Assets**												
76	FY22 Replace EUREKA Administrative Computers		3,800	3,800							3,800	3,500	Administrative computers are replaced on a 5-year cycle. This is for the replacement of the Accounting Tech II computer (FY18) and an upgrade to dual monitors. This project will also upgrade several other monitors of smaller (19") size to a more current standard. The District's computer replacement cycle improves cyber security and employee efficiency.
77	**Ruth Area Equipment/Fixed**												
78	Hydro Plant PRV Internal Belzona Repairs		4,750	4,750							4,750	0	This project will perform necessary rehabilitation of interior surfaces with a designed coating that protects and reduces cavitation damage on one of the two pressure reducing Cla-val's. The second valve will be funded in the FY2023/24 budget.
79	Hydro Plant Neutral Overvoltage Relay		14,750	14,750							14,750	0	This project will replace the standalone Basler overvoltage to neutral relay on the outgoing buss which has been found to be marginally functional in past years relay tests and it is the one relay that was not replaced as part of the protective relay project from several years ago. This relay was not replaced with the project because it was not allowed to be incorporated into the new relay system per PG&E requirements.
	Hydro Plant Wicket Gate & HBV Signal Upgrade		8,500	8,500							8,500	0	This project will replace and upgrade both of the rheostat position feedback signals with a linear position indicator system removing the need to incorporate a signal splitter converter system being used now for both these signals. It will also serve to remove the wicket gate positioning from the Woodward governor system which will be replaced in the next three years. This project will also upgrade the existing panel meters for wicket gate and Howell Bunger position indication to type more compatible with the new positioners signaling.

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81	Ruth Fire Response Trailer & Equipment		3,500	3,500							3,500	0	This project will purchase Honda pump, fire hoses and fittings to modify the old Essex pressure washer tank and trailer for fire protection. This porject will also replace the fire hose at Headquarters that was burned in the August Complex Wildfire.
82	**Subtotal Equipment/Fixed Assets**	**0**	**252,550**	**252,550**	**0**	**0**	**9,500**	**0**	**0**	**0**	**243,050**	**9,800**	
83	**Professional and Consulting Services**												
84	FY23 Crane Testing/Certification		10,000	10,000							10,000	10,000	**ANNUAL PROJECT:** Every four years the District is required to test the crane load to comply with OSHA-safety requirements. Each crane must be certified by a licensed contractor in accordance with OSHA regulations. This will also dielectric test the Altec boom truck and certify boom truck operators.
85	FY23 Chlorine System Maintenance	6,750		6,750							6,750	16,750	**ANNUAL PROJECT:** Although the chlorine system is well maintained by District staff, each year we contract for review/repair/replacement of the more complex elements of the system to assure proper operation and safety.
86	FY23 Hydro Plant Annual Electrical and Maintenance Inspection (ReMat Contract)		4,000	4,000							4,000	4,000	**ANNUAL PROJECT:** Hydro Plant electrical and maintenance inspection letter required annually for the Districts' ReMat Contract
87	Above Ground 10,000 Gallon Fuel Tank - Non-Destructive Testing		5,400	5,400							5,400	0	This project will hire a consulting firm to do non-destructive testing of the 10,000 Gallon generator diesel tank as required in the SPCC plan.
88	ATS Pro-IT Support		19,000	19,000							19,000	23,500	This project will provide computer updates and antivirus management for 22 computers on our admin network. This support package also offers employee cybersecurity and phishing annual training. Budget includes the $1,583 recurring monthly charges.
89	FY23 Essex Mad River Cross-Sectional Survey		12,000	12,000							12,000	10,000	**Annual Project:** This task consists of the annual field survey of the seven historic cross sections along the Mad River and an update of the AutoCAD figures comparing the new cross sections to the historic cross sections. Two hardcopies of the AutoCAD drawings showing the current elevations of the cross sections in comparison to the last few years will be submitted along with a Technical Memo detailing the recent changes and highlighting any corrective measures that the District may need to implement. Copies of the electronic files in AutoCAD format will also be submitted.
90	FY23 GHD Review & Report of Essex Mad River Cross-Sectional Survey		5,000	5,000							5,000	0	This task will consist of a summary of the annual field survey of the seven historic cross sections along the Mad River (survey work to be completed by others) and an update of the AutoCAD figures comparing the new cross sections to the historic cross sections. Two hardcopies of the AutoCAD drawings showing the current elevations of the cross sections in comparison to the last few years will be submitted along with a Technical Memo detailing the recent changes and highlighting any corrective measures that the District may need to implement. Copies of the electronic files in AutoCAD format will also be submitted. Note that it is assumed that the District will contract with a surveyor directly to perform the survey work, which will require additional budget.
91	FY23 Technical Training		27,000	27,000							27,000	27,750	**Annual Project:** This project proposes the funding of software training classes and associated travel expenses for a number of District staff on technologies specific to their job responsibilities. This would include technical training for computer science, computer and SCADA networking programing and software. This recurring budget item enables staff to rotate through trainings that arise through out the year for the constantly changing technology field. This budgeted amount will include training for approximately five out of seven qualifying employees.
92	FY23 O & M Training		20,000	20,000							20,000	20,000	**Annual Project:** This budget funds training classes and associated travel expenses for District staff on a variety of specific topics related to their job responsibilities. It also includes some funding for other staff to attend other local training opportunities that may arise throughout the year on water treatment and distribution principles and practices and education for CEU's.
93	FY23 Public Education Funds		5,000	5,000							5,000	5,000	**Annual Project:** The Board has expressed interest in expanding public outreach for various topics such as water resource planning. This projects provides funding for communications to the public as directed by the Board.
94	TRF Router Multi-Year Support		2,000	2,000							2,000	0	This project will provide 5-years of support for the TRF control router. Buying support on a 5-year subscription is 50% less than purchasing annually.
95	Ruth Router Multi-Year Support		1,000	1,000							1,000	0	This project will provide 5-years of support for Ruth control router. Buying support on a 5-year subscription is 50% less than purchasing annually.
96	Transformer Testing and Repair		7,500	7,500							7,500		This is a re-occurring required maintenance project every 5 years. This project inspects each of the District transformers and does oil analysis of the insulating properties and breakdown of the oil. There are12 transformers throughout the District to maintain.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
FY2022/23 Project Budget

	CATEGORY, LOCATION, PROJECT NUMBER & TITLE	PROJECT EXPENDITURES THIS FY			PROCEEDS FOR PROJECTS				ADDITIONAL CHARGES		Resulting Customer Charges	2020/21	PROJECT DESCRIPTION
		Treatment	Base Facility	Total	Advance Charges (Collected)	Grants	Reserves	Loans	Advance Charges (Cur. FY)	Debt Service		Prior Year Budget Amount	
97	GIS / FIS Essex Area		12,000	12,000							12,000		Update certain feature classes and develop a set of core maps including all new features and layers. Field verification of information in the GIS program. Clean-up of data in submitted CAD drawings. Assist in data management and help maintain and create data collection tools for database manipulation and population.
98	Salary Survey		15,000	15,000							15,000		This project will fund an outside consultant to complete a comprehensive Salary Survey for all of District staff. This project is based on requests from the Board (FY22 Budget discussion) as well as the January 2022 Staff Survey.
99	In-Stream Flow Grant		457,755	457,755		457,755					0	481,960	The In-Stream Flow Grant began in FY19, and work will continue through FY23. This Project is fully grant funded (approved grant $693,400).
100	FY23 Mad River Regulatory Compliance Assistance		50,000	50,000							50,000	50,000	This project is included to support regulatory work and possible enforcement activities related to the District's operation on the Mad River. There are four possible activities: 1) Compliance with the terms and conditions of the Long-Term Streambed Alteration Agreement (LTSAA). Section 10.2C requires that the District perform a hydrological and fish passage assessment. The assessment was completed in FY2014/15. Based on the results, Section 10.2D requires that the District and DFW determine and agree upon flow releases from Matthews Dam and bypass flows below Essex. The District may need consulting assistance to negotiate a successful outcome with DFW. (Range of $10,000 - $15,000 assumed)
101													2) Amending the District's HCP to include Eulachon, and supporting NMFS in updating their Biological Opinion (BO) associated with the HCP to address the Critical Habitat Designation (CDH) for Chinook and Steelhead. NMFS addressed CDH for all covered species, but was not able to include that in the BO because the final CHD was not approved at the federal level. A resource consultant will likely be needed to support this work to conduct research, gather available information, and prepare an Environmental Assessment. (Range of $10,000 - $15,000 assumed)
102													3) Enforcement support to the NC Regional Water Quality Control Board, the California Dept of Fish and Wildlife, the County of Humboldt, or other enforcement agencies to address the adverse environmental effects of unpermitted or illegal marijuana grows in the Mad River watershed. The District has pitched the concept of a pilot project in the watershed to curtail activities which are adversely affecting water quality and quantity and causing significant environmental harm. (Range of $20,000 - $30,000 assumed)
103	FY23 Annual Section 115 Pension Trust Contribution		50,000	50,000							50,000	50,000	As approved by the Board in March 2018, this is the annual contribution into the PARS Pension Trust for the Unfunded CalPERS Liability. (This is contribution year five of five).
104	FY23 Grant Applications Assistance		20,000	20,000							20,000	20,000	This budget line item is for potential grant application assistance that the District may require in the upcoming year. The level of effort required for various grant programs can vary considerably, and assistance with a detailed application may need to be further negotiated with the District prior to the performance of the work.
105	Domestic Water for Nordic Aqua Farm		5,000	5,000							5,000		Nordic Aquafarms is currently taking steps to develop a fish farm on the Samoa Peninsula. In addition to the industrial water that they will require if the facility is built, they will also require domestic water service. Engineering support for this service connection and extension would include attendance at meetings to discuss and determine need, and an analysis of feasibility and/or upgrade requirements that would include a water model analysis. It is unclear at this time how much effort will be required in support of this this in the upcoming fiscal year. It is difficult to estimate the exact amount of effort required for this task, and the figure below is simply for budgetary purposes.
106	Engineering Support - On-Site Hypochlorite Generation Project		10,000	10,000							10,000		The District is planning on advertising a design/build RFP for constructing a new onsite chlorine generation facility at Essex. Since the project will be design/build, it is not anticipated that the District will require significant on behalf of GHD for this project. However, it is likely that the District will require consultation with GHD for miscellaneous items throughout the project. Examples of tasks could include the following: respond to technical questions from District staff and consultants; review and provide input on design documents; provide minor construction inspection services; attend meetings with designer/contractor. It is difficult to estimate the exact amount of effort required for this task.
107	Engineering Study - Replacement of 15-inch Peninsula Domestic Water Line		38,000	38,000							38,000		The existing 15-inch domestic water transmission pipeline on the Samoa Peninsula is currently operating very close to its maximum capacity. Considering current domestic water usage on the peninsula in addition to planned developments, the capacity of the 15-inch domestic water transmission pipeline on the Peninsula needs to be analyzed. This task will consist of a feasibility level engineering study and report that will assess and evaluate various alternatives for replacing an estimated 3.75 miles of the existing 15-inch water line. The study will include gathering demand data, performing a capacity analysis using the District's water model, assessing various construction methods for installing a new pipeline, developing project alternatives, developing an opinion of probable construction cost for each alternative, and providing a comparison of advantages and disadvantages of each alternative.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

FY2022/23 Project Budget

	A	B	D	H	I	J	K	L	M	N	O	P	Q	R	T
				PROJECT EXPENDITURES THIS FY			PROCEEDS FOR PROJECTS				ADDITIONAL CHARGES			2020/21	
7			CATEGORY, LOCATION, PROJECT NUMBER & TITLE	Treatment	Base Facility	Total	Advance Charges (Collected)	Grants	Reserves	Loans	Advance Charges (Cur. FY)	Debt Service	Resulting Customer Charges	Prior Year Budget Amount	PROJECT DESCRIPTION
108			Samoa Peninsula Coastal Development Permit		31,200	31,200							31,200		The District needs a Coastal Development Permit (CDP) to maintain the waterline right-of-way (ROW) throughout the Coastal Zone on the Samoa Peninsula, which contains sand dunes and environmentally sensitive habitat area (ESHA), including wetlands. GHD has contracted with HBMWD to assist with preparation of a CDP application package and perform supporting studies, including biological inventory surveys, a wetlands delineation, and associated reports. This CDP application includes an approximate 4,500-foot subset of the 8-mile industrial/domestic ROW, located in the northern portion of the peninsula, which is termed "Phase 1" of the Project. It is assumed based on conversations with the County that this proposed CDP will be amended over time to include a greater portion of the ROW until the entirety is under a single CDP, which can be considered the next phases (Phase 2, Phase 3, etc.). The current contract value is $62,100; however, only up to $30,900 will be billed in the current fiscal year (21/22), and the remaining $31,200 should be budgeted for in FY 22/23.
109			Engineering Support for Essex Tesla Battery Project		7,500	7,500							7,500		The District has a design/build contract with Tesla for constructing a new battery energy storage system (BESS) at Essex. While Tesla is leading the design effort, consultation with GHD has been required, and it is anticipated that additional consultation will be required next fiscal year. Examples of tasks that GHD could support the District with on an on-call, as-needed basis include the following: review and provide input to Tesla design and construction documents related to code compliance and compliance with District goals; respond to questions related to control strategy and integration with existing switchgear; provide support with PG&E local requirements; provide minor construction inspection services; attend planning and construction implementation meetings. It is difficult to estimate the exact amount of effort required for this task, and the figure below is simply for budgetary purposes.
110			Engineering Support for TRF Tesla Battery Project		7,500	7,500							7,500		This task is similar to Task 15 (Above) for the TRF battery project.
111			Domestic Water System Cathodic Protection Upgrades		65,000	65,000	65,000						0		The District's CIP has the replacement of the Highway 299 Anode Bed scheduled for the 2018/19 Fiscal Year. However, in 2019 GHD performed a comprehensive assessment of the entire cathodic protection system to determine whether the 299 Anode Bed actually requires replacement and what other issues may or may not need to be addressed. The Cathodic Protection Assessment Report was submitted to the District in January 2020 and recommended the replacement of the four existing anode beds with four new deep anode wells, and replacement of two rectifiers. The District is currently reviewing alternatives to determine whether the District would like to move forward with the recommended upgrades of the existing impressed current cathodic protection (ICCP) system, or pursue localized galvanic systems to protect targeted valves and appurtenances within the domestic water system. If the District decides to move forward with the ICCP system upgrades, this task would consist of the preparation of a CEQA Notice of Exemption, well and anode bed specifications, design drawings, and bid documents. It does not include bid phase services or support during construction, as construction for the ICCP upgrades would not occur in FY 22/23. **This project will be funded using previously collected Advanced Charges.**
112			Pump Station 6 Gravel Bar Work and Permitting		40,000	40,000			40,000				0		The existing weir in the Mad River that is intended to prevent the Mad River from bypassing the Pump Station 6 intake has become less efficient over the last several years, and the main channel in this reach has moved north, away from the Pump Station 6 intake. The District is in the process of discussing with California Dept. of Fish & Wildlife ways to help ensure the channel in front of Pump Station 6 remains the main channel. This would likely include additional grading and work on the gravel bar downstream of the Pump Station. GHD submitted a scope of work and budget in August 2018 for preparing design plans, updating the river model, and permitting the proposed river work with NMFS, California DFW, Army Corps of Engineers and the State Water Quality Control Board. This line item includes the work detailed in the August 23, 2018 scope letter. This work will likely not move forward until the District has a major industrial customer under contract. **This project will be funded using ReMat funds.**
113			Essex Control Building Expansion Plans/Specs		46,000	46,000							46,000		The Essex Control Building Expansion is included in the CIP for the 2018/19 Fiscal Year. In 2006/07, Martha Jain Architect worked on concept level plans for the expansion of the Essex Operations Building. This scope would include finalizing the plans with the assumption that they would be developed to sufficient detail to allow the project to go out to competitive bid for construction. GHD would work with Martha Jain Architect to finalize the plan sheets and details as well as completing structural evaluation design and details for the building expansion. Plan sheets will also be developed for electrical and plumbing plans. Project specifications and bid forms will also be developed. The budget below assumes that minimal (8 hrs.) of electrical engineering is required to re-design the electrical feed from Pump Station 6 that comes into the west side of the existing control building.
114			**Ruth Dam Safety Program**												
115			FY23 FERC Dam Safety Surveillance and Monitoring Report (DSSMR)		5,000	5,000							5,000	5,000	**ANNUAL PROJECT**-This task consists of assisting the District with the preparation of the Annual DSSMR for the R. W. Matthews Dam. This report is submitted to the State Division of Safety of Dams (DSOD) and the Federal Energy Regulatory Commission (FERC). The intent is that the District will do the majority of the report preparation, while GHD will do a review of the active instrumentation, determine whether the monitoring systems in place are adequate, and will do a final review of the overall report after it is assembled by the District, and stamp and certify the Final Report.
116		2	FY23 FERC Chief Dam Safety Engineer		12,000	12,000							12,000	10,000	**ANNUAL PROJECT -** FERC requires the District have a Chief Dam Safety Engineer either on staff or engaged as a consultant. The individual must have substantial experience and knowledge about dam safety. The District has chosen to outsource this function/duty to Bill Rettberg of GEI, Engineering. This project provides for the continuation of these services. As a consequence of the Oroville Dam spillway failure, both FERC and DSOD have intensified their required dam safety program compliance.
117			FY23 Dam Spillway Wall Monument Survey		16,000	16,000							16,000	0	**ANNUAL PROJECT - (Crest Monument Survey):** This work not required by FERC. District initiated this work given FERC and DSOD questions Re: monitoring of spillway walls. Targets set and baseline established in FY2010/11. **New baseline was set in 2020**. Due to recent elevation fluctuations in survey data, survey is changing from bi-annual to annual to obtain more timely data to analyze fluctuations.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
FY2022/23 Project Budget

	CATEGORY, LOCATION, PROJECT NUMBER & TITLE	PROJECT EXPENDITURES THIS FY			PROCEEDS FOR PROJECTS				ADDITIONAL CHARGES		Resulting Customer Charges	2020/21 Prior Year Budget Amount	PROJECT DESCRIPTION
		Treatment	Base Facility	Total	Advance Charges (Collected)	Grants	Reserves	Loans	Advance Charges (Cur. FY)	Debt Service			
118	FY23 GHD Review of Matthews Dam Spillway Wingwall and Floor Survey		6,500	6,500							6,500		This task consists of reviewing the data from the annual (formerly biennial) survey of the existing monuments at the top and bottom of the spillway walls at Matthews Dam to determine whether there is any movement of the walls and/or floor. A drawing and letter report summarizing the analysis and any recommendations will be provided for submittal to FERC and DSOD. Note that it is assumed that the District will contract with a surveyor directly to perform the survey work, which will require additional budget.
119	FY23 Spillway Repair, Dam Inspection & Reporting Assistance		5,000	5,000							5,000	0	This task, if required, is for assisting the District with recommendations for spillway repairs and reporting of the necessary spillway repairs at Matthews Dam, as well as other inspections and reporting assistance. The 2017 inspection of the spillway found several areas where there appeared to be delamination of the concrete on the spillway floor. Areas of the spillway were repaired in 2017, 2018 and 2019. GHD or GEI will assist the District in the assessment of those repairs after this year's winter, and assist in the reporting and discussions with the State Division of Safety of Dams and the Federal Energy Regulatory Commission. It is difficult to estimate the exact amount of effort required in this year's design and reporting.
120	DSSMP Update		10,000	10,000							10,000		This project is an update to our Dam Safety Surveillance Monitoring Plan (DSSMP) document. The DSSMP is a FERC require document governing safety actions for dams. Monitoring threshold action levels need to be established for certain monitored activities. FERC has requested this amendment.
	Adv. Assistance Spillway Seismic Grant (Project $1.9M - FY24)		0	0					0		0	25,000	This Advanced Assistance Grant will be used to facilitate feasibility studies and engineering designs that will be used to characterize conditions at the dam and spillway at R.W. Matthews Dam and determine appropriate actions to make the dam and spillway more resilient to natural disasters and mitigate the risk of spillway failure that would subsequently lead to failure of R.W. Matthews dam in its entirety. A 2016 study found that the controlling ground motion for the dam is a M9.2 event on the Cascadia Subduction Zone, resulting in an 84th percentile peak ground acceleration (PGA) of 0.70g. The stability of the dam in response to this seismic event has not yet been analyzed. The engineering studies will be designed to meet current dam safety and seismic standards, and any proposed retrofit designs would be closely reviewed by the State of California Division of Safety of Dams (DSOD) and the Federal Energy Regulatory Commission (FERC). The grant request totaled $1.9M with a District match of $475,000
122	Assistance for Assessments of Spillway Drains, Floor and Flip Bucket and Curtain Weir Drain Locating.		20,000	20,000							20,000		The District is awaiting a funding determination from Cal OES / FEMA on the Advance Assistance grant application that was submitted for the Matthews Dam and Spillway Seismic Stability Assessment Project. However, there are other studies and assessments that need to occur at Matthews Dam and the spillway that could not be included in that grant application. These items were not included in the grant applications because they would be considered by FEMA to be repairs of existing old infrastructure, rather than retrofits that improve the level of protection of the system, which makes these items ineligible for the BRIC and HMGP programs. These items include assessments of the weir drains, spillway floor drains, and area under the spillway flip bucket, and effort required to locate the curtain drain weir.
123	GEI Tiltmeter Monitoring		12,000	12,000							12,000		This project is to install a number of tiltmeters on the left spillway wall to monitor the wall for any potential change from current condition. As suggested it the GEI letter dated 03.11.2022 for Spillway Wall Tiltmeter Monitoring Consulting
124	**Subtotal Professional & Consulting Services**	**6,750**	**1,059,355**	**1,066,105**	**65,000**	**457,755**	**40,000**	**0**	**0**	**0**	**503,350**	**758,960**	
125	**Carryover Projects**												
126	Replace Collector 4 Cable		2,000	2,000							2,000	6,250	This project proposes the replacement of the cable supporting the car cable for Collector 4. This cable is developing some deformed areas that are creating a potentially hazardous situation with the slipping of the cable car puller putting employees at risk for injury.
127	Line Shed #8		10,000	10,000							10,000	61,750	This proposed line shed for the storage and weather protection of the District's mobile equipment, such as Vac trailer, Chipper, JD60G Excavator, and JD4052R mower. Currently this equipment is parked outside and is subject to weather and vandalism.
128	**Subtotal Carryover Projects**	**0**	**12,000**	**12,000**	**0**	**0**	**0**	**0**	**0**	**0**	**12,000**	**68,000**	
129	**Subtotal Project Budget**	**1,432,500**	**8,283,815**	**9,716,315**	**3,815,010**	**3,682,755**	**161,750**	**0**	**0**	**0**	**2,056,800**	**1,511,367**	
130	**Industrial System Projects**												
	Refurbish Pump Station 6 (Phase 1)		3,500,000	3,500,000		2,800,000	700,000				0	0	Two viable industrial customers have approached the District requesting I/W. This project rehabilitates Station #6 (PS6). The District is applying for a US EDA grant to fund this project. Grant match will be from zero to 20%. Exact amount will not be known until grant application is approved. Match will ultimately be reimbursed to District from I/W customers.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

FY2022/23 Project Budget

	A	B	D	H	I	J	K	L	M	N	O	P	Q	R	T
6	CATEGORY, LOCATION, PROJECT NUMBER & TITLE			PROJECT EXPENDITURES THIS FY			PROCEEDS FOR PROJECTS				ADDITIONAL CHARGES		Resulting Customer Charges	2020/21	PROJECT DESCRIPTION
7				Treatment	Base Facility	Total	Advance Charges (Collected)	Grants	Reserves	Loans	Advance Charges (Cur. FY)	Debt Service		Prior Year Budget Amount	
132	IW1		Maintain Water Supply to Industrial Pump Station 6 During Low-Flow Months		13,250	13,250							13,250	13,250	**ANNUAL PROJECT:** From 1976 to 1991, channel conditions in Mad River allowed operation of Pump Station 6 without any water stage control. Since then, the river bed has degraded and in the late 1980's it approached an elevation at which pumps would not operate. In 1991, District installed two rock structures to control water surface elevation (rock jetty and grade-control weir). The jetty projects from north bank and downstream weir maintains the water surface elevation to PS6 at 21.5 feet msl. When runoff declines, for many years, the District constructed a gravel berm connecting jetty to the weir. Per the District's HCP, a study was completed to explore options. The current "base case" is creation of a channel along the south bank connecting the thalweg to PS6. The District reserves the right and has permit authority to construct the berm if the channel is not successful. This project covers activities necessary to complete this work: 1) construction of channel 2) biological survey per HCP and 3) protection of aquatic species during construction.
133			Clean-Out Industrial Water Tank		100,000	100,000			100,000				0	25,000	This project will be required at some point for two reasons. 1) Reservoir Seismic retrofit project, 2) Providing water to Nordic Aqua Farms. I drastically increased the budget this year due to the fact that our local divers have retired. Going to a national dive company or other method is going to be much more expensive.
134			Pump Station 6 Gravel Bar Work Permitting		50,000	50,000			50,000				0	76,100	The existing weir in the Mad River that is intended to prevent the Mad River from bypassing the Pump Station 6 intake has become less efficient over the last several years, and the main channel in this reach has moved north, away from the Pump Station 6 intake. The District is in the process of discussing with California Dept. of Fish & Wildlife ways to help ensure the channel in front of Pump Station 6 remains the main channel. This would likely include additional grading and work on the gravel bar downstream of the Pump Station. GHD submitted a scope of work and budget in August 2018 for preparing design plans, updating the river model, and permitting the proposed river work with NMFS, California DFW, Army Corps of Engineers and the State Water Quality Control Board. This line item includes the work detailed in the August 23, 2018 scope letter.
135			Industrial System Assistance		10,000	10,000			10,000				0	0	This task will consist of assisting the District with the refurbishment of the Industrial System to provide water to Nordic Aquafarms and other potential users on the Samoa Peninsula. The District has developed a budget and preliminary design to refurbish the Industrial System including the Pump Station 6 building and intake screens and pumps to provide continued service and correct deferred maintenance on the system. The District will be able to perform most of this work themselves and should not need much assistance. However, there are some outstanding questions, such as whether to install new transformers that step the voltage down to 480V instead of the current 2300V. There is also the outstanding issue of turbidity removal including whether to install a clarifier or some other sediment removal system on District property. This task will consist of assisting the District with these and other engineering design issues that may arise this year associated with the Industrial Water system refurbishment. It is difficult to estimate the exact amount of effort required for this task, and the figure below is simply for budgetary purposes.
136			Crossover Vault Modifications (Needed for Nordic, Funded by ReMat)		32,000	32,000			32,000				0	11,000	It is possible that an engineering analysis may be required for upgrading the domestic/industrial crossover vault at Essex to conform to SWRCB requirements. It is our understanding that staff from the State Water Resources Control Board expressed concern about the configuration of the vault that connects the pipeline from Collector 1 to the industrial waterline and that the District may need GHD to look at options for reconfiguring the vault to address their concerns. The scope for this task is detailed below. This line item includes the work detailed in the February 11, 2020 scope letter. District staff is going to continue to discuss this issue internally and then talk to Scott Gilbreath, the SWRCB rep, prior to making decisions on how to move forward with this.
137	**Subtotal Industrial System Projects**			**0**	**3,705,250**	**3,705,250**	**0**	**2,800,000**	**892,000**	**0**	**0**	**0**	**13,250**	**125,350**	
138	**TOTAL PROJECT BUDGET**			**1,432,500**	**11,989,065**	**13,421,565**	**3,815,010**	**6,482,755**	**1,053,750**	**0**	**0**	**0**	**2,070,050**	**1,636,717**	

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
Website: www.hbmwd.com

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GENERAL MANAGER
JOHN FRIEDENBACH

May 31, 2022

Humboldt County Board of Supervisors
825 5th Street, Room 111
Eureka, CA 95501

Re: Humboldt County Auditor-Controller

Dear Supervisors,

Humboldt Bay Municipal Water District (HBMWD; the District) is responsible for providing drinking water to over 90,000 Humboldt County residents as well as delivering industrial or "raw" water to the Samoa Peninsula for industrial uses. The District has always been, and will always be, a staunch protector of both water quality and quantity for the residents of Humboldt County.

The District continuously focuses on our obligations to the residents of Humboldt County and we trust that all other local government agencies similarly meet their obligations to the community. However, the current situation in the Humboldt County Auditor-Controller's office has become untenable. Based on the repetitive and ongoing County staff reports, letters from numerous County Departments, letters from other government agencies, and a recent State lawsuit against the Auditor-Controller, we understand that the Supervisors are well versed in the current deficiencies of the Auditor-Controller. The Directors of HBMWD will not belabor the issue by restating the facts, but will include "Attachment C" from your April 26, 2022 agenda item G-2, which appropriately lists current known deficiencies.

For many years, the HBMWD Directors have been apprised (on a minimum monthly basis) that District staff is unable to balance or reconcile District funds being held by the County. Based on this, the District moved the bulk of our investment funds out of County accounts several years ago. The two District accounts still held at the County are specific for debt service payments and for the deposit of 1% Property Tax funds. The lack of reconciliation of the latter account for the past two years is what HBMWD Directors find the most alarming. Recently the District received information showing the Property Tax account had been charged for administrative fees (both County Admin fees and LAFCo fees), but we still do not have a beginning or ending balance, interest apportionment, nor allocation of property taxes (i.e. zero balances).

How can withdrawals be charged to an account with no verified balance?

The 1% Property Tax funds HBMWD receives are credited directly back to the Municipal wholesale water customers we serve: the Cities of Arcata, Blue Lake, and Eureka; and the Fieldbrook-Glendale, Humboldt, Manilla, and McKinleyville Community Services Districts. These funds amount to nearly

$1,000,000 on an annual basis. If these funds are not available to be credited back to these agencies, HBMWD will have an unplanned budget shortfall, and will be forced to charge these municipalities for the missing funds in order to balance the HBMWD budget. These additional charges from the District would adversely impact the budgets of these seven agencies as well. This possibility is intolerable and unacceptable to the Directors of HBMWD.

The Board of Directors of Humboldt Bay Municipal Water District acknowledges the efforts the County Supervisors have made thus far in attempting to resolve the ongoing issues with the Auditor-Controller, but this situation cannot continue. We support your action to file a cross complaint against the Auditor-Controller. We look forward to a positive resolution of this situation.

Respectfully,

Sheri Woo
President

Cc: Elishia Hayes, Humboldt County Administrative Officer

ATTACHMENT C

AUDITOR CONTROLLER DEFICIENCIES FACT SHEET

Karen Paz Dominguez's tenure as Auditor-Controller has been marred with deficiencies in the following ways *(all of which remain deficient)*:

- Interest apportionment has not taken place for the entirety of Fiscal Year (FY) 2020-21 or 2021- 22;
- Cash has not been reconciled since before FY 2018-19 (currently Macias, Gini & O'Connell [MGO] is bringing this work up to date);
- As reported by Fortuna Union High School, statutory deadlines for reporting property taxes are not being met;

  On Nov. 10, 2021, the Board of Supervisors was notified that the Fortuna Union High School District passed a vote of non-confidence in the county Auditor-Controller, Karen Paz Dominguez
- FY 2019-20 single audit is two months past due, following a six-month extension. This has significant impacts on Workforce Innovation and Opportunity Act (WIOA) funding, the Department of Child Support Services, California Development Block Grant (CDBG) funds, Roads funding, First 5 and has made the county ineligible for United States Department of Agriculture (USDA) grants and potentially other competitive state and federal programs;
  - The Workforce Development Board passed a Vote of No Confidence in the county Auditor-Controller, Karen Paz Dominguez at their Nov. 19, 2021 Board meeting.
  - First 5's legal counsel has contacted the county regarding the county's failure to comply with the Memorandum of Understanding between the county and First 5, specific to fiscal services through the county Auditor-Controller
  - *(As of April 8, 2022, the Single Audit is six months past the six-month extension and the target issuance date of March 31, 2022 has passed without a progress report)*
- The FY 2020-21 cost plan was due Dec. 2019; it was not approved by the State Controller until June 2021 and still remains unposted;
- The FY 2021-22 cost plan was due Dec. 2020 and is still not completed;
  - Due to delays, the FY 2021-22 budget was developed using FY 2019-20 costs as an estimate, it is likely there will be large deviations and thereby creating significant budgetary impacts
- The Auditor-Controller failed to respond to correspondence from the IRS regarding payroll tax discrepancies, causing $173,022 in penalties, assessments, and liens;

- The Financial Transactions Report is due to the State Controller's Office by the end of January, following the close of the fiscal year. The Financial Transactions report has not been submitted for FY 2019-20 and the county can be penalized up to $5,000 for the failure to meet this statutory deadline;
  - *(As of April 8, 2022, after receiving a Final Demand letter from the California State Attorney General, the Auditor-Controller finally submitted the Financial Transaction Report (FTR) in March 2022. The State Controller's Office has confirmed receipt but has not confirmed acceptance of the report. Staff discovered the unposted audit adjustments from FY 2018-19 after reviewing a copy of the FTR received from the State Controller's Office.)*
- Lobbyist reports have not been submitted timely, $14,000 in penalties have been assessed;
- The Chart of Accounts has not been finalized yet and object codes continue to be closed;
  - Departments are struggling to obtain from the Auditor-Controller tools such as the setup of funds, budget units, ten-digit org keys and job ledger codes to effectively manage their budgets
- Delays in posting journals, supplemental budgets and appropriation transfers, often times more than eight months after submittal, are limiting the ability of departments to effectively manage budgets and expenditures;
  - Failure to post these transactions timely forces staff to conduct extensive manual tracking
  - Failure to post transactions resulted in delinquent CARES Act reporting and other mandated financial reporting
- Failure to pay vendors timely, resulting in late fees, inflated cost proposals, lost discounts and the elimination of credits accounts;
- Failure to pay employee expense claims timely;
- Failure to pay child support payments timely;
- Failure to promptly settle employees;
- Failure to timely post daily deposits to the general ledger;
- Failure to effectively transition and manage payroll;
- CalCard penalties for failure to process payments timely;
- Delayed payment of Election/Poll Worker's stipends;
- Refusal to post interest apportionment from non-general funds to the general fund as allowed by Government Code. This has eliminated more than $1 million in interest that is rightfully due to the general fund as discretionary revenue;
- The Auditor-Controller has publicly misrepresented status of the single audit;

- Budget blocks have been removed, making it difficult to manage appropriations;
  - Government Code §29122 The board shall not approve a claim and the auditor shall not issue payment for any obligation in excess of that authorized in the budget unit appropriation, except upon an order of a court, for an emergency, or as otherwise provided by law
- FY 2020-21 Adopted Budget has not been finalized or submitted to the State Controller Office as actuals for FY 2019-20 are not yet available;
  - The deadline was Dec. 1, 2020
  - *(As of Apr. 8, 2022, the FY 2020-21 and FY 2021-22 Adopted Budgets have been submitted to the State Controller Office but were rejected because the state mandated annual Appropriation Limits (Gann Limits) have not been adopted by the Board since FY 2018-19, when the then Interim Auditor-Controller presented the calculation to the Board for approval. The Adopted Budgets also lacked reliable fund balance numbers and certain schedules failed to balance due to the lack of complete financial information from FY 2019-20 and FY 2020-21.)*
- Failure to adhere to the Board of Supervisors request for written Board reports detailing operational impacts associated to the payroll transfer and other county operations;
- Failure to participate in meetings, collaborate or communicate with departments or external agencies regarding financial transaction activities;
- Refusal to update budget reports and participation in the budget process; and
- Failure to take responsibility for her actions.

CHANGE ORDER

PROJECT: HBMWD 12 kV Switchgear Relocation

Change Order No.: 10
Date: 5/27/22
Page No.: 1 of 1

DESCRIPTION OF CHANGE:

The contractor team spliced the existing Feeder #3 cable in vault HH-1. After this splice was completed, the result was new cable from vault HH-1 to the new switchgear, existing cable from vault HH-1 to Collector 1, and a splice connecting the new and existing cables. The existing cable was tested several months ago prior to splicing it to the new cable to confirm suitability for continued service, and the results of that testing were satisfactory. However, after the splicing was performed on May 6, 2022 to cut Feeder #3 over from the existing switchgear to the new switchgear, the resulting Feeder #3 did not pass the subsequent testing that was performed.

The existing cable was bent as required to create a service loop and splice inside vault HH-1. It is thought that due to the fact that the existing cable is beyond its useful service life, bending the existing cable led to failure of the cable, which resulted in the recent tests failing. The contractor team removed the damaged cable and performed a new splice inside vault HH-1 without bending the existing cable. Feeder #3 passed a 5 kV Megger test after this second splice was performed, and Feeder #3 appears to be functioning properly.

The cost for this change order as provided in the attached quote covers all work associated with repairing the damaged Feeder #3 and performing the splicing work.

CONTRACTOR: Sequoia Construction Specialties

Adjustment of contract sum	
Original Contract Sum	$2,448,063.00
Prior Adjustments	$400,962.13
Contract Sum Prior to this Change	$2,849,025.13
Adjustment for this Change	$8,003.07
Revised Contract Sum	$2,857,028.20

Adjustment of contract completion dates	
Original Contract Completion Date	Nov. 26, 2020
Prior Adjustments in Calendar Days	581
Adjustment in Calendar Days for this Change Order	0
Revised Contract Completion Date	June 30, 2022

NOTE: CONTRACTOR WAIVES ANY CLAIM FOR FURTHER ADJUSTMENTS FOR THE CONTRACT SUM RELATED TO THE ABOVE-DESCRIBED CHANGE IN THE WORK.

RECOMMENDED BY:

Nathan Stevens

Engineer – Nathan Stevens DATE: 5/27/22

APPROVED BY:

Owner – John Friedenbach, General Manager DATE: _____

ACCEPTED BY:

Contractor – Brian Pritchard, President DATE: _____

Potential Change Order/Proposal

SEQUOIA CONSTRUCTION SPECIALTIES

PO Box 6061
310 Redmond Rd
Eureka, CA. 95503
Phone: (707)442-3596 Fax: (707)442-0304

Proposal Number:	15
Date:	5/20/2022
Requested by:	

Issued To:

HBMWD

Project: 12kV Switchgear Relocation

Description		Amount
Labor and Materials to Fix Feeder #3 Cables	$	-
Colburn Electric	$	7,621.97
	$	-
	$	-
Sub Total	$	7,621.97
5% O&P	$	381.10
Total Price	$	8,003.07

Additional working days required: TBD

Attachments: Colburn Proposal

Signed: Brian Pritchard

Proposal

ROBERT COLBURN ELECTRIC, INC.

California Contractor License No. 750471
PO Box 3667
Eureka, CA 95502
Phone: (707) 445-8474 Fax: (707) 445-8475
www.colburn-electric.com

To: **Sequoia Construction Co.** Date: **5/20/2022**

Attn: **Brian** Job Location: **HBMWD 12kv Switchgear Relocation**

Email COR: **15R**

We hereby propose to furnish all materials, equipment, and labor necessary to perform the following work:

Change order to fix feeder#3. Quote does not include VLF testing of feeder #3. District will sign off on feeder #3 to state that they are okay with the existing condition of feeder #3:

Total Adder **$ 7,621.97**

You, the Customer (buyer) or tenant have the right to require the contractor to furnish you with a performance bond. You, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. Cancellation by the buyer after the right to rescind has passed, shall be deemed a material breach of this agreement and entitles the contractor to damages. Contractors are required by law to be licensed and regulated by the Contractors' State License Board which has jurisdiction to investigate complaints against contractors if a complaint regarding a patent act or omission is filed within four years of the date of alleged violation. A complaint regarding a latent act or omission pertaining to structural defects must be filed within 10 years of the date of the alleged violation. Any questions concerning a contractor may be referred to the Registrar, Contractors' State License Board, PO Box 26000, Sacramento, California 95826, or call the CSLB at 1-800-321-CLSB (2752) or visit the CSLB Internet Web site at www.cslb.ca.gov.

All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance.

Acceptance of Proposal-- The above prices, specifications and conditions are satisfactory to do the work as specified. Payment to be made as outlined above.

Authorized Signature Bob Colburn

Robert Colburn Electric, Inc.

Our workers are fully covered by Workmen's Compensation Insurance.

This proposal may be withdrawn by us if not accepted within 30 days.

ACCEPTED BY: _____ Signature _____

Date of Acceptance _____

ROBERT COLBURN ELECTRIC, INC.
Calif. Contractors License No. 750471
P.O. Box 3667 Eureka, California 95502
office phone (707) 445-8474 office fax (707) 445-8475

WORK SHEET DATE: May 20, 2022

FOR JOB	HBMWD email:
LOCATION	7270 West End Rd
CITY	Arcata
	Change order to fix feeder#3. Quote does not include VLF testing of feeder #3. District will sign off on feeder #3 to state that they are okay with the existing condition of feeder #3:

Quantity	ARTICLE	Unit Price		TOTALS
3	High Voltage Splice Kits	778.06	E/	2,334.18
		Subtotal		2,334.18
		Tax 9.25%		215.91
9	Hours Labor - Colburn Electric	110/HR,	E/	990.00
	Campton Electric Quote - Attached			-
	Wahlund Construction - Attached			3,245.00
	OHP	15%		836.88
	Total			7,621.97

Daily Time and Materials (T&M) Report

Date: 5/9/2022
Foreman: White, John (WHITE, J)
Wahlund Construction, Inc.

67-21 (HBMWD 12KV Switchgear T&M)

99 - EXTRA WORK **Quantity: 0**

Notes:
Cut out splices in vault HH1
And about 6' of old wire.
Strip out old conductors and test
Make splice test from new IPA
Turn on and check rotation

Labor	Hours	Overtime Hours	Total Hours
BROWN, K - Brown, Kyle	8	0	8
CORMIER, R - Cormier, Ryan	6	1	7
WHITE, J - White, John	7	0	7

Total Labor Hours: 22

Equipment	Hours
W-10 - UTILITY TRUCK - FORD F-250	7
W-14 - UTILITY TRUCK - FORD F-250	7
W-39 - UTILITY TRUCK - FORD F-350	8

Total Equipment Hours: 22

SECTION 5.4 PAGE NO. 5

CHANGE ORDER REQUEST

COR No. 000

Owner: Colburn

Project Name: HBMWD New MV Switchgear

Description of Work: Cut Section out from Feeder 3 exisiting cable, re-splice new cable to old Cable, Note Existing is from 1974 manufacturer Royal Cable, Insulation EPDM.

Report Date: 5/12/2022
Performed Date: 5/9/2022
Wahlund Job No. : 67-21

Wahlund Labor Charges

	Craft ID	Employee Name	RT Hrs.	OT Hrs.	RT/OT Rate	OT/DT Rate	Extended
L01	Electrician'	Kyle Brown	8.00		120.00	145.00	960.00
L02	Electrician'	John white	7.00		120.00	145.00	840.00
L03	Electrician'	Ryan Cormier	7.00	1.00	120.00	145.00	985.00
L04							-
L05							-
L06							-
L07							-
L08							-
L09							-

RT Labor	2,640.00
OT Labor	145.00
Subtotal Labor	2,785.00
Markup 0%	-
Labor Total:	**2,785.00**

Wahlund Equipment Charges

	Equipment ID	EQUIPMENT DESCRIPTION	RT Hrs.		RT Rate		Extended
E01	W-10						-
E02	W-14						-
E03	W-39						-
E04	WE-10	15 kV Megger	8.00		50.00		400.00

RT Equipment	400.00
OT Equipment	-
Subtotal Equipment	400.00
Markup 15%	60.00
Equipment Total:	**460.00**

Vendors - Materials/Specialist Work/Equipment Rentals/Lump Sum or Unit Price Payment

	Invoice No.	Invoice Date	Vendor Name	Invoice Description	Units	Unit Costs	Extended
							-
							-
							-
							-
M01							-
M02							-

Material Costs:	-
Markup 15%	-
Material Total:	**-**

SECTION 5.4 PAGE NO. 6

Signature of Acceptance: Date:

COR Total **3,245.00**

SECTION S.4 PAGE NO. 2