



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

March 11, 2010

A. ROLL CALL

Director Sopoci-Belknap called the meeting to order at 9:00 am. Directors Hecathorn, Laird, Prucha and Sopoci-Belknap were present. Director Rupp was absent. General Manager Carol Rische, Superintendent Barry Van Sickle and Board Secretary Sherrie Sobol were present. Business Manager John Palmquist was present for a portion of the meeting. Pat Kaspari and John Winzler of Winzler and Kelly were also present for a portion of the meeting.

B. FLAG SALUTE

Director Sopoci-Belknap led the flag salute.

C. MINUTES

On motion by Director Hecathorn, seconded by Director Prucha, the Board voted 3-0 to approve the minutes of the February 11th Board meeting. Director Laird abstained.

D. PUBLIC COMMENT

No comments were received.

E. CONSENT AGENDA

Director Laird requested items 1 and 4 be pulled. On motion by Director Laird, seconded by Director Hecathorn, the Board voted 4-0 to approve the Consent Agenda less Item 1 and 4.

Director Laird pulled Item 1 to discuss the information regarding hydro-electric production at Ruth Lake. He inquired why production dropped off in certain years/ months and asked if the District can produce more. Ms. Rische and Mr. Van Sickle stated although there are several factors, the largest is hydrological conditions. Ms. Rische shared several hydro graphs to illustrate the relationship between the hydrological conditions and the hydro power production. Mr. Van Sickle added there are additional factors at the facility and/ or PG&E's system which affect production. Director Laird pulled the articles in consent from the Ukiah Daily Journal regarding bass tournament boaters disregarding the inspection process at Clearlake. He asked if Ruth Lake had bass tournaments. Ms. Rische stated that Ruth Lake does host bass tournaments, and the boaters must follow the same inspection process and have a sticker prior to launching. She also noted that Bass Tournaments are specifically addressed in the Prevention Plan.

On motion by Director Laird, seconded by Director Hecathorn, the Board voted 4-0 to approve Consent Items 1 and 4.

F. CORRESPONDENCE

Ms. Rische discussed the letter from the District to its Municipal Customers regarding new water conservation requirements for urban water suppliers. In November 2009, the California legislature passed new conservation requirements for both urban and agricultural water suppliers. Urban suppliers are required to achieve a 20% reduction in urban per capita water use by 2020. How urban suppliers plan to achieve this must be addressed in their Urban Water Management Plan. By July 1, 2011, an Urban Retail Water Supplier must develop



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Urban Water Use Targets for 2015 and 2020. She noted that the stakes are high for non-compliance. If an urban water supplier does not comply, they will not be eligible for any water grant program or loan after July 1, 2016. There will be four options a water supplier can choose from to calculate the demand reduction targets, with the fourth option not yet developed. ACWA has put together a work group to develop a proposal for the Department of Water Resources regarding Option 4 given the inherent issues with the "one size fits all" approach. Director Laird volunteered to serve on this work group. She and Director Laird have participated in two teleconferences to learn more. Director Laird stated he will continue to follow the topic and keep the Board and Municipalities, as well as our local legislative reps informed. He added that it will most likely be the end of the year before we know what Option 4 will be. Director Sopoci-Belknap and Ms. Rische thanked Director Laird for his work on this.

G. CONTINUING BUSINESS

1. Ruth Lake Aquatic Invasive Species Prevention Program

Ms. Rische provided a status report on activities for the second season in which the Prevention Plan is in place. She recommended sending a reminder letter regarding the inspection requirements to the leaseholders and property owners as was done last year. She also recommended issuing Press Releases and running limited ads as well. She discussed the approach with Tom Felt, general manager of Ruth Lake CSD, and he agreed this was a good idea. Ms. Rische provided a status report regarding enforcement. The Dept. of Fish and Game is currently developing an MOU regarding limited enforcement services for the 2010 boating season. It should be completed soon and will be brought to the Board for approval. She also confirmed with Breck McAlexander of DFG that he will be checking on the Quagga substrate monitoring devices. She will report back to the Board when she has additional information on the substrate.

2. Wholesale Water Service for Industrial Customer (Freshwater Tissue)

Ms. Rische stated the Negotiating Committee has reviewed and updated costs and is prepared and ready to meet with Freshwater Tissue. Ms. Rische added that the Negotiating Committee has offered to meet again on March 17th and are waiting to hear back from Freshwater Tissue.

3. Water Resource Planning

Ms. Rische provided an update on the Advisory Committee (AC). She noted that they are now meeting twice a month. They will bring a recommendation to the Board in July or August. Three public meetings have been scheduled for June. A Water Task Force meeting will be scheduled to get input from the Municipal Customers. The Advisory Committee will be sharing their conclusions and will receive public and stakeholder input at these meetings. AC members previously sent out an email requesting input on WRP Options as an additional mechanism to solicit public input. It was offered that a similar email could be sent by individual Board members requesting input. The Board concurred.

Ms. Rische stated that an Environmental Law Conference will be held in Eureka on April 30th. Director Laird and David Aladjem will be speaking regarding the Mad River watershed and the Water Resource Planning process. Since Mr. Aladjem will be in



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Eureka for the conference on the 30th, he is available on the 29th of April to meet with the Board and/or Advisory Committee. Ms. Rische asked the Board for input regarding what they would like to discuss with him. Director Sopoci-Belknap noted that David Aladjem's responses to previous Water Resource Planning questions were answered and are in the Blue Book.

4. Clean Water State Revolving Fund Grant and Loan Program

Director Laird discussed programs for development and implementation of estuary comprehensive management plans. Director Laird suggested partnering with an agency interested in conducting an estuary study. To do this on our own and apply for funding would require an intense amount of staff time which is not available. Director Hecathorn asked if there was an urgency to do this now. Director Laird stated there is no urgency, in fact the funding is just now starting to come through. He felt the Board could wait awhile and revisit it later. Director Sopoci-Belknap thanked Director Laird for bringing this to the Board's attention and continuing to follow up.

H. NEW BUSINESS

Ms. Rische stated that after the agenda was posted, the District received a letter from LAFCO on March 10th regarding nominations for the Special District representative. Nominations are due by March 26, 2010. If the Board would like to consider this, it must be added to the agenda before it can be discussed. This can be done if two-thirds of the Board determines there is a need for action and the need to take action "came to the attention of the local agency subsequent to the agenda being posted."

On motion by Director Laird, seconded by Director Prucha, the Board voted 4-0 to add the item to the agenda. Director Sopoci-Belknap expressed an interest, given the WRP process, in being nominated. After a brief discussion, on motion by Director Hecathorn, seconded by Director Laird, the Board voted 3-0 to nominate Director Sopoci-Belknap for the LAFCO Special District Representative. Director Prucha abstained given her employment at PlanWest, who administers the LAFCO process. If Director Sopoci-Belknap could not be nominated for both the primary representative and alternate position, on motion by Director Laird, seconded by Director Hecathorn, the Board voted 3-0 to have Director Hecathorn be nominated for the alternate. Director Prucha abstained.

I. REPORTS from Staff and Board

Engineering

a) Hazard Mitigation Grant Program

Mr. Kaspari provided a brief status report regarding the District's grant application for replacement of the Techite pipeline. He stated that a letter was going to CalEMA and the earliest he expected to hear anything back on it was six months. He stated that there will be a full presentation on this at the next Board Meeting.

b) PG&E's Wave Energy Feasibility Project

Mr. Kaspari noted that the District has signed an MOU with PG&E and the project has reached a milestone in that sites are being reviewed for the project. Mr. Kaspari stated Winzler and Kelly has been hired to do some work for PG&E including reviewing sites and designs regarding the wave energy feasibility project. He and Ms. Rische stressed this is not a District project.



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Financial

a) Letter from County Treasurer

Mr. Palmquist reported out on interest earned in County Treasury. Low interest rates continue and there is little indication of change in the next few months. He called attention to the fourth paragraph in Stephen Strawn's letter where Mr. Strawn states "it is essential to retain knowledgeable and productive people in organizations when facing difficult decisions."

b) FY 2010/11 Budget

Mr. Palmquist discussed the revised budget development schedule. He also requested input from the Directors for any special projects they have which require funding. There were no specific projects requested by the Directors and the schedule was approved.

c) Financial Report

Director Hecathorn provided the February 2010 monthly financial report. Director Laird reviewed the bills and stated all was good. On motion by Director Laird, seconded by Director Prucha, the Board voted 4-0 to approve the February financial report and the vendor statements in the amount of \$133,267.00

Operations

Mr. Van Sickle provided the February operational report. Several employees have taken on-line courses for Leak Detection as well as the Safe Drinking Water Act. Staff also participated in additional chlorine training. Respiratory and hearing exams were conducted by Occupational Health as part of the District safety program. Tours were provided for classes at College of the Redwoods and Humboldt State University.

Management

Ms. Rische stated last month that the District had received a draft letter from the Department of Toxic Substances Control (DTSC) regarding assessment and remediation of the former McNamara & Peepe site. The original final version of the letter has been received. It is consistent with the draft letter and acknowledges the District's request for additional monitoring and stated that there is no contamination of the drinking water.

Directors

Director Laird reported that he did an interview on KHSU regarding water sustainability. He also received an invite from RCAA to attend a meeting regarding the Mad River Watershed assessment. He added that Ms. Rische will be attending the meeting also as the representative for the District and he will be attending on his own.

Director Prucha stated she would be attending a CIP meeting designed for wastewater operators. She noted that this was a free meeting and seats were still available if anyone else was interested in attending. She also reported that she had attended the McKinleyville CSD and Fieldbrook CSD Board meetings.

ACWA-JPIA

Ms. Rische inquired if Director Hecathorn would be interested in attending the JPIA Board of Directors meeting and associated risk management training in Monterey. Director Hecathorn indicated she would like to attend the JPIA portion and not the



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ACWA Conference, and added that she did not need accommodations in Monterey. On motion by Director Laird, seconded by Director Prucha, the voted 4-0 to approve attendance for Director Hecathorn to attend the May JPIA meeting in Monterey.

ACWA

- a) ACWA January State Board Meeting
Director Laird did not attend the State Board meeting.
- b) ACWA January Region 1 Board meeting
Director Laird reported that although he was on vacation, he did participate via phone, in the Region 1 Board meeting.
- c) ACWA Region 1 event in Humboldt County
Director Laird discussed the Region 1 ACWA meeting and tour scheduled for June 7 and 8. Initially the thought was the first day would be at Ruth Lake and the second day could be a joint meeting with the League of California cities, however, the joint meeting is no longer an option. He suggested perhaps the topic for day two could be conservation or it could all be done in one day.
- d) ACWA's 100th Anniversary
Director Laird inquired if the District would like to be part of ACWA's centennial celebration. Director Sopoci-Belknap noted that the minimum contribution would be \$500 and given the tight budget year and possible higher priorities, she recommended the topic be rolled over into next month when Director Rupp was present. The Board concurred.
- e) ACWA's Annual Legislative Symposium in Sacramento
Director Laird stated he did not feel he needed to attend the Symposium.
- f) 2010 Water Bond
Director Laird provided an overview of the water bond, ACWA's position in support of the bond, and his position. He noted that other Region 1 members chose to take no stance on the topic. After a brief discussion, the Directors concurred that they would like to abstain from taking a position on the issue.

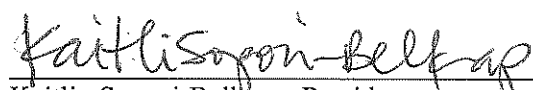
RCEA

Director Hecathorn reported there was no meeting.

ADJOURNMENT

The meeting adjourned at 3:00 pm.

Attest:


Kaitlin Sopoci-Belknap, President


Barbara Hecathorn, Secretary/Treasurer