

Minutes



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

July 13, 2016

A. **ROLL CALL**

President Hecathorn called the meeting to order at 9:00 am. Director Rupp conducted the roll call. Directors Hecathorn, Laird, Rupp and Woo were present. Director Latt was absent. General Manager Paul Helliker, Superintendent Dale Davidsen, Business Manager John Friedenbach, and Board Secretary Sherrie Sobol were present. John Winzler and Pat Kaspari of GHD were present for a portion of the meeting.

B. **FLAG SALUTE**

President Hecathorn led the flag salute.

C. **ACCEPT AGENDA**

On motion by Director Rupp, seconded by Director Woo, the Board voted 4-0 to accept the agenda.

D. **MINUTES**

On motion by Director Rupp, seconded by Director Woo, the Board voted 4-0 to approve the Minutes of the June 9, 2016 Regular Meeting.

E. **PUBLIC COMMENT**

No public comment was received.

F. **CONSENT AGENDA**

On motion by Director Laird, seconded by Director Woo, the Board voted 4-0 to approve the Consent Agenda.

G. **CORRESPONDENCE**

Letter to Board of Supervisors re: redesignation of Coastal-Dependent Industrial properties

The Humboldt County Board of Supervisors will discuss and vote on a proposed Local Coastal Plan amendment allowing non-coastal dependent uses in the Industrial/Coastal Dependent Zone at their next meeting on July 19th. The District submitted a letter of support that will be included in the Board of Supervisors packet. Mr. Helliker stated he would attend that meeting.

H. **CONTINUING BUSINESS**

Water Conservation Regulations

Wholesale water agencies are required to report to their retail agency customers by June 15 the amount of water supply projected for each customer during the next three years. Mr. Helliker shared the report, which shows there is enough water for each of the municipalities. Retail agencies are then required to conduct an analysis and report to the State Water Board the status of their supplies and demands, and conservation level needed. The District has retail customers and is required to submit a report. Mr. Helliker shared the report and response from the State Water Resources Control Board. The report shows a conservation standard of -139%. The email response states a negative number indicates a surplus and the Conservation Standard is zero. The reports are posted on the District website.



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Water Resource Planning

Local Sales

GHD prepared a grant application for the State Revolving Loan Fund for further design and analysis of pipeline extensions to the north and south. The District received a call from a grant officer inquiring if this was a viable project. Staff assured them it is and the need is there. The application is moving forward. The Board discussed next steps if the project is approved, including contacting the County and others to apprise them of the status.

Instream Flow

As reported last month, Mr. Helliker met with Mr. LaBanca and Mr. Wheatley of California Department of Fish and Wildlife (CDFW) to discuss the response from the Wildlife Conservation Board regarding the District's grant application and CDFW's review of the document. He learned that their group (fisheries/biology) was not involved in the review and it was the water rights/hydrology staff that participated. Mr. LaBanca agreed to follow up and organize a discussion with the water rights and hydrology division to discuss instream flow dedication procedures and ensure that all agree on the scope of information necessary for a successful stream flow enhancement water right application. Director Laird expressed frustration with the progress made on the instream flow option and felt more emphasis is being placed on transport. Director Rupp stated he felt all options were given equal emphasis. The lack of progress is from external factors and we need to keep working to overcome those. Director Woo felt comparable work was achieved on both instream flow and transport. She noted both committees have worked hard.

Transport

Mr. Helliker provided a summary of last month's Transport Committee meeting. As noted last month, the Transport Committee met and they are continuing to seek options. The committee invested significant time and energy between 2013 and 2016 to evaluate delivery options and secure interest from buyers. They met several times with North Coast/Bay Area public agencies to brief them on the availability of water supplies from the Mad River. The committee recommends the District broaden their contacts. It appears that a combination delivery and storage option makes our water more desirable. The proposed Sites Reservoir could provide additional storage space for water transferred from the Mad River. Another potential use could be to offset other releases for environmental benefit. A result of the Sustainable Groundwater Management Act is that some agencies are looking at additional source options such as surface water. Director Laird stated he was not comfortable moving forward with any action on a West-East option. He was adamant that no additional time or money should be spent exploring the option further, including the Sites Reservoir. Director Woo stated that the West-East option was discussed when she was on the Advisory Committee and was the one option on which they did not reach consensus. Mr. Helliker noted the Advisory Committee did have a conversation regarding all options at the recent spring meeting. Director Rupp stated he believed to stop looking is a mistake. The option should be discussed with the Advisory Committee, and then discussed with other public agencies. The next Advisory Committee meeting will be in September.



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New Board member representative for Advisory Committee

When the Advisory Committee (AC) was formed, the Board selected Director Rupp and Director Sopoci-Belknap to serve on the Advisory Committee. A new Board member is needed to serve on the AC since Ms. Sopoci-Belknap relocated out of the area and is therefore no longer on the Board. Staff recommends the Board select a new representative for the AC. Mr. Helliker also noted the Board might want to revisit the structure of the AC. The meetings were not configured to be open to the public, thus allowing a maximum of two Board members to participate.

Director Laird stated he would like the AC meetings to be publicly noticed Board meetings. Directors Woo and Rupp responded stating the initial meetings were specifically designed not to be public meetings so the meetings and goals could be streamlined. The various stakeholders then were able to take information back to their constituents and come back to the AC with their comments/suggestions. The majority of the AC decisions were done by consensus and they are inclined to keep the structure of the AC. President Hecathorn agreed the AC worked well. She suggested the AC meet as planned, followed by a public meeting to provide a status update on the work done so far and to receive input about future options.

Director Woo stated she would like to serve on the AC as a Board member since she previously served as a stakeholder representative and is familiar with the process. She added she would defer to Director Laird if he would like to serve on the AC. On motion by Director Laird, seconded by Director Rupp, the Board voted 4-0 to appoint Director Woo to the AC.

Mr. Helliker will prepare suggested discussion areas for the upcoming AC meeting and bring it to the next Board meeting.

Cannabis activities

The North Coast Regional Water Quality Control Board provides a summary of enrollment requests they have received and processed for their cannabis waste discharge regulatory program. Mr. Helliker shared the enrollment numbers for the Humboldt, Mendocino, Siskiyou, Sonoma and Trinity Counties. Of the five counties, Humboldt has the largest number of enrollments to date at 276. The deadline to register is August 31, 2016. He also noted that the 2016-17 state budget includes additional staffing and funding for medical marijuana environmental compliance programs. The State and Regional Water Boards will receive an additional \$5.7 million and 35 new positions to help implement new cannabis regulatory items. The Department of Fish and Wildlife will receive an additional \$7.7 million and 31 new positions for medical marijuana environmental programs. It is likely that several of the new staff will be located in our local north coast region. Mr. Helliker stated he spoke with staff at the Regional Water Board and they are interested in working with the District to set up monitoring equipment to detect illegal diversions that are occurring along the Mad River.



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There were two legislative bills related to marijuana: Assemblymember Wood's bill (AB 2243, the Medical Cannabis Tax Law) and Senator McGuire's bill (SB 987, Marijuana Value Tax Act). AB 2243 is in the Senate Appropriations Committee and moving forward. SB 987 failed to pass the Assembly Revenue and Taxation Committee and is dead for this session.

RCEA update

Director Woo reported there is a lot happening at RCEA. RCEA will be increasing staff as two new Program Assistant positions were approved. The RCEA Board adopted the 2016-17 annual budget, with the Community Choice Aggregation (CCA) being one of the biggest programs in the budget. To increase public engagement, the Board approved a Citizen's Advisory Committee Charter and is in the process of appointing Citizen Advisory Committee members. They also authorized an application to the Headwaters Community Investment Fund for a \$700,000 five-year line of credit for CCA working capital.

Director Woo expressed some frustration with the level of RCEA Board involvement and sought input on ways to increase and engage participation. The Board provided some suggestions and Director Woo thanked them for the input.

I. NEW BUSINESS

Conflict of Interest Code

Mr. Friedenbach gave an overview of the Conflict of Interest Code. Every two years local public agencies must review their Conflict of Interest Code. An extensive update was done in 2014 and is still current. Staff reviewed information on the FPPC website and no changes are recommended. Staff recommends the Board approve the District's 2016 Local Agency Biennial Notice stating no amendment is required for the District's Conflict of Interest Code. On motion by Director Woo, seconded by Director Rupp, the Board voted 4-0 to approve the response to the County's 2016 Local Agency Biennial Notice.

J. REPORTS (from Staff)

1. Engineering

Ranney Collector 1 Lateral Replacement Project (partially funded by Prop 84 NCIRWMP grant)

Mr. Kaspari provided an update on the project and brought up an issue. Currently, there is construction safety fencing (orange webbing) around the perc pond. Additionally, there is signage around the park and the construction site; however, some of the public have decided to cut a hole in the fencing to get a better view of the perc pond. The District is very concerned about safety and liability. Mr. Friedenbach stated he contacted JPIA regarding their recommendation on whether or not to keep the park open during construction and did not receive a definitive answer. He then requested District legal counsel Paul Brisso look at the site to help determine if the park should be closed or not to help prevent vandalism and reduce District liability. They discussed closing the park but ultimately decided against it. The District can install chain link fencing at an additional cost of \$5,000 and increase signage in effort to keep the public away from the construction zones. Director Rupp stated a chain link fence sounds like a good idea in that it will increase security and



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decrease risk. The Board concurred. Mr. Kaspari stated he would bring back a Change Order next month reflecting the change in fencing and cost.

Mr. Kaspari requested approval of Change Order #2. This Change Order extends the completion deadline and does not have any monetary change. On motion by Director Laird, seconded by Director Woo, the Board voted 4-0 to approve Change Orders #2.

Mr. Kaspari also recommended approval of Progress Payment #1 for \$120,300 less retainage of \$6,015, for a net payment of \$114,285. On motion by Director Rupp, seconded by Director Woo, the Board voted 4-0 to approve Progress Payment #1.

Blue Lake-FG CSD Water Line Replacement over Mad River (funded by Prop 84 NCIRWMP grant and FEMA Hazard Mitigation Grant)

Mr. Kaspari stated that FEMA/Cal OES received the Feasibility Study, extended the Phase I completion date for the project to September 30, 2016 and listed a few additional requirements for Phase I. He shared his response memo to FEMA/Cal OES providing the additional items requested.

FEMA Hazard Mitigation Grant and Pre-Disaster Mitigation Grant Submittals

Mr. Kaspari stated Cal OES is reviewing the Hazard Mitigation Grant application for the Surge Tower and the 12kV Switchgear projects. The 12kV Switchgear project was also submitted to the Pre-Disaster Mitigation Grant Program and the District received word that Cal OES is recommending it for funding and moving it on FEMA. FEMA will likely make their funding selections by August 30, 2016.

Potential Exposure of Pipeline on New Navy Base Road

Mr. Kaspari stated that PG&E has an exposed pipeline on New Navy Base Road. They recently covered the pipeline with sand, however, it is once again exposed and PG&E has requested the County's riprap plan. We are waiting to see if PG&E will do the riprap work for the pipeline.

Coonrod development

Mr. Friedenbach shared the latest proposed sub-division map. Mr. Phil Lazzar has been gathering information on the property and met with Mr. Davidsen on site to discuss appropriate cover over District lines. Mr. Davidsen suggested he contact the District Engineer. Mr. Kaspari stated Mr. Lazzar did contact him and they discussed options. Mr. Kaspari noted the proposed design layout is not bad.

Hog Island Development

Mr. Kaspari provided an update on the latest developments. Hog Island Oyster Company inquired if the District could provide water to them at their proposed facility on the Samoa Peninsula and the answer is yes. The Samoa Peninsula Fire Department also inquired if the District could provide water for two additional hydrants since the building the Hog Island Oyster is considering using does not have a sprinkler system. This required an updated flow model analysis that was provided to the Fire Department along with information on two additional hydrants. Mr. Kaspari made it clear that fire flows are not the District's jurisdiction. The fire chief said the updated flow models looked fine and the two additional hydrants will be part of the Hog Island Oyster Development site.



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2. **Financial**

Letter from County Treasurer

Mr. Friedenbach summarized the interest earned report from the County of Humboldt. The annualized interest rate is 1.01%. This is the highest it has been in a long time.

OPEB

The Government Accounting Standards Board (GASB) issued Statement 45: Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The District provides other postemployment benefits (OPEB) as part of the total compensation offered. Every three years the District is required to hire an actuary to perform the necessary computations to comply with the reporting requirements of GASB 45. It is time once again for the GASB 45 reporting. The District has used James Marta & Company, LLP in the past to provide the necessary information to comply with GASB 45. Staff recommends the Board authorize engaging the services of James Marta & Company. Mr. Friedenbach also noted that going forward the GASB 45 reporting would be required every two years instead of three. On motion by Director Woo, seconded by Director Rupp, the Board voted 4-0 to engage the services of James Marta & Company for the GASB 45 reporting requirements.

Financial Report

Director Rupp provided the June financial report. Director Woo reviewed the bills. She stated all was in order and noted that there were quite a few as it was the end of the fiscal year. On motion by Director Rupp, seconded by Director Woo, the Board voted 4-0 to approve the June 2016 financial statement & vendor detail report in the amount of \$485, 342.08.

FY 2016/17 Budget

Mr. Friedenbach stated that since the presentation of the proposed budget in June, some additional information has become available. In regards to the Salary and Employee Benefits (SEB), Director Rupp informed him that JPIA Benefits Committee met and the medical insurance rates will be increasing by 12%. The previous budget assumption was 10%. This change results in a budget increase of \$5,700. In addition, the Maintenance Mechanic who was considering retiring has decided to remain with the District. As a result, there is no longer a need for a mechanic trainee for part of the year, resulting in a budget decrease of \$70,075. These items combined result in a net SEB budget of \$3,596,134. The total change from the prior fiscal year 4.1%.

There is no change in the Service & Supply budget and it remains at \$1,432,400. This is a decrease of 0.5% from the prior fiscal year.

There is no change in revenues. Total revenues are projected at \$8,240,470, which is an 8% increase from last fiscal year.



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The Project Budget has some changes since the June presentation. Three new projects have become known in addition to some Carryover Projects that were determined after the June books were closed. The total proposed project budget is \$2,464,600.

There are no changes to additions to reserves, the proposed additions to reserves remains at \$200,000.

The overall budget results in a 9.8% increase from the FY 15/16 budget. The potential increase communicated to the Municipal Customers in March was 12% and in June 9.8%.

Staff recommends the Board approve the FY 2016/17 budget as presented. In addition, staff recommends the Board approve use of the DWFP reserve on the District's Ranney Collector rehabilitation project and/or the SCADA upgrade project if necessary. After some discussion, on motion by Director Rupp, seconded by Director Woo, the Board voted 4-0 to approve the budget as presented and use of the DWFP reserves for the two projects mentioned above.

3. **Operations**

Mr. Davidsen provided the July Operational Report. Electrical staff finished installation of the new PG&E approved battery bank at the hydro plant. The process went well and they are awaiting final approval from PG&E. Another completed project is the painting of the spillway bridge. Mr. Davidsen stated that in an effort to help save money, staff is doing some of the work on the Collector 1 & 1A project. Staff has installed yellow mine pipe in preparation for the project and they have removed two pumps and raised two pumps forty feet on Collector 1. Wahlund Construction crews were on site to construct the percolation pond in Park 1 for the Collector 1 project. Training for the month included the annual forklift safety training and driver competency testing, first aid and CPR, and Chlorine leak repair training.

K. **DIRECTOR REPORTS & DISCUSSION**

1. **General**

Last month, Director Rupp requested staff bring the mission statement so the Board could consider if they would like to include it on the agenda. Staff provided samples of the agenda with the Mission Statement at the beginning and end of the agenda. The Board discussed and agreed the Mission Statement should be included at the beginning of the agenda.

Director Laird stated he would like to see the Mission Statement changed. Staff will include the item on the next agenda for discussion and possible approval.

Director Rupp would like a discussion regarding dental and vision coverage for Board members. Mr. Friedenbach stated he would look into the coverage and report next month.

2. **ACWA – JPIA**

Director Rupp attended the JPIA Employee Benefits Committee meeting on June 29th. Pharmaceutical costs are going up as well as health insurance premiums. Premiums are increasing by 15% however; JPIA is subsidizing a portion so the increase to employees will only be 12%. He noted it is anticipated that rates will continue to escalate and for the first time the



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committee discussed actually changing benefits. They will meet again in December at the Fall Conference and discuss potential modifications to the health insurance program.

3. ACWA

Director Woo stated the Region 1 meeting and tour was coming was up on August 5th. On motion by Director Rupp, seconded by Director Laird, the Board voted 4-0 to approval attendance at the ACWA Region 1 meeting and tour.

Mr. Helliker shared that Katie Dahl of ACWA will be visiting our area tomorrow. He and other Municipal Customers reps will be meeting with her.

4. Organizations on which HBMWD Serves: RREDC, NCRP

Director Rupp stated RREDC did not meet last month. Mr. Helliker noted that NCRP does not meet during the summer months. The next meeting will be in October.

ADJOURNMENT

The meeting adjourned at 2:00 pm.

Attest:

Barbara Hecathorn, President

J. Bruce Rupp, Secretary/Treasurer



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Minutes for Special Joint Meeting of
HBMWD and Ruth Lake CSD Board of Directors
July 22, 2016

The HBMWD and RLCSD Board of Directors held a Joint Board Meeting to discuss issues and events regarding Ruth Lake and the buffer strip of mutual interest. President Hecathorn called the meeting to order at 1:00 pm. HBMWD Directors Hecathorn, Rupp, and Woo were present. Directors Laird and Latt were not able to attend. General Manager Paul Helliker, Business Manager John Friedenbach, Board Secretary Sherrie Sobol and Customer Service and Accounting Assistant Corey Borghino were in attendance. Ruth Lake CSD Directors Johnson, Nicholson and Wise were present. Directors Gordon and Sellman were not able to attend due to unforeseen circumstances. Manager Steve Canale and Assistant Manager Margaret Kiser were in attendance. Guests from Trinity County Sheriff, , Ruth Lake Leaseholders Association, Southern Trinity Volunteer Fire Department, Southern Trinity Health Services and STAR were also present. See attached sign-in sheet.

1. Public Comment

No public comment was received.

2. Introductions

Everyone at the meeting introduced themselves.

3. Updates from Guests

Southern Trinity Volunteer Fire Department and STAR

Bill German, Fire Chief, provided an update on activities in department. He stated his agency and STAR are appreciative of the District's assistance in getting the four helicopter Medical Evacuation landing sites.

Ruth Lake Leaseholders Association

Dave Saunderson stated things are going well for the leaseholders and there are no issues of concern. He also stated they haven't met in two years.

4. Ruth Lake CSD Topics

Aquatic Invasive Species

Mr. Canale provided an update on the boat inspections for Quagga mussels and other invasive species. He stated this is the seventh year of watercraft registrations and inspections and things are going smoothly. The impact of the drought and low lake levels in other areas of northern California was evident with the increase in boater registrations. This past season, 2,845 watercraft were inspected. This is an increase of over 600 watercraft inspections, compared to last season. The numbers would have been even higher, but due to the fires and road closures, the campground and lake were virtually shut down last August.

Dept. of Boating and Waterways Quagga Prevention Grant

Mr. Canale thanked HBMWD for procuring a \$10,000 grant from the Department of Boating and Waterways to help offset costs associated with the Quagga inspection process. Funds will be used to purchase much needed new equipment such as gate arms, computers to run them and annual stickers. He stated the next grant round is coming up and he would like the District to apply for a much larger grant this time to allow Old Ruth to be a secure launch site.



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HBMWD and Ruth Lake CSD Board of Directors
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Issues or areas of concern

Mr. Canale stated his office received a call from someone who wanted to put their houseboat on Ruth Lake. He recalled that houseboats are not permitted on the lake. He then checked with Buck Harbor at the Marina and HBMWD who all concurred. The issue is that documentation stating this could not be located. Mr. Helliker noted this would be on the agenda for the next District Board meeting.

Lease Lots-area of concern

Mr. Canale stated dead, dying and diseased trees are the biggest issue for the leaseholders currently. Mr. Helliker stated the trees can be removed as long as they are not sold or bartered.

Vehicle traffic on the buffer strip between Ruth Store and lease site 76

This has become an issue as there is increased unauthorized use of the site and it poses a traffic hazard as vehicles are exiting from a non-road. Mr. Canale has met with staff from Trinity County road department and they are willing to block off access. In order to facilitate this, they need a letter from HBMWD authorizing this action. President Hecathorn stated this is not a problem and the District would be happy to submit a letter.

Trinity County Hazard Mitigation Plan

Mr. Friedenbach explained why a Hazard Mitigation Plan is important in terms of grant funding. He has been communicating with Donna Rupp of Trinity County to help move the process along. The draft Trinity County Hazard Mitigation Plan (HBMWD has an annex that is part of the plan) will go to the Trinity County Board of Supervisors for approval at the August meeting. This will also be on the agenda for approval at the HBMWD August 11 Board meeting.

5. HBMWD Topics

Water Resource Planning (WRP)

Mr. Helliker provided an update on the WRP process and discussed the three focus areas; local sales, transport and instream flow. Mr. Saunderson inquired if water is being released for transport and for instream flow, will there be enough for the Municipal Customers during drought. Director Rupp responded yes, the District has enough water for all options.

Humboldt County Dam Break Plan

Mr. Friedenbach stated the Board of Supervisors approved the Humboldt County Dam Break Plan. He shared the executive summary and table of contents. He thanked all agencies that contributed from Trinity County for their time and effort in helping with the R. W. Matthew Dam portion of the plan. He also stated the full plan is on the District website if anyone wished to see the entire document.

Timber Management

Mr. Helliker stated the District no longer has a Licensed Timber Operator. This means that until the District finds a new one, trees that are removed can't be sold or bartered.



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Marijuana Cultivation in the Mad River Watershed

Mr. Helliker shared the latest information regarding legislation and licensing requirements. He provided a written summary of these and noted that the Regional Water Board and the Department of Fish and Wildlife will be receiving additional personnel and funding to help enforce regulations related to medical marijuana and deal with the illegal grows. Mr. Compton of the Trinity County Sheriff's OES office shared his knowledge and perspective on the grows in Trinity County. There is a perception that they are not doing anything about the grows which is not true. They are understaffed, but have succeeded in eradicating over 100,000 plants, including a focus on grows run by the Cartel. There are at least twenty eight Cartel grows now where there used to be only two to three. There are so many grows in Trinity County and they do not have the staff to deal with prolific amounts of grows with 100 or fewer plants.

ADJOURNMENT

The meeting adjourned at approximately 2:15 pm.

Attest:

Barbara Hecathorn, President

J. Bruce Rupp, Secretary/Treasurer

Consent



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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

BOARD OF DIRECTORS

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SHERI WOO, DIRECTOR

NEAL LATT, DIRECTOR

GENERAL MANAGER

PAUL HELLIKER

July 26, 2016

The Honorable Lorena Gonzalez, Chair
The Honorable Jim Wood, Member
Assembly Appropriations Committee
State Capitol, Room 2114
Sacramento, CA 95814

RE: SB 1170 (Wieckowski) Public Contracts: Water Pollution Prevention — OPPOSE

Dear Assembly Members Gonzales and Wood,

On behalf of the Humboldt Bay Municipal Water District (HBMWD), I am writing to express our opposition to SB 1170 (Wieckowski), related to stormwater pollution prevention because it would add significant new costs, delays, financial risks, and inefficiencies to the delivery of essential public infrastructure.

Current law requires public agencies to develop Stormwater Pollution Prevention Plans (SWPPPs) to determine potential sources of stormwater pollution on construction sites and identify the control measures needed to be taken during the construction process. These plans are certified by Qualified SWPPP Developers (QSDs) with highly specialized knowledge that work directly with project general contractors to assess conditions at the construction site and ensure maximum efficiency and reduce risks and costs.

SB 1170 would prohibit local agencies from delegating the development of a SWPPP to the general contractor and also prohibit the public agency from requiring the contractor to assume responsibility for the completeness and accuracy of a plan. Public agencies, engineers and architects simply do not have the direct control over the day-to-day construction, let alone the expertise, to perform this function.

SB 1170 would shift the development and liability of the SWPPP to the public agency, or to a design professional or architect, creating confusion and conflict within the public works process and disconnecting the entity responsible for the SWPPP from the entity that performs the work related to the SWPPP. This will result in the significant inefficiencies and inconsistent project oversight and an increased financial risk for public agencies.

For these reasons, HBMWD must oppose this bill and respectfully requests your "NO" vote on SB 1170 when it is heard in the Assembly Appropriations Committee.

Sincerely,

A handwritten signature in cursive script that reads "Paul Helliker".

Paul Helliker
General Manager

cc: The Honorable Bob Wieckowski
Members of the Assembly Appropriations Committee
Jennifer Galehouse, Consultant, Assembly Appropriations Committee

There's More to Drought-Proofing Than Water Mandates

Posted By [Opinion](#) On July 11, 2016 @ 5:00 am In [California Drought,Opinion](#) | [No Comments](#)

As the regional water supplier, the San Diego County Water Authority is responsible for providing reliable, long-term water supplies to support the region's 3.3 million people and its \$222 billion economy, rain or shine.

The public demands it, and we have delivered using a two-fold strategy: reducing demand through conservation and water-use efficiency, and securing a diversified water supply portfolio and regional water infrastructure that meets our needs day in and day out.

We appreciate Coastkeeper's focus on beaches and bays, but its [recent commentary](#) ^[1] about water management is incomplete at best by only focusing on draconian water conservation measures.

At the Water Authority, we take a different view. Water management involves developing drought-resilient supplies, maintaining robust infrastructure, promoting long-term water-use efficiency and – in extraordinary times – mandating water-use reductions.

Let's start with making the most of every drop, since that's where we began 25 years ago coming out of another serious drought. Since then, few places in California can match our region's record of accomplishment and advocacy to improve water-use efficiency. Per capita potable water use declined nearly 40 percent between 1990 and 2015.

In contrast to Coastkeeper's assertion that meaningful water savings can only be realized through extreme mandates, we achieved this through [numerous strategies](#) ^[2], including legislation to increase water-use efficiency statewide. One landmark Water Authority-sponsored bill – SB 1224 of 1991 – required that toilets sold or installed use no more than 1.6 gallons per flush, a standard adopted nationally in the Energy Policy Act of 1992. The Water Authority also supported successful legislation to require water metering and volumetric pricing statewide, establish statewide water conservation targets and develop water-efficient landscape ordinances across California.

In addition, the Water Authority works with its 24 member agencies and other partners to offer programs under the WaterSmart brand (developed by the Water Authority) that improve water-use efficiency for residential and commercial users as a way of life in the San Diego region. These programs and incentives have included rebates on highly efficient toilets and turf replacement, free home water-use audits and classes that help homeowners design and install low-water landscapes.

This summer we're rolling out a new campaign to promote WaterSmart living every day no matter the weather. We also have joined with the Surfrider Foundation and others to launch an initiative designed to transform more urban landscapes into mini watersheds that incorporate climate-appropriate plants, storm water capture and other features to achieve multiple environmental benefits.

One result of our collective efforts is that the San Diego region was on pace to beat the state's 2009 legislative mandate to reduce per capita water use 20 percent by 2020 even before state-ordered water-use reductions started in 2015. Then, we beat those emergency mandates after the Water Authority and its member agencies deployed a suite of resources and reminders to help the region respond to the state's call for extraordinary conservation. Water use dropped by 22 percent during the state's emergency regulation period, far better than the state's regional target of 13 percent.

But as the regional water provider, our charge is to assure that we don't live in a perpetual state of emergency. Over the past decade, our region has invested more than \$2 billion in drought-resilient supplies, including the largest seawater desalination plant in the nation and landmark conservation-and-transfer agreements precisely to avoid the kind of situation that we faced in 1991.

That's when the Metropolitan Water District of Southern California presented us with a real and imminent water crisis by cutting our supplies by 31 percent. No one who remembers that period of actual water shortages wants to go through that again, and we work every day to maintain a diversified and drought-resilient portfolio of water supplies to support our economy and quality of life.

The region's residents and businesses should benefit from our significant investments in water supply

reliability. That's why the Water Authority advocated for the state to take a balanced approach to water management by accounting for supplies and demands instead of simply ordering emergency conservation across the board, including in areas where no water supply emergency exists.

Thankfully, state regulators agreed that effective, long-term water management is much more than just mandating cuts, and they issued new rules for how water suppliers must forecast supply reliability over three more dry years. Due to our region's investments, our projections show that we pass the state's "stress test" [3] without needing to resort to water-use mandates.

Every San Diego County resident should celebrate these accomplishments by renewing our collective commitment to continue improving water-use efficiency and maintaining a drought-resilient water supply portfolio that serves our region for generations to come.

Mark Weston is chair of the San Diego County Water Authority's Board of Directors. He lives in Poway.

Article printed from Voice of San Diego: <http://www.voiceofsandiego.org>

URL to article: <http://www.voiceofsandiego.org/topics/opinion/theres-drought-proofing-water-mandates/>

URLs in this post:

[1] recent commentary: <http://www.voiceofsandiego.org/topics/opinion/san-diego-water-authority-is-pretending-the-drought-is-over-its-not/>

[2] numerous strategies: <http://www.sdcwa.org/sites/default/files/wateruseefficiency-fs.pdf>

[3] our projections show that we pass the state's "stress test": <http://www.sdcwa.org/analysis-shows-sufficient-water-supplies-san-diego-region-using-new-state-formula>

Water conservation: mandatory or way of life? Guest commentary

By Jeffrey Kightlinger

Wednesday, July 13, 2016



Southern Californians are conserving water as never before. Yet based on one government formula, we are not conserving at all.

Southland water use is down, the same as if local water agencies were imposing a 30 percent rationing mandate. But the official conservation target by these same agencies, based on a new state reporting requirement, is officially “zero.”

What is going on? California agencies at various times have cajoled, motivated or mandated residents and businesses to use less water.

Sometimes conservation mandates take the forefront. At other times, conservation is a way of life.

The vacillating nature of government’s conservation message — sometimes mandatory, sometimes voluntary — is more confusing than perhaps ever before. This does not reflect the great importance of conservation. It reflects an evolution on how best to lower demand and stretch available supplies.

The six-year drought ending in 1992 set the contemporary debate in motion. Southern California found itself unable to import the water necessary to meet traditional demands. The resulting mandatory cutback of about 30 percent was akin to a crash diet.

Water agencies got the message. The drought prompted the Metropolitan Water District of Southern California to elevate conservation to the same status as imported supplies. Lowering demand avoided expansion of distribution systems and helped to set in motion a set of legally sound and common-sense approaches to managing supply and demand.

Over the past 31 years, the Southland has grown by 5 million people but uses roughly the same amount of imported water. The feat was accomplished mostly by conservation. High-efficiency toilets deserve much of the credit, along with various plumbing code reforms and direct incentive programs, such as rebates for turf removal and water-saving devices. Conservation, combined with local advances in water recycling, has provided the same impact as building a second aqueduct to the Colorado River.

This drought has brought conservation back to the forefront. After a meager set of winter storms resulted in the smallest Sierra Nevada snowpack in recorded history, Gov. Jerry Brown in April 2015 mandated a 25 percent reduction in overall residential water use. By and large, Southland water agencies met the adjusted local targets set by the State Water Resources Control Board.

This year, with a winter that was closer to average in Northern California (not so in the Southland), the mandate was lifted. The state board directed local agencies to devise their own conservation targets for the remainder of the year. Because of continued low water use and improved supply conditions in Northern California, Metropolitan lifted the mandate to restrict supplies for its 26 member agencies. Water held in reserve for future dry spells will modestly increase this year.

Southland water agencies were then asked by the state board to identify their mandatory conservation target for the rest of the year based on a formula simulating three additional dry years.

Officially, the conservation target came up as zero. But hidden in that finding was the need to keep conserving. The “zero” means that we can meet our water needs because of conservation, our stored reserves and the projected availability of imported supplies.

Without a mandate hanging over their head, how are Southern Californians reacting? The trend so far is promising.

During a recent record heat wave, Metropolitan delivered about 1 billion gallons less a day than it routinely did during similar spells prior to the drought. Most of the reason can be found outdoors. Thanks to turf removal, native landscape makeovers, smarter sprinkler controllers and other advances, we aren't using as much water on our yards as we used to.

This summer, Southern Californians are conserving as if we were still under a 30 percent rationing mandate. All voluntarily.

Droughts demonstrate that the more we make conservation a permanent way of Southern California life, the less we will have to impose some form of temporary water-use mandate.

Jeffrey Kightlinger is the general manager of the Metropolitan Water District of Southern California.

URL: <http://www.pasadenastarnews.com/opinion/20160713/water-conservation-mandatory-or-way-of-life-guest-commentary>

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California's delusional thinking on water

By Peter Gleick

July 24, 2016 Updated: July 24, 2016 5:11pm

I know, you're tired of the drought. Tired of hearing about it, tired of trying to squeeze a little more savings out of your garden and indoor water use, tired of processing bad news about dying fisheries, drying wells, suffering farmers and dead trees.

I'm tired too: tired of studying and analyzing the impacts of this drought on California, after having done so for droughts between 1987 and 1992 and again between 2007-2009. Tired of trying to convince the public that we can't let up in our fight to fix our water problems, and that the drought isn't over because it rained and snowed a bit this winter.

Most of all, I'm tired of listening to people who argue we can continue to do things the way we've always done them.

That's delusional thinking. A false hope. A con man's promise.

The world we live in today is not the world of a half-century ago. We have twice the population in California (and globally) now, with no more water. We've built on all the good dam sites, and many bad ones. We are fundamentally changing the planet's climate, with especially severe impacts on water availability, demand and quality. We now understand that the environment — which suffered enormously from our past use of water — deserves explicit protections.

The problem isn't that we're in a temporary drought: the problem is that we live in a world with all the characteristics of a permanent drought, punctuated — ironically — by extreme floods.

We must no longer assume that we have, or can get, enough water everywhere to do all the things we want, and as wastefully as we do them. In California, even in an average rainfall year, demand outstrips supply by several million acre-feet. There is no polite way to say it: The unsustainable use of groundwater and the excessive diversion of water from our rivers is stealing from our children and grandchildren in order to satisfy today's wasteful demands.

There is no better evidence for this failure to acknowledge reality than that after four years of severe drought, all it took was a barely average winter for the state, cities and farmers to abandon conservation programs and pretend the drought was over.

Mandatory urban conservation targets were thrown aside. What did most of the water agencies do? They set targets of zero, despite clear evidence that our use of water is still wasteful and inefficient. Meanwhile, farmers lobbied successfully to increase irrigation water deliveries from

state and federal agencies and to set aside ecological protections for endangered fish, even while several species stand at the brink of extinction.

These actions are evidence of a head-in-the-sand mentality. We're all tired of hearing about drought. But we live in a region where our economy, our communities and future generations depend on smart water management, not wishful thinking.

The good news is that the fifth year of drought offers the chance to reinvest in effective water solutions by expanding our efforts to remove inappropriate outdoor landscaping, build water recovery and reuse facilities, improve agricultural irrigation practices, price water properly, and get rid of those old, inefficient toilets, showerheads and washing machines.

Our vulnerability to water problems is real. Our responses should be as well.

Peter Gleick is co-founder and president emeritus of the Pacific Institute in Oakland.

MCKINLEYVILLE

Mayo to head state water agencies coalition region

The Times-Standard

The McKinleyville Community Services District announced Wednesday that board member Dennis Mayo was appointed Region 1 president of the Association of California Water Agencies (ACWA).

According to the release, the ACWA is the largest statewide coalition



Mayo

of public water agencies in the country, with 430 members responsible for 90 percent of the water delivered to cities, farms and businesses in California.

The release states that

May has served as ACWA Region 1 vice president for the last six years. It also commented that he has been "especially effective dealing with illegal water diversions caused by pot grows, continuing the state's commitment for sustainable energy consumption and the legislative work on (state) drought and water usage."

Continuing Business

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

From: Paul Helliker

Date: August 11, 2016

Subject: Water Conservation Regulations

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As of August 3, the State Water Resources Control Board had not released the results of their review of the "stress test" documents that were required to be submitted by water agencies by June 22. At the August 2 SWRCB meeting, staff did note that 379 of the 410 agencies required to submit their documents had done so, with the remaining 31 thus being required to meet their previous emergency conservation regulation reduction requirements. No information was provided concerning how many of the 379 include any additional conservation level. From previous reports, Soquel Creek Water District has stated that they will continue with a 30% reduction level (due to their sole reliance on a declining groundwater basin) and Santa Clara Valley Water District has asked its retail agency customers to meet an ongoing 20% reduction level. Casitas Municipal Water District in Ventura County is also continuing a 30% reduction goal, due to the fact that their sole source of water – Lake Casitas – is currently only 38% full, due to the fact that precipitation in Southern California continued to be lower than normal in 2016.

Attached is the press release issued by the State Water Resources Control Board, concerning conservation information through June (which was not available as of August 3).

As reported at the June Board meeting, the State Water Board and the Department of Water Resources conducted "listening sessions" on various topics related to the long-term conservation program referenced in Governor Brown's May, 2016 Executive Order. Those items included potential modifications to conservation targets adopted under SB x7-7, addressing system leaks, and improving water shortage contingency planning. Other items for which the Water Board and DWR will need to propose legislation include making permanent the water waste prohibitions contained in the Water Board's emergency regulations and the model water efficient landscape ordinance adopted by DWR in 2015. The Water Board and DWR will initiate a series of public meetings on these subjects, which will include input from an "Urban Advisory Group," the composition of which is listed in the second attached document.

The third attachment is the comparison of residential gallons per capita per day use among our retail customers, as well as in Arcata, Eureka, McKinleyville CSD and Humboldt CSD.



Media Release

Statewide Water Conservation Declines to 21.5 Percent in June; Water supplier "Stress Tests" still under review

FOR IMMEDIATE RELEASE
Aug. 2, 2016

Contact: George Kostyrko
george.kostyrko@waterboards.ca.gov

SACRAMENTO — With water conservation falling to 21.5 percent savings in June 2016—down from 27.5 percent a year ago—the State Water Resources Control Board today announced that it is closely monitoring conservation levels, will scrutinize actions by water suppliers where use has risen dramatically and is carefully reviewing the "stress tests" to ensure that water supply reliability claims are complete and accurate.

"Californians have continued to conserve without top down mandates, but the question is whether we can save enough and keep it up for the long haul," said State Water Board Chair Felicia Marcus. "While last winter's rains allowed us to ease state mandated conservation, that didn't mean the drought was over or that local conservation efforts should stop -- and we're looking carefully at the data to see what's happening where, and why."

Cumulatively, local water suppliers have saved 1.75 million acre feet in the 13 months since mandatory conservation goals began – enough water to supply 8.8 million people for a year. The cumulative average savings June 2015-June 2016 is 24.2 percent.



Although new regulations that took effect in June give local water suppliers more autonomy to set their own conservation goals based on local supply conditions, the State Water Board has maintained since mid-2014 that it expects suppliers to continue emphasizing water conservation to their customers as a top priority as California enters the summer months, when the opportunity for water savings is greatest. While local water suppliers may have relaxed water use restrictions that were in place last summer – the statewide prohibitions, from operation of fountains without recirculating pumps, to irrigation of turf in street medians, remain in place.

"Conservation should be the California way of life," said Marcus. "Some relaxation of conservation in light of the relief we got last winter and other supply conditions is appropriate and expected; abandonment of conservation is not. Saving water now extends local water



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

STATE WATER RESOURCES CONTROL BOARD

1001 I Street, Sacramento, CA 95814 • Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 • www.waterboards.ca.gov





Media Release

supplies into an uncertain future, and saves money in the long term on the need to develop additional supplies. In particular, the summer months are the time it's easiest to save by reducing outdoor irrigation to the minimum needed to water trees and shrubs while letting our lawns go the color of the surrounding hillsides.”

June Conservation Data

- Statewide water savings for June 2016 was 21.5 percent (143,130 acre feet or 46.6 billion gallons), a decrease from May 2016's 28.1 percent savings, and also a decrease from June 2015's 27.5 percent statewide savings (60.6 billion gallons).
- Cumulative statewide percent reduction for June 2015 – June 2016 (thirteen months) is 24.2 percent, which equates to 1,752,918 acre-feet (571.2 billion gallons).
- Statewide average R-GPCD for June 2016 was 104.9 gallons; (an 18 percent increase) up from 86.7 R-GPCD in May 2016 and also above 98.1 R-GPCD reported for June 2015. All June data can be found on this page.

Revised Emergency Regulations

Starting in June, the State Water Board's recently updated emergency water conservation regulations give urban water agencies the ability to set their own conservation standards based on a “stress test” of supply reliability. Water suppliers must demonstrate that they have sufficient supplies to withstand three years of continuous drought or take additional measures that include mandatory conservation targets. The regulation is in effect through January 2017.

The deadline to submit the “stress test” results and three-year resiliency plans was June 22. While most urban water suppliers and wholesale water providers have submitted materials, the State Water Board staff is following up with a number of suppliers whose submissions appear inaccurate, incomplete, or unclear. Once all of the submissions have been received and are complete, the State Water Board will make them publicly available.

While water suppliers may calculate lower conservation targets for purposes of state enforcement, the State Water Board expects that they will continue to promote and achieve water conservation at the local level and enforce prohibitions on wasting water first enacted in July 2014. The Board expectation is that all water suppliers will continue encouraging their customers to conserve, even if they pass their “stress test” and demonstrate that they will have sufficient water after three additional dry years.

Moreover, the Board is prepared to come back in early 2017 to reimpose new mandatory water restrictions if needed.



Media Release

Permanent Ban on Wasting Water

The recently adopted regulation is part of a wider effort to build on short-term, emergency water restrictions to establish permanent conservation measures that improve long-term drought preparedness and eliminate the worst water-wasting practices. These actions will help achieve a top priority of the state's Water Action Plan: to "Make Conservation a California Way of Life."

In May, Governor Edmund G. Brown Jr. issued an executive order calling for new permanent water use efficiency targets for each urban water supplier and for strengthening local Water Shortage Contingency Plans. The local "stress test" data and three-year resiliency plans collected by the State Water Board will serve as a bridge to these actions and inform the development of new water use efficiency targets.

The State Water Board regulation also continues the statewide ban on specific wasteful uses, such as hosing off sidewalks, driveways and other hardscapes; washing cars with hoses not equipped with a shut-off nozzle; and watering lawns in a manner that causes runoff. Prohibitions also remain against homeowners associations or local governments taking action against homeowners who reduce or stop watering lawns. As directed by the executive order, the State Water Board will be making these prohibitions permanent.

Background

In his April 1, 2015 Executive Order, in light of the worst snowpack in 500 years, Gov. Edmund G. Brown Jr. mandated a 25 percent water use reduction by users of urban water supplies across California. In May 2015, the State Water Board adopted an emergency regulation requiring a 25 percent reduction in overall potable urban water use statewide from June 2015 through February 2016.

On Feb. 2, 2016, based on Gov. Brown's November 2015 Executive Order, the State Water Board approved an updated and extended emergency regulation. The extended regulation responded to calls for continuing the conservation structure that had spurred such dramatic savings while providing greater consideration of some factors that influence water use: climate, population growth and significant investments in new local, drought-resilient water supplies such as wastewater reuse and desalination.

On May 9, 2016, Governor Edmund G. Brown Jr. issued Executive Order B-37-16, requiring the Board to adjust its emergency water conservation regulation through the end of January 2017 in recognition of improved urban water supply conditions across the state and, separately, take action to make some of the requirements of the regulation permanent. The Board adopted the revised regulation on May 18. June was the first month under the revised regulation.



Media Release

Since June 2014, the State Water Board has been tracking water conservation for each of the state's larger urban water suppliers (those with more than 3,000 connections) on a monthly basis. Compliance with individual water supplier conservation requirements is based on cumulative savings. Cumulative tracking means that conservation savings will be added together from one month to the next and compared to the amount of water used during the same months in 2013.

California has been dealing with the effects of an unprecedented drought. To learn about all the actions the state has taken to manage our water system and cope with the impacts of the drought, visit Drought.CA.Gov. Every Californian should take steps to conserve water. Find out how at SaveOurWater.com. While saving water, it is important to properly water trees. Find out how at www.saveourwater.com/trees. In addition to many effective local programs, state-funded turf removal and toilet replacement rebates are also available. Information and rebate applications can be found at: www.saveourwaterrebates.com/.

###

EO B-37-16 Urban Advisory Group (UAG) Invited Members

Association of California Water Agencies	Cindy Tuck
Building Industry Association	Richard Lyons
Calaveras County Water District	Dave Eggerton
California American Water Co.	Rob Maclean
California Building Owners and Managers Association	Rex Himes
California Landscape Contractors Association	Peter Estournes
California League of Food Processors	Trudi Hughes
California State Association of Counties	Karen Keene
California Water Association	Jack Hawks
Climate Resolve	Jonathan Parfray
Clovis, City of	Lisa Koehn
Coachella Valley Water District	Jim Barrett
Community Water Center	Laurel Firestone
East Bay Municipal Utility District	Alex Coate
Fresno, City of	Tommy Esqueda
Inland Empire Utilities Agency	Martha Davis
League of California Cities	Chris McKenzie
Los Angeles Dept. of Water and Power	Penny Falcon
Metropolitan Water District	Deven Upadhyay
Moulton Niguel Water District	Joone Lopez
Municipal Water District of Orange County	Joe Berg
Natural Resources Defense Council	Tracy Quinn
Pacific Institute	Heather Cooley
Rainbird Corporation	Rob Wolfarth
Regional Water Authority	John Woodling
Sacramento, City of	Jim Piefer
San Diego County Water Authority	Maureen Stapleton
Santa Cruz Municipal Utilities	Toby Goddard
Santa Rosa, City of	Jennifer Burke
Sonoma County Water Agency	Grant Davis
Sweetwater Authority	Sue Mosburg
University of California, Davis	Frank Loge
University of Los Angeles	Stephanie Pincetl
WaterNow Alliance	Cynthia Kohler
Western Municipal Water District	John Rossi

Comparison of Residential Gallons Per Capita Per Day

Humboldt CSD	Average Monthly MG	Average R-GPCD
July - December 2013	69.55	71.61
Jan - June 2014	62.89	64.76
July - December 2015	64.10	63.92
Jan - May 2016	55.23	56.6

HBMWD	Average Monthly MG	Average R-GPCD
July - December 2013	16.7	96
Jan - June 2014	13.41	74
July - December 2015	17.24	75.64
Jan - May 2016	7.59	56.15

McKinleyville	Average Monthly MG	Average R-GPCD
July - December 2013	44.31	71.8
Jan - June 2014	41.46	67.19
July - December 2015	37.43	60
Jan - May 2016	33.93	50.6

Arcata	Average Monthly MG	Average R-GPCD
July - December 2013	58.65	52.99
Jan - June 2014	53.33	48.18
July - December 2015	55.34	48.83
Jan - May 2016	48.85	45.6

Eureka	Average Monthly MG	Average R-GPCD
July - December 2013	99.35	75.66
Jan - June 2014	89.22	67.95
July - December 2015	87.08	63.11
Jan - May 2016	76.54	57.51

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors
From: Paul Helliker
Date: August 11, 2016
Subject: Water Resource Planning (WRP) – Status Report

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The purpose of this memo is to summarize recent activities and introduce next steps for discussion.

1) Top-Tier Water Use Options**a) Local Sales**

GHD and we have had a couple of conversations with representatives of the Division of Drinking Water about the grant proposal. They requested some clarifications of the problem statement and the outreach/partnership component. They have also noted that they generally like to provide planning grants to projects that are likely to be implemented, although that is not a mandatory requirement. It's not clear how it could be, because projects in the planning phase do not always get implemented, whether or not there are grant funds from the state. We are currently awaiting an update from Ronnean Lund, our former Division of Drinking Water liaison, which will summarize the information they would like to be augmented in the grant proposal.

b) Transport

No further work has been conducted on this option during the past month.

c) Instream Flow Dedication

The instream flow committee will meet on August 9, and a report from the meeting will be provided at the August 11 Board meeting.

2) Advisory Committee

The Advisory Committee is scheduled to meet on September 20. The agenda for the most recent AC meeting (on February 3, 2016) is attached. Since that meeting, we have met further with the local partners on options for expansion of the system north and south and have begun the process of applying for a planning grant. Also since that meeting, we received responses from the Wildlife Conservation Board and from the Department of Fish and Wildlife concerning our grant applications for studies of the estuary, for the purpose of collecting additional data for an application for an instream flow dedication.

Also since the February meeting, we explored with Access Humboldt the potential cost for doing video segments, and were quoted various prices, associated with differing lengths of segments and whether or not they would be filmed in a studio or on location. The prices were in the range of \$3,000 to \$20,000 for shorter videos (< 1 min) shot in a studio to longer videos (3 min plus) shot at multiple locations. The Board may want to discuss whether or not this would be a format for information that we should pursue.

**Humboldt Bay Municipal Water District
WRP Advisory Committee**

February 3, 2016 (9:00 – 11:00 a.m.)

HBMWD Board Room – 828 7th Street, Eureka

Desired Outcomes

- An understanding by the committee of work accomplished to date to advance consideration of the top-tier water-use options
- Feedback and input from the Advisory Committee re: next steps on local use, transport, and instream flow dedication options
- Input from AC as to how to document their experiences in the Water Resources Planning process

**Humboldt Bay Municipal Water District
WRP Advisory Committee**

February 3, 2016 (9:00 - 11:00 a.m.)

Agenda

- I) Opening (9:00)**
- Welcome and review outcomes and agenda
- II) Status Report on WRP since October 2014 AC meeting (9:05 – 09:50)**
- Overview of work accomplished to advance top-tier options: 1) local sales; 2) instream flow dedication in Mad River for environmental enhancement; and 3) transfer to another Municipality in northern CA (preferably north coast region)
- III) Break 09:50-10:00**
- IV) Discussion and Input re: Options and Next Steps (10:00 – 10:40)**
- **Local Sales** – additional ideas or opportunities
 - **Transport** – review of pipeline reconnaissance study and input on water transfers
 - **Instream flow dedication** – review of grant proposal and input on how to advance and fund next steps
- V) Documentation of WRP Process and Outcomes (10:40 – 10:50)**
- Input on how to document/memorialize
- VI) Close (10:50 – 11:00)**
- Closing comments around the room

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

From: Paul Helliker

Date: August 11, 2016

Subject: Cannabis Update

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Assemblymember Wood's bill (AB 2243, the Medical Cannabis Tax Law) is currently in the Senate Appropriations Committee, and is continuing to move through the legislative process. This bill establishes taxes on plants and flowers, which are then used to provide funding for environmental cleanup and regulatory enforcement (2/3 of the funds are dedicated to these programs). The bill was to be heard on August 1, but the committee postponed consideration of it to a later meeting.

AB 2243 would become inoperative should Proposition 64, the "Adult Use of Marijuana Act of 2016" be approved by voters in November of this year. This initiative would establish a complete regulatory scheme for the production and distribution of marijuana and associated products, including a taxation scheme to fund the program. The tax would be an excise tax, set at 15% of retail sales. In addition, there would be taxes levied on the flowers and leaves of the plants, collected at the time of harvest. Funds from these taxes and fees would be deposited in a special account that would be dedicated to supporting the regulation of the marijuana industry, including any environmental regulation, enforcement or cleanup. Funds would be provided to local health departments and law enforcement agencies, as well, to support their work in addressing any impacts from the marijuana industry.

We are continuing to work on identifying specific locations and windows of time we would recommend to the State Water Resources Control Board to investigate illegal diversions from the mainstem of the Mad River.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors
From: Paul Helliker
Date: August 11, 2016
Subject: ReMAT electricity generation contract

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Previous Actions

At the March, 2016 Board meeting, the Board approved the Small Generator Interconnection Agreement with PG&E, which is required for any producer that wants to sell power into the marketplace.

In May, we submitted to PG&E the Program Participation Request, to initiate the process of securing a ReMAT contract. Todd Thorner and Mark Heywood responded to questions from PG&E, and the proposal was deemed complete by the end of the application cycle, which was July 1.

ReMAT draft contract

PG&E provided us a draft of the ReMAT contract. The contract approval cycle will close prior to the September Board meeting, so staff will review the draft contract with the Board and request approval to proceed, if it comports with the parameters proposed in May. I have attached pages of the contract with key information filled into the pro forma document.

- pg 4 Project information and interconnection information
- pg 5 Expected Commercial Operation Date: 4/1/17 (non-binding)
- pg 7 Contract Capacity: 1350 kW
- pg 7-8 Contract Quantity: 6,200,000 kWh/year
- pg 8 Transaction: excess sale (plant site can use some output, HBMWD paid for excess to the grid)
- pg 9 Delivery Term: 20 years
- pg 10 Contract Price: \$.08923/kWh (equivalent to \$89.23/MWh)
- pg 33 Guaranteed Energy Production: 49% (over two years, this is HBMWD's proposed amount and 33% lower than the 76-77 drought)

The contract is a standard format authorized by the Public Utilities Commission. It establishes an annual contract amount of energy production, for which HBMWD would be paid the contract price, as well as a contract capacity (maximum power to be delivered in the course of any hour.) The contract specifies that HBMWD would be paid for any power it produces up to 110% of the hourly capacity, but \$0 for any power beyond that level. It also specifies that HBMWD would be paid the contract price for up to 120% of the annual contract amount of energy, and 75% of the contract price for any energy beyond that level.

The contract requires that HBMWD produce a minimum annual level of Guaranteed Energy Production (GEP). If HBMWD does not provide this quantity over a two-year period, and does not cure the failure within 90 days of the end of the 2-year performance period, it will be in "GEP failure" and will be required to pay liquidated damages to PG&E. The liquidated damages are the product of the difference between the GEP and the amount of energy produced and the difference in price between the ReMAT contract price and the average of the hourly market price plus \$0.05/kWh. This latter difference must be no less than \$0.02/kWh and no more than 75% of the contract price (which would be \$0.067/kWh).

HBMWD is absolved of the responsibility for providing energy whenever we experience “force majeure” conditions, which would be anything that would stop production at the hydroplant other than failures due to normal wear and tear, lack of preventive maintenance, or operator error; lack of a fuel source; congestion on the system that requires PG&E or the CAISO to reduce power purchases; or delays in providing interconnection service by PG&E or the CAISO. Congestion on the system and curtailments therefrom count as a different mechanism to reduce our production requirements, so that element is not a risk. And as for delays in an interconnection, we already have one in place.

We proposed to PG&E that our contract capacity be set at 1350 kW, the greatest power output that we have achieved, and a contract amount of 6.2 million kWh per year, 120% of which is the maximum amount we have produced in any year (7.4 million kWh). We also proposed a GEP of 49%, or 3.038 million kWh/year over 2 years. This is 50% of the average of the lowest two years of production on record, which occurred in 2014 and 2015. These are the parameters that we are able to propose (besides all of the information about our facility, our organization, etc.) for discussion with PG&E, while the rest of the contract document is set by the PUC.

We secured the services of a consultant to evaluate our hydroplant facilities, to give us more detailed information on what the remaining life may be and potential capital expenses we might need to incur during a 20-year ReMAT contract period. In April, Mark Trawick, of RTA Construction, provided us with his final assessment, in which he concluded that the hydro plant is in good condition, and should easily meet the requirements of a ReMAT power production agreement during the next 20 years.

CAISO Compliance/Meter Installation

HBMWD will be required to install a new California Independent System Operator (CAISO)–compliant meter at the hydro plant, to be able to sell power either under the ReMAT contract or to a Community Choice Aggregation program in Humboldt County. This item was one of the “additional costs” identified in the contract with JTN energy (along with the application fee, contract collateral and other costs), estimated to be approximately \$34,000. Associated with the meter installation is the process of meeting all CAISO requirements, which is defined in their “bucket list” process, which consists of providing the various documents and regulatory certifications that the CAISO requires before power can be produced and sold into the CAISO-regulated market. This cost was not included in the budget for the current fiscal year because the timing of the meter installation was uncertain. However, this cost is expected to be recovered through receipt of increased revenue upon completion of the ReMAT contract process and initiation of operations under the increased pricing scheme. Staff proposes to borrow the funds necessary for this expense from general reserves, and then repay the reserves from the increased electricity sales revenue.

JTN Energy assisted us in preparing an RFP for meter installation and CAISO compliance services. The attached email shows the information that was requested. Bids were solicited from two firms with significant experience in this line of work – Trimark and Pacific Power Engineers. We will be reviewing these proposals with JTN on August 8 and will provide the Board a recommendation of which firm should be selected.

Community Choice Aggregation

The Redwood Coast Energy Authority is working to get a Community Choice Aggregation program established in Humboldt County by May, 2017. The RCEA Executive Director has stated that his preference would be to include the hydropower generated by HBMWD in their energy portfolio, as it is a local, renewable source. He expects to be able to meet the current ReMAT price, but the RCEA has yet to do a business plan and rate study, so the exact price that HBMWD might be offered is uncertain. Furthermore, the priority for RCEA is to be able to buy power from the County’s biomass plants at a price that will be sustainable for their operations, which will put pressure on prices that RCEA will be able to afford for the rest of the power in their portfolio, while still being able to meet their goal of being cheaper than PG&E. Another element of this picture is the fact that HBMWD’s average annual power

production represents less than 0.5% of the average annual total energy use in Humboldt County, and RCEA will not need HBMWD's hydropower in its portfolio for the CCA to be viable.

Given the uncertainty in the timing of the creation of a CCA and the uncertainty in what price it will offer HBMWD for the hydropower we produce, staff recommends that we proceed with the proposed ReMAT contract, to secure the current pricing in the ReMAT program. We have a choice of 10, 15 or 20 years for the contract term, and given the information provided to us by our consultants about current prices and long-term contracts being negotiated by California utilities for both renewable and non-renewable power (currently in the \$0.04/kWh range), it is likely that the \$0.0893/kWh price in the ReMAT program will likely be above market prices for many years into the future. We recommend that we select the 20-year contract window.

2. SELLER'S FACILITY AND COMMERCIAL OPERATION DATE

This Agreement governs Buyer's purchase of the Product from the electrical generating facility (hereinafter referred to as the "Facility" or "Project") as described in this Section.

2.1. Facility Location. The Facility is physically located at:

40 Lower West Side Road

Ruth, California 95526

40.36979°, -123.43457°

2.2. Facility Name. The Facility is named Matthews Dam Hydro.

2.3. Type of Facility.

2.3.1. The Facility is a(n) (check one):

Baseload Facility

As-Available Facility

2.3.2. The Facility's renewable resource is Hydroelectric. [e.g., biogas, hydro, etc.]

2.3.3. The Facility is a (check all applicable):

"small power production facility," as described in 18 CFR §§292.203(a), 292.203(c) and 292.204

"topping-cycle cogeneration facility," as defined in 18 CFR §292.202(d)

"bottoming-cycle cogeneration facility," as defined in 18 CFR §292.202(e)

2.4. Interconnection Queue Position. The Project's interconnection queue position is N/A. The Project's interconnection queue position may only be used for the sole benefit of the Project.

2.5. Interconnection Point. The Facility is connected to PG&E electric system at PG&E Low Gap distribution circuit #1101, approximately 8 miles south of PG&E Low Gap substation at a service voltage of 12 kV.

2.6. Delivery Point. The Delivery Point is at the point of interconnection with the CAISO Grid, Low Gap 115kV substation on the Bridgeville-Cottonwood 115kV transmission line.



2.7. Facility Description. A description of the Facility, including a summary of its significant components, a drawing showing the general arrangements of the Facility, and a single line diagram illustrating the interconnection of the Facility and loads with Buyer's electric distribution system, is attached and incorporated herein as Appendix E.

2.8. Expected Commercial Operation Date; Guaranteed Commercial Operation Date.

2.8.1. If not already capable of delivering Product on the Execution Date, the Facility's expected Commercial Operation Date is 4/1/2017, which may, subject to the terms of the Agreement, be modified by Seller from time to time after the Execution Date. Seller shall provide Notice to Buyer of the latest expected Commercial Operation Date of the Facility no later than sixty (60) days before such date.

2.8.2. Seller shall have demonstrated Commercial Operation by the "Guaranteed Commercial Operation Date," which date shall be no later than the date that is twenty-four (24) months (720 days) after the Execution Date; provided that, subject to Section 2.8.4, the Guaranteed Commercial Operation Date may be extended for the following reasons ("Permitted Extensions"):

2.8.2.1. Subject to Section 2.8.5, if Seller has taken all commercially reasonable actions (including but not limited to Seller's timely filing of required documents and payment of all applicable fees) to obtain permits necessary for the construction and operation of the Project, but is unable to obtain such permits due to delays beyond Seller's reasonable control ("Permitting Delay"), then the Guaranteed Commercial Operation Date shall be extended six (6) months;

2.8.2.2. Subject to Section 2.8.5, if Seller has taken all commercially reasonable actions (including but not limited to Seller's timely filing of required documents and payment of all applicable fees, and completion of all Electric System Upgrades needed, if any) to have the Project physically interconnected to the Transmission/Distribution Owner's distribution system, but fails to secure any necessary commitments from CAISO or the Transmission/Distribution Owner for such interconnection and upgrades due to delays beyond Seller's reasonable control ("Transmission Delay"), then the Guaranteed Commercial Operation Date shall be extended six (6) months;

2.8.2.3. In the event of Force Majeure ("Force Majeure Delay") without regard to Transmission Delay or Permitting Delay, the

shall provide Seller Notice of its decision within ten (10) Business Days of Notice from Seller.

2.9.2. In the case of a Force Majeure Delay, Seller shall provide Notice as specified in Section 11.2.

2.9.3. In the case of an extension of the Guaranteed Commercial Operation Date by the payment of Daily Delay Liquidated Damages, Seller must, at the earliest possible time, but no later than five (5) Business Days before the commencement of the proposed Guaranteed Commercial Operation Date extension, provide Buyer with Notice of its election to extend the Guaranteed Commercial Operation Date along with Seller's estimate of the duration of the extension and its payment of Daily Delay Liquidated Damages for the full estimated Guaranteed Commercial Operation Date extension period.

2.9.4. Notwithstanding anything to the contrary herein, Seller shall provide Notice to Buyer of the latest expected Commercial Operation Date of the Facility no later than sixty (60) days before the Commercial Operation Date.

3. CONTRACT CAPACITY AND QUANTITY; TERM; CONTRACT PRICE; BILLING

3.1. Contract Capacity. The Contract Capacity is 1,350 kW. The Contract Capacity shall not exceed 3,000 kW. The Contract Capacity is subject to adjustment based on the Demonstrated Contract Capacity and the definition of "Contract Capacity."

3.2. Contract Quantity. The "Contract Quantity" during each Contract Year is the amount set forth in the applicable Contract Year in the "Delivery Term Contract Quantity Schedule," set forth below, which amount is net of Station Use, and, for excess sale arrangements, Site Host Load. Seller shall have the option to update the Delivery Term Contract Quantity Schedule one (1) time to the extent such a change is necessary based upon any adjustment to the Contract Capacity based on the Demonstrated Contract Capacity and the definition of "Contract Capacity," within ten (10) Business Days of Buyer's Notice of such adjustment to the Contract Capacity or the date of the Engineer Report, as applicable, which adjusted amounts shall thereafter be the applicable "Contract Quantity."

Delivery Term Contract Quantity Schedule	
Contract Year	Contract Quantity (kWh/Yr)
1	6,200,000
2	6,200,000
3	6,200,000
4	6,200,000



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Delivery Term Contract Quantity Schedule	
Contract Year	Contract Quantity (kWh/Yr)
5	6,200,000
6	6,200,000
7	6,200,000
8	6,200,000
9	6,200,000
10	6,200,000
11	6,200,000
12	6,200,000
13	6,200,000
14	6,200,000
15	6,200,000
16	6,200,000
17	6,200,000
18	6,200,000
19	6,200,000
20	6,200,000

3.3. Transaction. During the Delivery Term, Seller shall sell and deliver, or cause to be delivered, and Buyer shall purchase, the Product from the Facility at the Delivery Point, pursuant to Seller's election of a(n) (check one):

- full buy/sell;
- gross sale arrangement.

In no event shall Seller have the right to procure the Product from sources other than the Facility for sale or delivery to Buyer under this Agreement or substitute such Product. Buyer shall have no obligation to receive or purchase the Product from Seller prior to the Commercial Operation Date or after the end of the Delivery Term.

3.4. Term of Agreement; Survival of Rights and Obligations.

3.4.1. The term shall commence upon the Execution Date of this Agreement and shall remain in effect until the conclusion of the Delivery Term unless terminated sooner pursuant to Sections 11.4 or 14 of this Agreement (the "Term").

3.4.2. Notwithstanding anything to the contrary in this Agreement, the rights and obligations that are intended to survive a termination of this Agreement are all of those rights and obligations that this Agreement expressly provides survive any such termination and those that arise

from Seller's or Buyer's covenants, agreements, representations, and warranties applicable to, or to be performed, at or during any time before or as a result of the termination of this Agreement, including: (a) all obligations to pay in full amounts due, including under Sections 3.6, 12, 13.3, 14 and 15, (b) all obligations to post, maintain, return and release the Collateral Requirement under Section 13, (c) Seller's obligations under Sections 4.1, 4.2, 4.3 and 6.11, (d) all rights and obligations under Sections 6.4, 7, 10.2.7, and 14.8.4, and any other indemnity rights, (e) the limitations on liability set forth in Section 8, (f) all rights and obligations under Section 16, (g) all rights and obligations under Section 14.8, (h) the governing law set forth in Section 18, and (i) the dispute resolution provisions set forth in Section 19.

- 3.5. Delivery Term. The Seller shall deliver the Product from the Facility to Buyer for a period of (check one) ten (10), fifteen (15), or twenty (20) Contract Years ("Delivery Term"), which shall commence on the Commercial Operation Date under this Agreement and continue until the end of the last Contract Year unless terminated by the terms of this Agreement. The Commercial Operation Date shall occur only when all of the following conditions have been satisfied:
- 3.5.1. the Facility's status as an Eligible Renewable Energy Resource is demonstrated by Seller's receipt of pre-certification from the CEC;
 - 3.5.2. if required pursuant to Section 4.8, the Facility's status as a Qualifying Facility is demonstrated by Seller's receipt of a docket number assigned to Seller's filing of FERC Form 556;
 - 3.5.3. as evidence of the Commercial Operation Date, the Parties shall execute and exchange the "Commercial Operation Date Confirmation Letter" attached as Appendix B;
 - 3.5.4. Seller has provided to Buyer the Collateral Requirement specified in Section 13;
 - 3.5.5. Seller has satisfied all of the CAISO agreement, interconnection agreement, and metering requirements in Sections 6.1 and 6.2 and has enabled Buyer to schedule the Facility with the CAISO;
 - 3.5.6. Seller has furnished to Buyer all insurance documents required under Section 10;
 - 3.5.7. Seller has delivered to Buyer the first report required under Section 6.12.4;



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- 3.5.8. Seller has satisfied all of the telemetry requirements required to be satisfied by the Commercial Operation Date under Section 6.10 and Appendix F;
- 3.5.9. the Demonstrated Contract Capacity has been determined in accordance with Appendix M;
- 3.5.10. Seller has provided sixty (60) days Notice prior to the Commercial Operation Date as required under Section 2.8.1;
- 3.5.11. Seller has delivered to Buyer the report required under Section 6.16, if any; and
- 3.5.12. Seller has delivered to Buyer any currently operative filings at FERC, including any rulings, orders or other pleadings or papers filed by FERC, concerning the qualification of the Facility as a Qualifying Facility.

3.6. Contract Price.

- 3.6.1. The price for Delivered Energy (the "Contract Price") is zero point zero eight nine two three dollars (\$ 0.08923) per kWh. [Contract Price to be determined by Re-MAT pricing methodology.]
- 3.6.2. In no event shall Buyer be obligated to receive or pay for, in any hour, any Delivered Energy that exceeds one hundred and ten percent (110%) of Contract Capacity, and the Contract Price for such Delivered Energy in excess of such one hundred and ten percent (110%) of Contract Capacity shall be adjusted to be Zero dollars (\$0) per kWh.
- 3.6.3. In any Contract Year, if the amount of Delivered Energy exceeds one hundred twenty percent (120%) of the annual Contract Quantity amount, the Contract Price for such Delivered Energy in excess of such one hundred twenty percent (120%) shall be adjusted to be seventy-five percent (75%) of the applicable Contract Price.

3.7. Billing.

- 3.7.1. The amount of Product purchased by Buyer from Seller under this Agreement at the Delivery Point is determined by the meter specified in Section 6.2.1 or Check Meter, as applicable. Throughout the Delivery Term and subject to and in accordance with the terms of this Agreement, Buyer shall pay the Contract Price to Seller for the Product; provided that Buyer has no obligation to purchase from Seller any Product that is not or cannot be delivered to the Delivery Point as a result of any circumstance, including: (a) an outage of the Facility; (b) a Force Majeure under Section 11; or (c) a reduction or

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diligent efforts to remedy its inability to perform. When the Claiming Party is able to resume performance of its obligations under this Agreement, the Claiming Party shall give the other Party prompt Notice to that effect.

- 11.4. **Termination.** Either Party may terminate this Agreement on at least five (5) Business Days' prior Notice, in the event of Force Majeure which materially interferes with such Party's ability to perform its obligations under this Agreement and which (a) extends for more than 365 consecutive days, (b) extends for more than a total of 365 days in any consecutive 540-day period, or (c) causes the Commercial Operation Date to fail to be demonstrated by the Guaranteed Commercial Operation Date.

12. GUARANTEED ENERGY PRODUCTION

- 12.1. **General.** Throughout the Delivery Term, Seller shall be required to deliver to Buyer no less than the Guaranteed Energy Production over two (2) consecutive Contract Years during the Delivery Term ("Performance Measurement Period"). "Guaranteed Energy Production" means an amount of Delivered Energy, as measured in kWh, equal to the product of (x) and (y), where (x) is:

[one hundred forty percent (140%)] [for wind As-Available technology]

[one hundred twenty percent (120%)] [for all other As-Available technologies]

[one hundred eighty percent (180%)] [for Baseload technologies]

[forty-nine percent (49%)] [for hydro a threshold reasonably acceptable to Buyer based on Facility characteristics to be proposed by hydro Seller]

of the average of the Contract Quantity over the Performance Measurement Period and (y) is the difference between (I) and (II), with the resulting difference divided by (I), where (I) is the number of hours in the applicable Performance Measurement Period and (II) is the aggregate number of Seller Excuse Hours in the applicable Performance Measurement Period. Guaranteed Energy Production is described by the following formula:

$$\text{Guaranteed Energy Production} = (\underline{49} \text{ [insert percentage from above] \%} * \text{average of the Contract Quantity over the Performance Measurement Period in kWh}) * \text{[(Hrs in Performance Measurement Period - Seller Excuse Hrs) / Hrs in Performance Measurement Period]}$$

Paul Helliker

From: Todd Thorner <tthorner@jtn-energy.com>
Sent: Friday, July 29, 2016 4:00 PM
To: 'Rudy Troha'
Cc: markhenwood@henwoodassociates.com; Paul Helliker
Subject: Matthews Dam Hydro - RFP for CAISO NRI and related work

Dear Rudy,

On behalf of Humboldt Bay Municipal Water District (HBMWD), I am reaching out to deliver this Request for proposals (RFP) seeking contractor support for CAISO NRI related activities related to QF conversion of an existing power plant. The scope is detailed further below but includes CAISO NRI support, procurement and installation of a CAISO meter, and assistance in establishing telemetry with CAISO. Regarding timing, we request that proposals including pricing and qualifications be returned by email no later than midday on Monday 8/8. This tight timing is to allow time for HBMWD and JTN Energy to review and make a recommendation to HBMWD's Board which will meet on Aug 8/11 and may make a decision on a contractor. If HBMWD's Board makes a decision to move forward on 8/11, contract negotiation and approval will take 1 - 2 weeks so we anticipate work kicking off the last week of August.

The power project that will be transitioning to the CAISO market is the Matthews Dam Hydro Project, 2.0 MW hydro facility. The Project address is 40 Lower West Side Road, Ruth, California, 95526. This location is approximately 9.2 miles northwest of the town of Ruth in Trinity County, California. The project is owned and managed by HBMWD, a California public agency that supplies domestic, irrigation, and industrial water to the Humboldt Bay area. The Project was commissioning in 1983 and is currently selling output to PG&E under an evergreen SO1 contract. HBMWD has been offered a PG&E ReMAT contract which it plans to execute and would like to transition to the CAISO market as soon as possible to be able to transition to the new ReMAT contract in early 2017. The Project interconnects to PG&E's Low Gap 1101 12kV distribution circuit.

HBMWD with JTN have secured a new Small Generator Interconnection Agreement for the project. HBMWD has collected relevant project drawings but has not yet initiated the CAISO NRI process. HBMWD is looking for contractor to pick up and advance the CAISO NRI process. HBMWD and JTN will complete other QF conversion activities unrelated to CAISO or the CAISO metering (e.g. FERC, CEC, WREGIS related filings).

Scope of work:

- **CAISO NRI process** - manage the CAISO NRI process from beginning to end to ensure the project completes the NRI process and has meter and telemetry established as soon as possible. Contractor will lead on tracking timelines and structuring communications and submissions. Contractor will provide HBMWD template forms and help complete them for CAISO NRI steps that HBMWD must do or submit directly. The work will include all forms associated with the generator delivering under the CAISO tariff and will include, but not be limited to NRI forms, SC Selection/Acceptance, MSA, PGA, and QRE selection, and forms needed to obtain meter data from the CAISO's OMAR system and any other related documentation required,
- **Site Visit** - conduct a site visit as soon as can be arranged to assess the facility metering and telemetry and to collect materials for preparation of NRI bucket 1 submittals,
- **CAISO meter** - design, engineer, procure, program, install, commission, test, and certify a meter that meets CAISO standards and requirements. Identify preferred meter or meter options and pricing. Identify any potential costs of scopes of work not included, e.g. meter inspection, physical work at the site for cabinetry, etc. Contractor will serve as single point-of-contact and provide construction management services for metering, if needed, including procurement of all installation labor and other materials. At end of work, meter will be CAISO certified and fully operational,

- **Telemetry** - project is hydro and less than 10 MW so is exempted from RIG requirement. As PG&E will be the off-taker under the ReMAT and has not imposed any particular telemetry requirements under the new SGIA, HBMWD believes the project should qualify for internet based telemetry exemption. Accordingly, scope is to work with JTN to secure an internet broadband exemption to meet CAISO telemetry requirements. HBMWD and JTN will work with local telecommunications provider to establish onsite broadband capability.

Requirements:

- Contractor must be fully insured for on-site work,
- Contractor must comply with all California requirements for doing work for a public agency
- Pricing should be provided for this scope on a fixed price basis breaking out each bucket and subcomponent of the work with a separate budget line item. Bidder should also provide an hourly cost for any additional related work that arises but is outside this scope.
- HBMWD requests contractor to identify any work activities which may be missing for transitioning a project like this from a SO1 contract to the CAISO marketplace. If there are any gaps in the proposed scope of work, please provide suggestions on how to correct and what costs would be involved to expand the scope of work as recommended.

If you have any questions or concerns regarding this RFP, please contact me. I look forward to reviewing your and, if selected, working with you on this project.

Best regards,

Todd Thorner
CEO, JTN Energy
Oakland, CA

+1 (510) 922-9099 (T)
+1 (415) 652-1627 (C)

New Business

Humboldt Bay Municipal Water District

To: Board of Directors
From: Sherrie Sobol
Date: August 2, 2016
Subject: District Mission Statement and Goals

Last month, the Board requested the District Mission Statement and Goals be revisited and possible changes made.

As background, the Board approved the District's Mission Statement and Goals (see attached) in April 2007. In October 2014, management staff held a strategic planning meeting and suggested changes to the document.

At the December 2014 Board meeting, the changes were discussed (the changes are notated in red-see attached). The Board was amenable to considering suggested changes or additions and requested the item be brought back for further discussion /revision.

Staff recommends the Board provide direction on revisions requested.

MISSION STATEMENT

The District's mission is to 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; and protect the long-term water supply and water quality interests of the District in the Mad River Watershed.

Section 12. District Mission and Goals

The following Mission and Goal statements were approved by the Board of Directors on April 13, 2007. They are intended to describe the District's primary mission (or purpose) and how we intend to meet that mission.

MISSION STATEMENT - The District's mission is to:

- 1) reliably deliver high quality drinking water to the communities and customers we serve in the greater Humboldt Bay Area at a reasonable cost;
- 2) reliably deliver untreated water to our wholesale industrial customer(s) at a reasonable cost; and
- 3) protect the long-term water rights, water supply and water quality interests of the District in the Mad River watershed.

DISTRICT GOALS - The following goals will directly support achievement of the District's mission. The goals are all important in supporting the District's mission and are not necessarily in order of priority.

1. Safety and Public Health

- Employ safe work practices to ensure worker and public safety at all times. Strive for no on-the-job reportable injuries each year.
- Operate the regional water system in accordance with state and federal safe drinking water laws and regulations at all times to protect public health.

2. Financial

- Perform work in a cost conscience manner at all times to ensure the lowest possible rates to our customers, consistent with the public health, service and reliability goals-mission of the District.
- Plan activities and projects for upcoming years followed by a detailed budget for the subsequent year during the annual budget process. Manage activities and projects consistent with the approved budget.

3. System Operation and Maintenance

Maintain and upgrade the regional water system to ensure it reliably supplies and delivers water in accordance with the needs of our current and future customers. Employ preventative maintenance practices to preserve the infrastructure in good

working order for as long as possible, but also invest in infrastructure upgrades/improvements when it makes financial and operational sense to do so.

4. Customer Service

- Understand, and then meet, the communities' water supply needs.
- Work collaboratively with our wholesale customers on commercial and operational matters of importance relating to our water supply and/or the regional water system.
- Work with the retail customers and provide quality customer service

~~5. Future Positioning~~ Maintaining District Stability

- The regional water system has reliably served the water supply needs of the Humboldt Bay area for almost 50 years. Develop a long-term infrastructure plan (both capital and maintenance) to ensure the regional water system can reliably serve our community for ~~the next 50 years~~ years to come.
- Work diligently to protect the District's water supply resource – both quality and quantity - by ensuring local control of our water rights and protection of the watershed.
- Work to protect the threatened degradation of the Mad River Watershed due to impacts from Marijuana Cultivation
- Attract and retain qualified employees to carry out all aspects of the District's business. Promote training and professional development of our employees, and support them in carrying out their duties for the District.
- Work with regulatory agencies to: 1) ensure the necessary permits for District operations and maintenance activities are issued and maintained in a timely, cost effective manner, and 2) promote longer-term regulatory stability and certainty for the District.
- In light of potential climate changes which are occurring, address related impacts including protection of infrastructure related to Sea-Rise issues, weather changes impacting water as well as California's commitment to reduce greenhouse gas emissions (pursuant to Assembly Bill 32), evaluate and support initiatives or projects which reduce the District's greenhouse gas emissions, including solar energy, consistent with the District's mission and core business.
- Succession Planning



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka



Minutes for Meeting of Board of Directors

December 11, 2014

implications are delay in the project and possible higher costs. Geotech work to determine the type of crossing (under or over) can't proceed until the cultural resources work is done.

Ranney Collector 1 Lateral Replacement Project (partially funded by Prop 84 NCIRWMP grant)

Mr. Kaspari stated there is a meeting next week to discuss and lay out next steps. He will report out at the next meeting.

Financial

Director Rupp provided the November 2014 financial report. Director Sopoci-Belknap reviewed the bills and stated all was in order. On motion by Director Rupp, seconded by Director Sopoci-Belknap, the Board voted 5-0 to approve the November 2014 financial statement and approve November vendor payments for \$490,376.69.

Operations

Mr. Davidsen provided the November Operational Report. Ruth Lake is full! Ms. Rische noted this is the fifteenth earliest fill of the lake and stated a press release was issued. Mr. Davidsen also shared that in early November, staff conducted tours of Essex and the TRF for the Water Quality class at HSU's Engineering Department. Maintenance staff completed 90-day inspections of commercial fleet vehicles. They also completed re-assembly of the 2 Mw generator. The monthly safety meeting was held with topics covering personal protective equipment, safety data sheets and training on line location. The quarterly SB-198 safety meeting was also held.

Management/Administration

Overview of management planning session re: Mission and Goals, staff work-planning list, and organizational development

Ms. Rische shared outcomes of the staff Strategic Planning Session attended by Ms. Rische, Mr. Davidsen, Mr. Friedenbach and Ms. Sobol. The meeting provided a forum for management staff to review the Mission and Goals, reflect on organizational performance and identify current or future challenges and opportunities. She stated there was thoughtful discussion and input. Several suggestions were made to better define or clarify the Mission and Goals. Last month the Board stated they are amenable to considering suggested changes or additions to the Mission and Goals. She will bring these back to the Board early next year. Management now has an additional "to-do" list based on the meeting and will be following up with the Board on certain items. She inquired if the Board would like to have a similar meeting or discussion to help direct priorities. Director Sopoci-Belknap said it would be best to do this in a Special Meeting. The Board concurred and requested staff schedule the meeting.

General Manager

Ms. Rische shared publicly she will be retiring in 2015. Although she does not yet have an exact date, it will likely be in July. She shared ideas regarding the recruitment process and information received from JPIA. She inquired how the Board would like to proceed. The Board requested a Special Board meeting next week to discuss the recruitment process for next the General

Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: August 2, 2016

Re: Dental and Vision Coverage for Directors

The Directors have requested that staff research the possibility of Dental and Vision coverage for Directors. The following information is provided in response to this request.

Currently the District provides Directors with compensation for attendance at meetings. See Section 10. Directors' Compensation of the District's Board Governance Manual attached. In addition to the compensation items listed in Section 10, the District provides the benefit of participation in the Employee Assistance Plan (EAP) at no cost to the Directors. The current monthly cost of the EAP is \$2.35 per Director/employee.

The District may set different rules for different benefit plans. This means that the Directors may participate in dental and/or vision plans but not medical plan, for example. Once the District includes Directors as an eligible class for coverage, they are treated just like employees. All employees are required to participate in the JPIA dental and vision plans. Consequently, if Directors are eligible for coverage under the dental or vision plan, and thus considered as employees for these plans, they would all need to enroll as well. The dental plan in which HBMWD participates further requires that all eligible dependents enroll. A discount on dependent dental rates is applied, due to this provision. The vision plan is a composite rate plan, meaning the rate is the same for every employee regardless of how many dependents are enrolled, so there is no reason not to enroll all dependents in the vision plan. All medical, dental, and vision plans require proof of dependency such as: marriage certificate or birth certificate.

If the Board decides to make a change, the JPIA requires 60 days' notice. Changes are effective on the first of the month following the end of the 60 days. Therefore, if the Board were to authorize Director participation in the dental and/or vision plans today, August 11th, then they would become eligible for coverage on November 1, 2016. The JPIA can make the change based on a letter signed by the General Manager or a Board resolution. Either form of documentation may be scanned and emailed to the JPIA benefits coordinator.

For our current Board member composition, the monthly and current fiscal year costs, which have not been budgeted, for the dental and vision plans are listed in the following table.

			<u>Monthly</u>	<u>Nov to Dec</u>	<u>Jan to June</u>	2016/17 Budget Impact
Dental			\$ 376.36	\$ 752.72	\$ 2,303.32	\$ 3,056.04
Single	\$ 33.72					
2-Party	\$ 65.20					
Family	\$ 106.12					
Vision						
Composite	\$ 18.56		\$ 92.80	\$ 185.60	\$ 567.94	\$ 753.54
						\$ 3,809.58
2016 Monthly Cost			<u>\$ 469.16</u>			
2017 Monthly Cost			<u>\$ 478.54</u>			

Action

The Board may decide their benefit eligibility. The dental and vision plans do require that all eligible employees within a class must participate in the benefit. Therefore, 100% of the Directors must participate in either the dental and/or vision plans offered through the JPIA. Staff will update the Board Governance Manual Section 10 to include any new benefits that the Board authorizes.

disapproval of the conduct of the Board member who has violated this policy, (b) injunctive relief, or (c) referral of the violation to the District Attorney and/or the Grand Jury.

Section 10. Directors' Compensation

Section 10.1 General Director Compensation

Board members will be compensated at the daily rate (i.e., *per diem*) determined by the Board consistent with applicable law for attendance at meetings of the Board. It is the policy of the Board to Directors to compensate Directors for the following:

- 1) Attendance at meetings of the Board of Directors, including Regular and Special Board meetings.
- 2) Performance of the monthly review of all District disbursements and vendor detail report. (This occurs once per month with the responsibility rotating among Board members)
- 3) Attendance at the following meetings, if they constitute performance of official duties rendered as a member of the Humboldt Bay Municipal District Board of Directors:
 - Meetings of ad-hoc or standing District committees, which committees have been established by the Board of Directors;
 - Redwood Region Economic Development Commission (RREDC);
 - Redwood Coast Energy Authority (RCEA);
 - Humboldt County Local Agency Formation Commission (LAFCO) if the Director serves as a primary or alternate member of LAFCO representing special districts;
 - Association of California Water Agencies Region 1 Board of Directors meeting if the Director serves on the Region 1 Board, and ACWA Committee or Task Force meeting for a committee/task force on which the Director officially serves, which service was approved by the Board of Directors; and
 - ACWA's Joint Powers Insurance Authority (JPIA) Board of Directors meeting if the Director serves on the JPIA Board, and JPIA Committee meeting for a committee on which the Director officially serves, which service was approved by the Board of Directors.

The District's assigned alternate to each of the organizations/committees above may attend a meeting anytime he/she wishes; however, compensation shall only be paid if the alternate attends in lieu of the District's primary member (in other words, the primary member is not able to attend).

- 4) Attendance at a meeting with federal, state or County elected officials to discuss legislation or others issues of importance to the District, *if* attendance at such meeting constitutes performance of official duties rendered as a member of the Humboldt Bay Municipal District Board of Directors.
- 5) Attendance at up to two orientation sessions with District staff, after a Director has assumed office, to learn about the District, its operations and current issues/topics of importance for a new Board member.
- 6) Attendance at a conference or organized educational forum that is open to the public at which topics of interest to public agencies or water districts are discussed, ***subject to prior approval of the Board of Directors.***
- 7) Attendance at any other meeting, brought to the Board's attention by a Director or staff, for which attendance will directly benefit the District, and for which attendance constitutes performance of official duties rendered as a member of the Humboldt Bay Municipal District Board of Directors, ***subject to prior approval of the Board of Directors.***

Pursuant to Water Code Section 20202, per diem compensation will not be paid for more than a total of ten days in any calendar month. Such compensation will be provided in addition to reimbursement for any actual and necessary expenses for meals, lodging and travel incurred in attending any conference, meeting or other activity authorized by the District's written policy.

In order for a Board member to be paid a lawfully-established per diem for a meeting, the meeting must be: (1) a "meeting" as defined in subdivision (a) of Government Code Section 54952.2 of the Brown Act; (2) committee meetings of the District; (3) a conference or organized educational activity conducted in compliance with subdivision (c) of section 54952.2 of the Government Code; or (4) other meetings or activities specifically listed in this section.

Appendix H contains Ordinance 17, Director Compensation, which provides the approved per diem rate consistent with the California Water Code.

Any increase in the per diem compensation of Board members under this policy shall be made by ordinance adopted after a noticed public hearing held pursuant to the California Water Code. Such ordinance shall be effective no earlier than 60 days following adoption.

(Water Code Sections 20200 and following.)

Section 10.2 – Compensation for Secretary/Treasurer

The Secretary and Treasurer are officers of the District. The Board of Directors has elected to combine these offices into one Secretary/Treasurer position.

The Secretary/Treasurer position carries with it certain duties and obligations, which occur on an ongoing basis. Examples of these duties and obligations are as follows:

- Reviewing, and editing as necessary, the minutes from Regular and Special Board of Director meetings.
- Standing member on the District's Agenda Review Committee, and as such attendance at a monthly committee meeting prior to the Regular Board of Directors meeting.
- Standing member on the District's Audit Committee, and as such attendance at multiple committee meetings during the annual audit cycle. Specific activities or duties may result from the audit process at the request of the Board.
- Review of the District's monthly financial report and presentation of this report to the Board of Directors at their Regular meeting.
- The primary signatory on all checks associated with the District's accounts payable or other financial obligations. This requires a minimum of three or four trips to the Eureka office each month (for which no mileage reimbursement is paid).
- Other duties that may periodically be assigned by the Board of Directors.

Given the nature of the duties and resulting time commitment and trips to the Eureka office, the Board of Directors has established a stipend of \$3,150 per year (\$262.50/month) for the Secretary/Treasurer. Any change to this amount shall be approved by the Board of Directors at a regular meeting of the Board.

Section 11. Directors' Expense Reimbursement

1. General Principles: Each member of the Board of Directors is encouraged to participate in those outside activities and organizations that in the judgment of the Board, further the interests of the District. Expenses incurred by Board members in connection with such activities are reimbursable, in accordance with the limits set forth herein. The following rules apply:
 - a. All expenses must be actually incurred and necessary for the performance of the Director's duties.
 - b. Directors shall exercise prudence in all expenditures.
 - c. This policy is intended to result in no personal gain or loss to a Director.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

From: Paul Helliker

Date: August 11, 2016

Subject: Potential modifications to Ordinance 16 and Contract for Supply of Water with Municipal Customers

.....

As we have discussed on the topic of the Capital Improvement Plan, we will be updating the plan this summer, with an updated financial section. This section will include the analysis of some potential options for spreading the cost of the capital program expenditures over a series of years via debt financing, which would allow us to smooth the variations in annual expenditures, take advantage of current low interest rates, and use debt capacity that will be available as current debts are paid off. To be able to implement debt financing, we would likely need to modify our Contract for Supply of Water with Municipal Customers. There are also elements of Ordinance 16 that we should modify, to allow us to address capital program projects as needed, and to address the request from Manila Community Services District to update its water sales volume to reflect the closure of the Sierra Pacific Industries facility, which will revise its prorata cost allocation.

Contract Term

To be able to secure an attractive debt financing instrument, we will likely need to be able to incur debt that will have a minimum term of ten years. To do so, we will need to modify our Contracts for the Supply of Water, to allow for a minimum contract term of ten years into the future. While we are in the process of negotiating such a modification, we would likely want to continue to allow for renewal options for the contracts at an appropriate frequency.

The current contract term is through June 30, 2024 (corresponding to the date at which the Safe Drinking Water Loan will be paid off) Each municipal contract can be extended through June 30, 2029, via the exercise of an extension option. If we incur debt financing in FY 2017-18, we would likely need the base term of the contract to be renegotiated to extend through June 30, 2029, with additional extension options to occur thereafter.

Capital Expenditure Limit

Section 7.2.5 of Ordinance 16 limits the maximum aggregate amount of capital costs that can be charged to industrial water customers or municipal water customers under Price Factor 2 (Operations/Maintenance/Capital Costs) to no more than 2% of the undepreciated property, plant and equipment value shown in HBMWD's annual audit. The 2014-15 audit showed that this value was \$58,213,171, 2% of which is \$1,164,263. During FY 2015-16, the limit was \$1,083,300, as described on the "I. Capital Projects" page of the monthly financial statement (this was page J2C5 of the July Board meeting package). During FY 15-16, the capital projects budget was \$3,945,710, of which \$2,093,060 was budgeted to be wholesale customer charges allocated to municipal customers per Price Factor 2. Of this amount, we ended up expending \$1,867,664.30 in capital charges that were not funded from other sources, and thus charged to our municipal customers.

To address this discrepancy, we propose amending this section of the ordinance, pursuant to negotiations with the municipal customers.

Prorata Cost Allocation

The Sierra Pacific Industries mill in Manila closed in March of this year. We received the attached letter from Manila CSD that month, noting that the change in water use does not rise to the threshold defined in Section 9.1.2 (a reduction in average daily water use of 25% or greater), but that they would like us to consider mechanisms to address this major change in their revenue stream. Section 4.1 of Ordinance 16 establishes a schedule to review and revise the Base Water Facility Cost proration, starting in 1999 and occurring every five years thereafter. The most recent review was in 2014, and the next is not scheduled to occur until 2019. Manila CSD would like to propose a review and potential revision to be implemented in FY 17-18.

Process

We have broached the subject of revising the contract and Ordinance 16 with the municipal customer representatives, and they are willing to do so. They have asked for a proposal for any changes we suggest. They would like to conduct negotiations as part of our monthly municipal agency meetings, and any additional meetings as necessary. To ensure that the Boards and Councils are apprised of the status of the negotiations, we would provide an initial briefing at an upcoming meeting of each organization, and then convene the Water Task Force (which includes a representative and an alternate from each of the Boards or Councils of the municipal customer agencies) on an as-needed basis, to provide updates or resolve issues.

The municipal customer representatives requested that we try to complete negotiations on any issue that could affect their 2017-18 fiscal year by December or January (to allow them to build changes into their own departmental proposals), with an overall target of completion of the revision process by June 30, 2017.



Manila Community Services District

1901 Park Street • Arcata, CA 95521 • 707-444-3803 • Fax 707-444-0231

Board of Directors

John Woolley, President
 Jan Bramlett, Vice President
 Carol VanderMeer, Finance Officer
 Carla Leopardo, Secretary
 Dendra Dengler, Safety Officer

General Manager

Christopher Drop

03/24/2016

Barbara Hecathorn, Board President
 Humboldt Bay Municipal Water District
 828 Seventh Street
 Eureka, CA 95501
 (707) 443-5018

Dear Ms. Hecathorn,

As you may be aware, the closure of Sierra Pacific's Arcata sawmill has serious financial implications for the Manila Community Services District and its 350 ratepayers. As discussed with Paul Helliker and John Friedenbach, provisions in Humboldt Bay Municipal Water District Ordinance 16 Section 9 provide for a Peak Rate Allocation adjustment in the event large customers such as Sierra Pacific were to close or reduce our agency's total average use by 25% or more.

With this letter the Manila Community Services District Board of Directors wishes to acknowledge that we do not meet the 25% reduction threshold. The average percentage reduction calculated by HBMWD was 19.24% based on the period July 2014 through December 2015. This figure was confirmed by Manila CSD staff and subsequently modified by adding Sierra Pacific's Truck Shop consumption and removing said volume from Manila CSD's consumption. The total average for the same period was increased to 20.16% and remains insufficient to trigger the adjustment.

The Manila CSD does not expect the average to reach 25% in the current period but will seek to exercise that option should it transpire. Lastly, we would like to inquire about a meeting between representatives from each of our agencies to discuss possible options.

Regards,

John Woolley, Board President
 Manila Community Services District
 1901 Park Street
 Arcata, CA, 95521
 707-444-3803 office
 707-444-0231 fax
www.manilacsd.com

cc Paul Helliker

Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: August 2, 2016

Re: Policy Regarding Prohibition of Houseboats on Ruth Lake

Background

The use of Ruth Lake for recreation is governed by the Master Lease. Therefore, relevant sections from the Master Lease maybe helpful for your analysis of this issue.

The Humboldt Bay Municipal Water District leased the Ruth Lake Buffer Strip to Trinity County solely for the purposes of:

“a) To build, maintain and operate boat launching facilities, access and appurtenances thereto.

b) To construct and maintain such other and further recreational facilities, roads and structures as Lessee may deem desirable from time to time, provided however, that Lessee shall give forty-five (45) days prior written notice of any such construction. ...

c) To sublet to tenants of Lessee ground upon which to carry on the activities set forth in (a) and (b) above, provided further, that any such subtenant shall agree in writing to be bound by the terms of these presents.

d) Any subletting or sublease shall not act in any way to relieve the Lessee from any of its undertakings herein. Lessee may assign the within Lease in whole or in part. No such assignment or assignments shall relieve Lessee of any of its undertakings herein.”

This lease is referred to as the “Master Lease”. It commenced on June 1, 1964. The original term of the Master Lease was 39 years and provides that the Lessee (Trinity County) may, at its option, renew the Lease for successive ten (10) year periods (up to a total term of 99 years). Trinity County subsequently assigned the Master Lease to the Ruth Lake CSD who then became the Lessee.

Section 6 Interference With Lessor's Activities states: "Lessee covenants for itself, its successors, assigns and subtenants that is shall not nor shall any of them engage in any activity, construction or take any act which shall in any way interfere with Lessor's lake and dam, the water therein or the beneficial enjoyment and use thereof or the quantity thereof. The parties hereto recognize that the waters impounded in said lake are intended both for human and industrial consumption and that every effort must be taken and maintained in order to preserve the purity and quantity thereof."

Houseboat Policy

The prohibition of the use of houseboats on Ruth Lake has been a long standing tradition by the District and the Ruth Lake Community Services District. However, staff at either agency is unable to locate any documentation of this informal policy and past practice. Therefore, staff proposes the following District Policy for your consideration.

Ruth Lake is an artificial impoundment of water created primarily for municipal and industrial purposes and any recreational use of the water is subordinate to such uses. Although, there is limited recreational use allowed through the Master Lease agreement, the use of the lake by houseboats could negatively impact the water quality. There are no sanitary sewer facilities located near or around the lake to offload and/or process sewage from houseboats. Some houseboats are capable of overboard sewage discharge. In addition, the risk from contaminating the lake from the malfunction of a marine sanitation device; or a containment rupture of sewage holding tanks on a houseboat while using the lake is high. This risk is directly contrary to the primary purpose of Ruth Lake.

Recommendation and Action

To ensure the high level of water quality in Ruth Lake for the benefit of the District's municipal and industrial customers, staff recommends that the Board adopt Resolution 2016 - 9, an official policy prohibiting the use of Ruth Lake by houseboats or other boating structures that contain human waste storage facilities or a marine sanitation device.

Resolution No. 2016-09**Resolution of the Humboldt Bay Municipal Water District Board of Directors
Establishing a Prohibition of Houseboats on Ruth Lake**

WHEREAS, the District (as Lessor) entered into Lease (Master Lease) with Trinity County (as Lessee) in December 1964 which Master Lease governs development on land owned by the District around Ruth Lake; and

WHEREAS, in July, 1966 Trinity County assigned this Master Lease to the Ruth Lake Community Services District (Ruth Lake CSD); and

WHEREAS, the primary purpose of the Master Lease is to allow the Lessee (now Ruth Lake CSD), or its subtenants, to build, maintain, and operate, boat launching facilities and other recreational facilities, roads and structures; and

WHEREAS, the Master Lease is very protective of the District's water supply interests and specifies the following:

- that the primary purpose of the District's facilities at Ruth is for impounding water for human and industrial consumption;
- that the District may at any time increase the lake level to a stage which may inundate or impair facilities of the Ruth Lake CSD or their subtenants;
- that Ruth Lake CSD or its subtenants shall not engage in any activity or construction which shall in any way interfere with the District's lake and dam and the water therein;
- that the District may object to any proposed development or construction if it reasonably interferes with, or is likely to interfere with, the value or utility of the District's lake, waters or improvements.

WHEREAS, consistent with the purpose and provisions of the Master Lease, the District and Ruth Lake CSD have had a history of restricting houseboats from Ruth Lake; and

WHEREAS, other factors considered and discussed with Ruth Lake CSD were water quality and public access; and

WHEREAS, there is concern regarding rupture of overflow sewer discharge from houseboats with a Marine Sanitation Device that would negatively impact the water quality; and

WHEREAS, launch facilities were not designed for houseboats and may not be adequate,

Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: July 19, 2016

Re: Adoption of Trinity County Hazard Mitigation Plan

Background

The Disaster Mitigation Act (DMA) is federal legislation that requires proactive, pre-disaster planning as a prerequisite for receiving funding available under the Robert T. Stafford Act. Hazard mitigation is the use of long- and short-term strategies to reduce or alleviate the loss of life, personal injury, and property damage that can result from a disaster. It involves strategies such as planning, policy changes, programs, projects, and other activities that can mitigate the impacts of hazards.

Trinity County has developed a hazard mitigation plan to reduce risks from natural disasters and to comply with the DMA. This plan will act as the key to funding under the Federal Emergency Management Agency (FEMA) hazard mitigation grant programs.

Our District has received FEMA Hazard Mitigation Grant money for two of our CIP projects – Techite Replacement and the Blue Lake Mad River Crossing, both in Humboldt County. We also have pending grant applications for two additional CIP projects.

In order to be eligible for Hazard Mitigation Grant opportunities that become available **in Trinity County**, our District needs to be included in the Trinity County Hazard Mitigation Plan and formally adopt their plan with our annex. See copy of FEMA letter dated July 15, 2016 attached. Also attached is a copy of the Trinity County plan table of contents and executive summary. HBMWD prepared an annex that is included as part of Trinity County's plan. See attached HBMWD annex.

The entire Draft Trinity County Hazard Mitigation Plan including the HBMWD annex is posted on our HBMWD website under Reports & Resources at:

<http://www.hbmwd.com/reports-resources>

Recommendation and Action

Adopt Resolution 2016-07, on the condition that Trinity County Board of Supervisors approves and adopts the Trinity County Hazard Mitigation Plan. Trinity County is scheduled to adopt their plan at their August 16, 2016 meeting.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Humboldt Bay Municipal Water District hereby establish that houseboats are prohibited on Ruth Lake.

Adopted and approved this 11th day of August, 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

Attest:

Barbara Hecathorn, President

J. Bruce Rupp, Secretary/Treasurer

Resolution No. 2016-07**Resolution of the Humboldt Bay Municipal Water District Board of Directors Authorizing the Adoption of the Trinity County Hazard Mitigation Plan**

WHEREAS, Humboldt Bay Municipal Water District owns and operates facilities within Trinity County, specifically Ruth Lake and the R.W. Matthews Dam; and

WHEREAS, all of Trinity County has exposure to natural hazards that increase the risk to life, property, environment and the County's economy; and

WHEREAS; pro-active mitigation of known hazards before a disaster event can reduce or eliminate long-term risk to life and property; and

WHEREAS, The Disaster Mitigation Act of 2000 (Public Law 106-390) established new requirements for pre and post disaster hazard mitigation programs; and

WHEREAS, Trinity County has completed a planning process that engages the public, assesses the risk and vulnerability to the impacts of natural hazards, develops a mitigation strategy consistent with a set of uniform goals and objectives, and creates a plan for implementing, evaluating and revising this strategy;

NOW, THEREFORE, BE IT RESOLVED that the Humboldt Bay Municipal Water District:

- 1.) Adopts in its entirety the Trinity County Hazard Mitigation Plan which includes the Humboldt Bay Municipal Water District jurisdictional annex.
- 2.) Will use the adopted and approved Trinity County Hazard Mitigation Plan to guide pre and post disaster mitigation of the hazards identified.
- 3.) Will coordinate the strategies identified in the Trinity County Hazard Mitigation Plan with other planning programs and mechanisms under its jurisdictional authority.

Adopted and approved this 11th day of August 2016 by the following roll call vote:

AYES:

NOES:

ABSENT:

Attest:

Barbara Hecathorn, President

J. Bruce Rupp, Secretary/Treasurer

U.S. Department of Homeland Security
1111 Broadway, Suite 1200
Oakland, CA. 94607-4052



FEMA

July 15, 2016

RECEIVED
JUL 18 2016

BY:

Donna Rupp
Project Coordinator
Trinity County Resource Conservation District
1 Horseshoe Lane
Weaverville, CA 96093

Dear Ms. Rupp:

We have completed our review of the *Trinity County Hazard Mitigation Plan* and have determined that this plan is eligible for final approval pending its adoption Trinity County and all participating jurisdictions. Please see the enclosed list of approvable pending adoption jurisdictions.

Formal adoption documentation must be submitted to the Regional office by the lead Jurisdiction within one calendar year of the date of this letter, or the entire plan must be updated and resubmitted for review. We will approve the plan upon receipt of the documentation of formal adoption.

If you have any questions regarding the planning or review processes, please contact JoAnn Scordino, Community Planner at (510) 627-7225, or by email at joann.scordino@fema.dhs.gov.

Sincerely,

Jeffrey D. Lusk
Division Director
Mitigation Division
FEMA Region IX

Enclosure

cc: Marsha Sully, California State Office of Emergency Services, Hazard Mitigation Officer
Jose Lara, Chief, California State Office of Emergency Services, Hazard Mitigation Planning

Status of Participating Jurisdictions as of July 15, 2016

Jurisdictions – Adopted and Approved

#	Jurisdiction	Date of Adoption
1		
2		

Jurisdictions - Approvable Pending Adoption

#	Jurisdiction
1	Trinity County
2	Humboldt Bay Municipal Water District

Trinity County Hazard Mitigation Plan



DRAFT
March 2015



Trinity County Planning Department
PO Box 2819
Weaverville, CA 96093

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Executive Summary

The purpose of multi-jurisdictional hazard mitigation plan is to reduce or eliminate long-term risk to people and property from hazards. The two jurisdictions covered by this plan are Trinity County and Humboldt Bay Municipal Water District (HBMWD). While it serves customers in Humboldt County, the HBMWD receives water supplies from the R.W. Matthews Dam, located in Trinity County, which it owns and operates. The plan was developed to make the County and its residents less vulnerable to future hazard events. This plan was prepared following the requirements of the Disaster Mitigation Act of 2000 so that Trinity County and HBMWD would be eligible for the Federal Emergency Management Agency's (FEMA) Pre-Disaster Mitigation and Hazard Mitigation Grant programs as well as lower flood insurance premiums (in jurisdictions that participate in the National Flood Insurance Program's Community Rating System).

The County and HBMWD followed a planning process prescribed by FEMA, which began with the formation of a hazard mitigation planning steering committee comprised of key county and district representatives and other stakeholders.

The steering committee conducted a risk assessment that identified and profiled hazards that pose risks, with input from the public through meetings and surveys. Multiple public meetings were held and attended, to gain input from a wide variety of county residents.

Vulnerability to these hazards was assessed and possible mitigation actions reviewed and prioritized. The County is vulnerable to several hazards that are identified, profiled, and analyzed in this plan. Wildfires, severe weather, floods and drought are among the hazards that can have a significant impact on the County. Due to the isolated nature of many populations within the County, loss of communications is addressed as a hazard within the plan as well.

Based on the assessments, the steering committee identified goals and objectives for reducing vulnerability to hazards. The four goals of this plan are:

Goal 1: Significantly reduce injuries and loss of life.

Goal 2: Minimize damage to structures and property, as well as disruption of essential services and human activities.

Goal 3: Protect the environment.

Goal 4: Promote hazard mitigation as an integrated public policy and as a standard business practice.

This plan will be formally adopted by the County and the HBMWD and will be updated every five years at a minimum.

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Chapter 6: Humboldt Bay Municipal Water District Annex

6.1 Hazard Mitigation Plan Point of Contact

Primary Point of Contact

John Friedenbach, Business Manager
828 7th Street
Eureka, CA 95501-1114
Telephone: 707-443-5018
e-mail Address: office@hbmwd.com

Alternate Point of Contact

Paul Helliker, General Manager
PO Box 95
Eureka, CA 95502-0095
Telephone: 707-443-5018
e-mail: Helliker@hbmwd.com

6.2 Jurisdiction Profile

The Humboldt Bay Municipal Water District was formed on March 19, 1956 pursuant to the California Municipal Water District Act. It is a special district created to develop a regional water system to provide a reliable supply of drinking and industrial water to customers in the greater Humboldt Bay area of Humboldt and Trinity Counties. The source of water supply is the Ruth Lake Reservoir located in Trinity County. The reservoir was created by construction of the R.W. Mathews Dam. The District has 25 employees—6 at the Eureka office, 19 at the operations center near Essex, and 1 at the District's Ruth Lake facilities. Operations are primarily funded by charging costs incurred to its customers for water delivered.

The HBMWD Business Manager participated in both the counties' planning meetings for their respective Mitigation Plans. Documentation of meeting schedules, sign-in sheets and public participation can be found in their corresponding sections. The District's governing body is its Board of Directors which has adoptive powers whom will assume the responsibility for the adoption, implementation, monitoring, and evaluating of this mitigation plan annex.

The Humboldt Bay Municipal Water District (HBMWD) is principally located and operated in Humboldt County, along with the majority of its facilities and infrastructure. However, two major components of HBMWD's operations—the R.W. Mathews Dam and the Gosselin Hydro-electric Power House—are located in Trinity County. Only the facilities and infrastructure located in Trinity County are addressed in this annex, while the facilities and infrastructure located in Humboldt County are addressed in the Humboldt Operational Area Hazard Mitigation Plan, 2013, of which the HBMWD is also a participant.

The District has two separate and distinct pipeline systems – one delivers treated drinking water and the other untreated raw water. The District supplies treated drinking water on a wholesale basis to the following 7 municipal agencies located in Humboldt County: the cities of: Arcata, Eureka and Blue Lake; and the community services districts of: Fieldbrook-Glendale, Humboldt, Manila and McKinleyville. Via this wholesale relationship, the District serves water to a population of approximately 80,000. The District also directly serves treated drinking water to approximately 200 retail customers. The District supplies untreated, raw water on a wholesale basis to industrial customers located on the Samoa Peninsula for industrial purposes. Revenue generated from fees for service fund the District operations.

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Currently, the District does not serve any industrial customers. However, we are working diligently to market this resource.

The District's service area is the greater Humboldt Bay area, including the community of McKinleyville to the north, College of the Redwoods to the south, and the City of Blue Lake to the east.

The following is a summary of key information about the jurisdiction:

Population Served— Approximately 80,000 (via seven wholesale municipal customers and 200 retail customers) in Humboldt county, according to 2010 US Census data.

- **Land Area Served**— 225,000 acres, or 350 square miles
- **Value of Area Served**— The estimated value of the total area served by the jurisdiction is \$7,111,057,968 (Tax Year 2012).
- **Land Area Owned**— Approximately 2,600 acres
- **List of Critical Infrastructure/Equipment Owned by the Jurisdiction located in Trinity County:**
 - R.W. Matthews Dam/Ruth Reservoir [\$100,000,000]
 - Gosselin Hydro-Electric Power House [\$25,000,000]
- **Total Value of Critical Infrastructure/Equipment**— The total value of critical infrastructure and equipment located in Trinity County that is owned by the jurisdiction is \$125,000,000 (scheduled value for insured items only). It would cost hundreds of millions of dollars to replace critical infrastructure.
- **List of Critical Facilities Owned by the Jurisdiction located in Trinity County:**
 - R.W. Mathews Dam (Trinity County) [\$100,000,000]
 - Ruth Headquarters Building (Trinity County) [\$210,000]
- **Total Value of Critical Facilities**—The total value of critical facilities located in Trinity County that is owned by the jurisdiction is \$100,210,000 (scheduled value for insured items only)
- **Current and Anticipated Service Trends**— Meter service growth.

The jurisdiction's division boundaries in Humboldt County are shown on Figure 6.1 (HBMWD Division Boundary Map) and the jurisdiction's property boundaries surrounding Ruth Lake in Trinity County are shown on Figure 6.2 (HBMWD Ruth Lake Property Boundaries).

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6.3 Jurisdiction-Specific Natural Hazard Event History

Although hazards have occurred throughout Humboldt and Trinity Counties, Table 6-1 lists all past occurrences of natural hazards within the District's jurisdiction only. Data on past natural hazard events was gathered from the following sources:

Hazards & Vulnerability Research Institute (2013). The Spatial Hazard Events and Losses Database for the United States (SHELDUS™), Version 12.0 [Online Database]. Compilation of county-level hazard data for 18 different natural hazards (information on past hazard events). Columbia, SC: University of South Carolina. Available from <http://www.sheldus.org>.

DISASTER DECLARATION HISTORY FROM FEMA. AVAILABLE FROM HTTPS://WWW.FEMA.GOV/DISASTERS .			
TABLE 6-1. NATURAL HAZARD EVENTS			
Type of Event	FEMA Disaster # (if applicable)	Date	Preliminary Damage Assessment
Flood	DR-183	12/24/1964	Significant-amount unknown
Drought	Emergency declaration #3023	1977	Minimal (short duration)
Earthquake	N/A	Dec 1994	\$7,000
Winter storms, flooding, landslides, mud flows	DR-1044	1/9/1995	\$22,500
Severe winter storms, flooding	DR-1046	3/12/1995	\$97,000
Severe Weather	N/A	12/12/1995	\$115,000
Severe winter storms, flooding	DR-1155	1/4/1997	\$204,500
Severe winter storms, flooding	DR-1203	2/9/1998	\$59,000
Flooding, severe winter storms, and landslides	M#1628	02/03/2006	\$84,000

6.4 Hazard Risk Ranking

The hazards and their rankings contained in both mitigation plans for Humboldt and Trinity Counties reflect the impacts they have in their overall planning areas. Table 6-2 presents the ranking of the hazards of concern within the jurisdiction of the HBMWD. The Risk Rating Scores are based on the probability of occurrence and the potential impact on HBMWD's constituency, vital facilities, and the facilities' functionality after an event (this includes the impact of hazards on all of HBMWD's facilities and constituents, including those in Humboldt County). Refer to the footnotes in Table 6.2 for more detailed information addressing calculation methods.

Although Table 6.2 shows Earthquakes as the number one hazard and Dam Failure as number 3, for HBMWD assets at risk located in Trinity County alone, Dam Failure presents the greatest risk for HBMWD, followed by Earthquake, which could potentially trigger a dam failure. The extent of major impacts of a failure at Matthews Dam in Trinity County would likely include: the inundation (Flood Hazard) of Lower Mad River Road from the location of the dam to where this road intersects State Highway 36, approximately 7-8 miles downstream; with minor impacts within the remaining four miles to the Humboldt/Trinity County line. The small community of Mad River is also located near the intersection of Highway 36 and Lower Mad River Road. It would take an estimated 40-45 minutes for the initial leading wave to reach the Highway 36 intersection. Immediate notification and evacuation of people within the predicted inundation zone would be of critical importance, given this short timeframe.

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For this reason, and for purposes of this annex, only Dam Failure and Earthquakes are considered of high priority and addressed in the HBMWD's mitigation strategy section.

TABLE 6-2. HAZARD RISK RANKING		
Rank	Hazard Type	Risk Rating Score (Probability x Impact)
1	Earthquake	48
2	Flood	30
3	Dam Failure	24
4	Severe Weather	22
5	Landslide	12
6	Wild Fire	6
7	Drought	6
8	Loss of Communications	0
9	Hazardous Materials	0
10	Widespread Infectious Disease	0

The Risk Rating Scores for each Natural Hazard were generated by multiplying a value representing the Probability of Occurrence by a value representing the Impact of the Hazard.

The **Probability of Occurrence** value was determined by estimating the frequency that a hazard event is likely to occur and assigning it a value (e.g.: hazard event likely to occur within 25 years = High = value of 3; hazard event likely to occur within 100 years = Medium = value of 2; hazard event not likely to occur within 100 years = Low = value of 1). That value was multiplied by 1 to get the weighted value for the Hazard Probability.

The **Impact of the Hazard** value is a sum of three weighted values representing the Hazard's Impact on (1) people, (2) property, and (3) District operations. The value for the Impact on People was based on the percentage of the population served by the District that would be exposed to the hazard (30% or more of population exposed = High = 3; 15 – 29% of population exposed = Medium = 2; 14% or less of population exposed = Low = 1), then that number was multiplied by 3 to get the weighted value of the Hazard Impact on People. The value for the Impact on Property was based on the percentage of the assessed property value (AV) of District facilities, equipment and infrastructure that are exposed to the hazard, compared to the total assessed value (AV) of the District's assets (50% or more of total AV exposed to hazard = High = 3; 25 – 49% of AV exposed to hazard = Medium = 2; 24% or less of total AV exposed to hazard = Low = 1), then that number was multiplied by 2 to get the weighted value of the Hazard Impact on Property. The value of the Impact on District Operations was based on the estimated functional downtime of District facilities (how long it would take to be 100% operable) exposed to the hazard (365 days or more = High = 3; 180 – 364 days = Medium = 2; less than 180 days = Low = 1), then that number was multiplied by 1 to get the weighted value of the Hazard Impact on District Operations.

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6.5 Applicable Regulations and Plans

Humboldt Bay Municipal Water District is a Special District under the California constitution. As such, it does not promulgate laws and regulations relating to hazard mitigation. Existing codes, ordinances, policies or plans concerning Dam Regulation standards are promulgated by the following agencies:

- California Department of Dam Safety
- Federal Energy Regulatory Commission

Both the California DSOD and Federal FERC promulgate and implement dam safety laws and regulations. HBMWD complies with these programs and regulations thereby reducing the risk of operating the R. W. Matthews dam.

6.6 Hazard Mitigation Action Plan and Evaluation of Recommended Initiatives

The HBMWD District goals for hazard mitigation within Trinity County are consistent with the Trinity County goals listed in Chapter 4. They are listed below. Table 6-3 lists the all initiatives that make up the jurisdiction's hazard mitigation strategies within Trinity County. Table 6-4 identifies the priority process for each initiative.

Trinity County Hazard Mitigation Goals and Objectives:

Goal 1: Significantly reduce injuries and loss of life.

Goal 1 Objectives:

- 1.1 *Strengthen early notification and warning systems.*
- 1.2 *Strengthen communications systems and address gaps.*
- 1.3 *Ensure there are safe places for people to stay and/or necessary supplies during an event.*
- 1.4 *Revise land development regulations, if needed.*
- 1.5 *Advance community resilience through preparation, adoption, and implementation of state, regional, and local hazard mitigation plans and projects.*

Goal 2: Minimize damage to structures and property, as well as disruption of essential services and human activities.

Goal 2 Objectives:

- 2.1 *Implement projects to protect critical and necessary assets in hazard risk areas.*
- 2.2 *Establish and maintain partnerships among all levels of government, private sector, and non-profit organizations that improve and implement methods to protect life and property.*
- 2.3 *Protect essential infrastructure.*

Goal 3: Protect the environment.

Goal 3 Objectives:

- 3.1 *Encourage hazard mitigation measures that promote and enhance natural processes and minimize adverse impacts on the ecosystem.*
- 3.2 *Implement wildfire mitigation and watershed protection strategies as identified in the Community Wildfire Protection Plan (CWPP).*

Goal 4: Promote hazard mitigation as an integrated public policy and as a standard business practice.

Goal 4 Objectives:

- 4.1 *Continually build linkages among hazard mitigation, disaster preparedness and recovery programs.*
- 4.2 *Use mandatory local general plan, zoning and subdivision requirements to help establish resilient and sustainable communities.*
- 4.3 *Promote and enhance outreach and education efforts by all agencies with hazard*

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mitigation plans and programs to encourage engagement of stakeholder groups.
 4.4 Coordinate efforts to consider climate change impacts in planning decisions.

TABLE 6-3. HAZARD MITIGATION ACTION PLAN MATRIX					
Applies to new or existing assets	Hazards Mitigated	Lead Agency	Estimated Cost	Sources of Funding	Timeline
HBMWD-1 Stabilize surficial slide below the left abutment of the dam					
New	Dam Failure	HBMWD	\$1.5 M	FEMA HMGP and local agency funds	5 to 10 years
Initiative-2 Replace Log boom at R.W. Mathews Dam (Ruth Reservoir) to improve dam safety					
Existing (Humboldt County Update)	Dam Failure	HBMWD	\$115,000	District Funds	1 to 5 years
Initiative-3 Develop Dam Contingency Failure Plan & Implement recommended action re: notification & evacuation systems					
New	Dam Failure	HBMWD / Trinity County / Humboldt County	\$100,000	FEMA HMGP and local agency funds	5 to 10 years
Initiative- 4 Retrofit or replace spillway wall at R.W. Matthews Dam					
Existing (Humboldt County Update)	Dam Failure, Earthquake	HBMWD	\$ 2 M	FEMA HMGP or District Funds	5 to 10 years
Initiative – 5 Revetment of creek at Sheriff’s Cove to access dam and log boom from water.					
New	Dam Failure	HBMWD	\$500,000	FEMA HMGP and District funds	5 to 10 years

**TABLE 6-4.
MITIGATION STRATEGY PRIORITY SCHEDULE**

Initiative #	Benefits	Costs	Do Benefits Equal or Exceed Costs?	Is Project Grant-Eligible?	Can Project Be Funded Under Existing Programs/ Budgets?	Priority ^a
1	M	H	Y	Y	N	H
2	H	H	Y	Y	Y	H
3	M	M	Y	N	N	M
4	H	H	Y	Y	N	H
5	H	H	Y	Y	N	H

a. Explanation of priorities

- High Priority: Project meets multiple plan objectives, benefits exceed cost, funding is secured under existing programs, or is grant eligible, and project can be completed in 1 to 5 years (i.e., short term project) once funded.
- Medium Priority: Project meets at least 1 plan objective, benefits exceed costs, requires special funding authorization under existing programs, grant eligibility is questionable, and project can be completed in 1 to 5 years once funded.
- Low Priority: Project will mitigate the risk of a hazard, benefits exceed costs, funding has not been secured, project is not grant eligible, and time line for completion is long term (5 to 10 years).

6.7 Resolution of Adoption

UpState California RailConnect Feasibility Study

**Humboldt Bay Harbor Working Group
July 27, 2016**

Overview of the Grant

Grant Program: FHWA SPR, Part 1, Strategic Partnerships and State Highway Account

Grant Title: Upstate California Railconnect Feasibility Study

Grant Applicant: Trinity County Transportation Commission

Grant Award: \$126,000.00 (SHA Funds)
\$150,000 (FHWA Strategic Partnerships)

Local Match: \$69,000.00

Total Project Amount: \$345,000.00

RESPONSIBLE PARTIES

- Project Manager and grant recipient is the *Trinity County Transportation Commission (TCTC)*.
- Project oversight will be provided by the *Trinity County Transportation Commission with assistance by the multi-agency Upstate RailConnect Committee* (which includes the Counties of Trinity, Tehama and Humboldt; City of Eureka (as the port City); Northern California Tribal Chairman's Association; and Upstate California Economic Development Council).
- The Non-Profit *Land Bridge Alliance* will be responsible for providing matching funds.

CalTrans Key Milestones and Timelines

- CalTrans circulates media release regarding grant award— June 24, 2016
- Date that all award conditions must be completed – May 17, 2017
- Date that all final products must be completed by – June 30, 2019
- Date that final requests for reimbursement submitted to CalTrans – August 31, 2019

TCTC Initial Timeline and Milestones

- Amend and approve Overall Work Plan. (Sept)
- Approve MOU between TCTC and LBA for match funding. (Sept)
- Have the TCTC officially accept the grant. (Sept)
- Review and possibly edit scope of work. (Oct)
- Craft and circulate RFQ. (fall)
- Rank Consultant submittals and interview highest ranking firms. (early winter)
- Award consultant agreement with selected consultant. (winter)

Scope of Work

Not necessarily in order

- **Task 1:** Project Kickoff
- **Task 2:** Consultant selection and retention
- **Task 3:** Literature Review and Identification of Proposed Routes
- **Task 4:** Land Ownerships
- **Task 5:** Economic Forecast
 - **Task 5.1:** Assessment of Market Potential
 - **Task 5.2:** Assessment of Direct, Indirect and Induced Beneficiaries
 - **Task 5.3:** Assessment of Impacts to Ports

More Scope of Work

- **Task 6: Feasibility Analysis**
 - **Task 6.1:** Pro and con matrix of governance and operational models
 - **Task 6.2:** Report on conceptual analysis and drawings
 - **Task 6.3:** Report on assessment of the benefits of an alternative rail route for meeting or improving national and state security needs
 - **Task 6.4:** List of additional uses of the potential rail corridor ranked by estimated cost; estimated income; contacts; and any special conditions including any potential restrictions on the rail corridor.
 - **Task 6.5:** Report detailing estimated permitting needs
 - **Task 6.6:** List of environmental issues and mitigations
 - **Task 6.7:** List of known cultural resources
 - **Task 6.8:** Report detailing estimated development costs and timelines

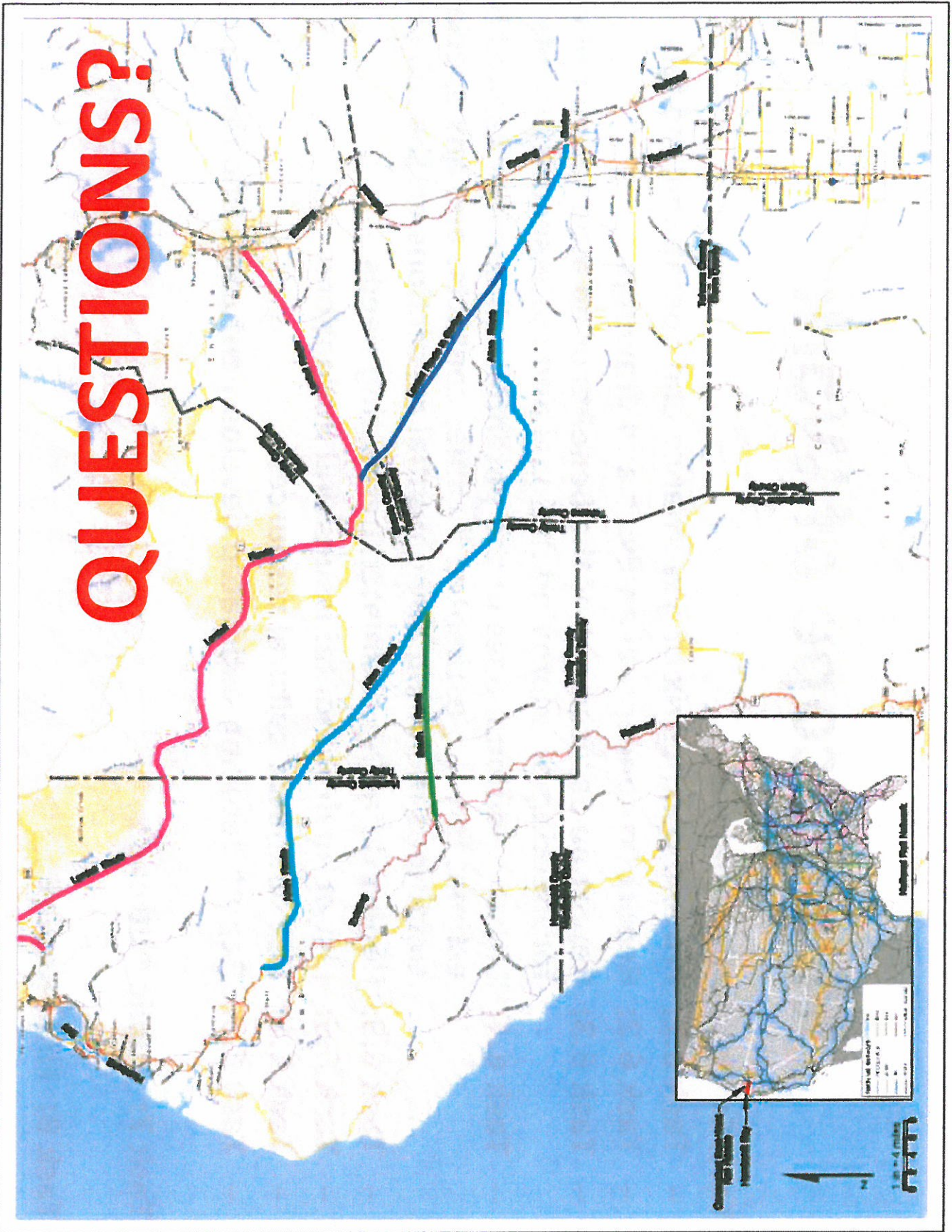
- **Task 7: Public Outreach**

- **Task 8: Final Report**

- **Task 9: Fiscal Management**

Conceptual East-West Rail Routes

QUESTIONS?



Humboldt Bay Municipal Water District

To: Board of Directors

From: John Friedenbach

Date: August 3, 2016

Re: California Water Board – Public Water Systems Annual Fee

The State Water Resources Control Board (SWRCB) has published notice that the public water system annual operating fee is being revised. This is the second proposed modification to the regulations increasing the annual fee structure. Attached is a copy of ACWA's comments on the proposed fee structure. The SWRCB is proposing a water production based fee which would increase the charges to large water suppliers. ACWA has proposed a more equitable fee keeping the hours of SWRCB staff time in the fee formula.

Currently the SWRCB fees to public water systems are based on the hours of SWRCB staff time dedicated to the respective agency. For the previous two fiscal years, our District's fee was:

Fiscal year 2013/14 \$ 9,087
 Fiscal year 2014/15 \$ 3,781

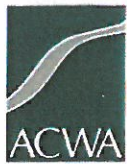
ACWA advocated that wholesale water systems are quite varied and can be complex. There are also locations in the state with multiple levels of wholesale agencies, so that fees based on volume sold would result in customers being charged multiple times for the same water supply. They recommended that the existing fee-for-service model be maintained. The revised draft of the regulations did not address this recommendation.

The new proposed Wholesaler fee is \$6,000.00 plus \$1.38 per each MG. MG is defined as: "the annual average, rounded to the nearest million, as reported to the State Board by the wholesaler for the three most recent years of data available of the total gallons of water that the wholesaler produced from surface water and from groundwater and gallons of finished water that the wholesaler purchased or received from another public water system."

For our District, the proposed wholesaler fee would be:

Base fee:	\$ 6,000
Volume fee:	<u>\$ 4,500</u>
Total	\$ 10,500

The new proposed fee would be a 15% increase over the FY 2013/14 fee and a 178% increase over the FY 2014/15 fee.



Association of California Water Agencies

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Leadership • Advocacy • Information • Service

Sent via ELECTRONIC MAIL to DAS-DrinkingWaterFees@waterboards.ca.gov

June 21, 2016

Ms. Jeanine Townsend, Clerk of the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814

Re: ACWA Comments regarding SWRCB Draft Drinking Water Fee Regulations

Dear Ms. Townsend:

The Association of California Water Agencies (“ACWA”) appreciates the opportunity to comment on the State Water Resources Control Board’s (“SWRCB”) draft Drinking Water Fee Regulations released for public comment on April 29, 2016 (“Draft Fee Regulations”). ACWA represents over 435 public water agencies that collectively supply 90% of the water delivered in California for domestic, agricultural and industrial uses. Many of ACWA’s public agency members are entrusted with the responsibility of supplying the public with safe, high-quality drinking water. Ensuring the safety of drinking water supplies by complying with all relevant state and federal standards is the highest priority of these agencies.

I. BACKGROUND

The SWRCB’s Drinking Water Program is charged with the responsibility of administering the California Safe Drinking Water Act (“SDWA”).¹ Under SB 83 (2015), effective July 1, 2016, “Each public water system shall submit an annual fee according to a fee schedule established by the [SWRCB]... for the purpose of reimbursing the [SWRCB] for the costs incurred” by the SWRCB for conducting activities mandated under the SDWA.² The categories of Public Water Systems that pay these fees include Community Water Systems, Wholesaler Water Systems, and Transient and Nontransient Noncommunity Water Systems.

Following the enactment of SB 83 in June 2015, ACWA and other stakeholders met with SWRCB staff in a series of meetings to discuss potential approaches to structuring the SWRCB’s Drinking Water Program fee structure, presented at a SWRCB Board Workshop in

¹ Health & Safety Code § 116271.

² Health & Safety Code § 116565. (*Operative July 1, 2016.*)

SWRCB Draft Drinking Water Fee Regulations
Comment Letter, Association of California Water Agencies (June 21, 2016)

November 2015, and along with many individual water systems' representatives, participated in a series of workshops held by SWRCB staff in locations around the state in December 2015.

The Draft Fee Regulations released for public comment on April 29, 2016 propose to significantly alter the existing structure of the fees paid by Community Water Systems and Wholesaler Water Systems. Under the Draft Fee Regulations, beginning in Fiscal Year 2016-17, fees for all Community Water Systems would be assessed on a per-connection basis, with two tiers of per-connection fees depending on system size. In contrast, under the current fee schedule, Community Water Systems with 1,000 or fewer connections pay a fee set at \$6 per service connection, with a minimum fee of \$250, while systems with more than 1,000 connections are charged a fee that is calculated based on the number of hours of service that the system requires from the Drinking Water Program ("fee-for-service"). Similarly, for Wholesaler Water Systems the Draft Fee Regulations would impose an annual fee of \$6,000 with an additional volumetric surcharge. Under the current fee schedule, these Wholesaler systems pay annual fees based on fee-for-service.

The Draft Fee Regulations' stated goal is to recover sufficient funding to support the Drinking Water Program's increased budget authorization amount for Fiscal Year 2016-17 and create a more stable and consistent source of funding for the Program. ACWA supports adequate funding for the Drinking Water Program. As is explained in section II, however, we have significant concerns related to the Draft Fee Regulations. In order to address these concerns, we encourage the SWRCB to replace the fee schedule included in the Draft Fee Regulations with the alternative fee schedule detailed in section III and Attachment 1. Finally, we urge the SWRCB to take additional steps to ensure that the State's Drinking Water Program maintains its accountability to public water systems and the customers they serve by modifying the Draft Fee Regulations and including provisions in the SWRCB Resolution adopting the final drinking water fee regulations that are detailed in section IV of this comment letter.

II. THE DRAFT FEE REGULATIONS DO NOT ALLOCATE DRINKING WATER PROGRAM COSTS EQUITABLY AMONG COMMUNITY WATER SYSTEM FEE PAYORS

ACWA acknowledges that the final drinking water fee regulations must ensure that the Drinking Water Program has adequate funding to support the amount allocated to the Program by the Legislature. However, we are concerned that the Draft Fee Regulations do not equitably allocate Drinking Water Program costs as they would impose dramatic fee increases on many Large Water Systems while decreasing fees for all Small Water Systems to levels substantially less than that those previously established by the Legislature.³

Under the California Constitution, State regulatory fees are required to bear a "fair or reasonable relationship" to the fee payor's burdens on, or benefits received from, the

³ For purposes of this comment letter, "Large Water Systems" are defined as Community Water Systems serving more than 1000 connections and "Small Water Systems" are defined as Community Water Systems serving 1000 or fewer connections.

SWRCB Draft Drinking Water Fee Regulations
 Comment Letter, Association of California Water Agencies (June 21, 2016)

governmental activity.⁴ As explained below, the Draft Fee Regulations' dramatic increases on many Large Water Systems' fees and significant reductions for all Small Water Systems' fees are not fair or reasonable.

A. The Draft Fee Regulations Would Result in Dramatic Fee Increases for Many Large Water Systems

As illustrated in Table 1 below, for many Large Water Systems the SWRCB's Draft Fee Regulations would *dramatically increase* their annual fees when compared to the fees that systems have been paying under fee-for-service.

Table 1 - Examples of Impact of Draft Fee Regulations on Large Water Systems

System Name	Number of Service Connections	FY 2014-15 Actual Fee	SWRCB Draft Fee Regulations	Percentage Fee Increase (SWRCB Draft Fee Regulations compared to FY2014-15 actuals)
CITY OF MERCED	29,948	\$10,058	\$61,896	515%
SANTA ROSA, CITY OF	54,603	\$10,464	\$111,206	963%
CONTRA COSTA WATER DISTRICT	61,110	\$14,498	\$124,220	757%
EASTERN MUNICIPAL WD	137,037	\$31,233	\$276,074	784%
SAN DIEGO, CITY OF	276,525	\$46,818	\$555,050	1,086%

An analysis of the magnitude of the proposed increases of the Draft Fee Regulations on water systems of different sizes has been included as Attachment 2 to this comment letter.

B. The Draft Fee Regulations Would Result in Across the Board Fee Reductions for Small Water Systems

In contrast with the dramatic fee increases for many Large Water Systems, the SWRCB's Draft Fee Regulations would significantly decrease annual fees for all Small Water Systems. Under the Draft Fee Regulations, the average annual fee for Small Water Systems would be substantially less than the fees paid by these systems since the current fee structure was adopted by the Legislature in 2009. Under the current fee structure, Small Water Systems pay a fee of \$6 per service connection, with a minimum fee of \$250.

With the costs of the Drinking Water Program increasing and fees for many Large Water Systems increasing by orders of magnitude, it is not reasonable to significantly decrease fees

⁴ Cal. Const. art XIII. A., § 3.

SWRCB Draft Drinking Water Fee Regulations
Comment Letter, Association of California Water Agencies (June 21, 2016)

across the board for all Small Water Systems. This is particularly true given the caps on fees for severely disadvantaged communities (SDACs) appropriately included in the Draft Fee Regulations.

C. The Draft Fee Regulations Provisions for Wholesaler Water Systems Do Not Enhance Revenue Stability and Are Inequitable for Both Wholesalers and Their Customers

For Wholesaler Water Systems, the Draft Fee Regulations would impose an annual fee of \$6,000 with an additional volumetric surcharge of \$1.36 per million gallons of water produced.⁵ The use of a volumetric production surcharge as the basis of these fees is problematic for a number of reasons.

First, the use of a volumetric surcharge to calculate fees could result in decreased revenue stability. Wholesalers' total production can vary significantly from year-to-year as water availability changes. These changes in production would significantly affect the stability and predictability of the fees paid by Wholesalers.

Secondly, there are matters of equity associated with the pass-through effects of any volumetric-based fees for Wholesalers. In some cases, there are Wholesalers which serve as intermediary water suppliers, obtaining their water from other Wholesaler Water Systems before distributing these supplies to retail water agencies. A fee structure based on total production would have the effect of charging downstream water systems multiple times for the same water.

Finally, Wholesalers vary widely in the complexity of their systems and total production does not correlate with regulatory oversight requirements. Comparing the existing fees paid by Wholesaler Water Systems with their total production, it is clear that Wholesalers' need for regulatory oversight from the Division of Drinking Water does not clearly correlate with their total production. Billing Wholesalers based on their "total production" is not equitable to these systems or their ratepayers.

III. THE DRAFT FEE REGULATIONS SHOULD BE AMENDED TO MORE EQUITABLY ALLOCATE THE FEE INCREASES REQUIRED TO FUND THE DRINKING WATER PROGRAM

A. Water Community Option for Community Water Systems

ACWA and other drinking water system representatives have developed an alternative fee option ("Water Community Option"). The Water Community Option for Community Water

⁵ Under § 64305(a) of the Draft Fee Regulations, "Million Gallons' means the annual average, rounded to the nearest million, as reported to the State Board by the wholesaler for 2012, 2013 and 2014, of the total gallons of water that the wholesaler produced from surface water and from groundwater and gallons of finished water that the wholesaler purchased or received from another public water system."

SWRCB Draft Drinking Water Fee Regulations
 Comment Letter, Association of California Water Agencies (June 21, 2016)

Systems is set forth in Table 2 below, as well as in Attachment 1, where it is set side-by-side with the current SWRCB fee schedule and the Draft Fee Regulations.

Table 2 - Water Community Option for Community Water Systems

System Type	Per-Connection Fee
Small	100 or fewer connections: \$250 or \$6/connection, whichever is more. (SDACs: \$100)
	101-1,000 connections: \$6/connection (SDACs: \$2/ connection)
Large	1,001-5,000 connections: \$6/connection for first 1,000 connections, \$3.5/connection for each connection over 1,000. (SDACs: \$2/connection)
	5,001-15,000 connections: \$6/connection for first 1,000 connections, \$3.5/connection for next 4,000 connections, \$2/connection for each connection over 5,000
	15,000+ connections: \$6/connection for first 1,000 connections, \$3.5/connection for next 4,000 connections, \$2/connection for next 10,000 connections, \$1/connection for each connection over 15,000

The Water Community Option recovers the same amount in total fees as the Draft Fee Regulations, but is also consistent with the following key considerations when compared to the Draft Fee Regulations:

1. *The Water Community Option allocates fee increases more equitably among Large Water Systems than the Draft Fee Regulations.*

The Water Community Option allocates fee increases more equitably among Large Water Systems by creating additional tiers of per-connection fees for these systems. These additional tiers create a fee structure that accounts for the fact that water systems benefit from economies of scale when considering the amount of service that they typically require from the Drinking Water Program on a per-connection basis. The Water Community Option also reflects the investments of many Large Water Systems in in-house resources and staff that reduce their need for Drinking Water Program service on a per-connection basis.

2. The Water Community Option maintains the current fee structure for Small Water Systems.

Since 2009, Small Water Systems have been paying fees set by statute at \$6 per service connection, with a minimum fee of \$250. As detailed in Attachment 1, the Water Community Option would maintain the existing fee structure for Small Water Systems, with new caps on fees for severely disadvantaged communities. With the costs of the Drinking Water Program increasing and fees for many Large Water Systems increasing dramatically, it is not reasonable to significantly decrease fees across the board for all Small Water Systems.

The Water Community Option would ensure that fees fairly track system size by requiring all Community Water Systems to pay the per-connection fees charged to smaller systems for similar tiers of system size (i.e., fees would be assessed at \$6 per connection for the first 1000 connections for all systems, except for severely disadvantaged communities).

3. The Water Community Option includes the same caps on fees for severely disadvantaged communities (SDACs) as the Draft Fee Regulation.

ACWA acknowledges the SWRCB's interest in providing a reduction of fees for Community Water Systems serving SDACs. The Water Community Option includes the same caps on fees for SDACs as the Draft Fee Regulations prepared by SWRCB staff.

4. The Water Community Option is simple to understand and administer.

The Water Community Option is consistent with SWRCB's goal of creating a more stable and consistent source of funding for the Drinking Water Program by moving to a per-connection fee schedule for Community Water Systems, but refines the deescalating per-connection tiers proposed in the Draft Fee Regulations to ensure consistency with the considerations identified above.

ACWA encourages the SWRCB to adopt the Water Community Option for Community Water Systems.

B. Water Community Option for Wholesaler Water Systems

The Water Community Option for Wholesaler Water Systems would maintain the existing fee-for-service structure for Wholesalers. By requiring that Wholesalers pay for the service they receive, the fee-for-service structure ensures that the program will be able to recover the full costs of providing regulatory oversight and any required assistance to these water systems.

While Wholesaler systems vary widely in their complexity and the total populations they serve, the Wholesaler category includes several very large systems, including the nation's largest drinking water system. These large systems benefit from internal investments in staff and

resources that limit their need for assistance from the Drinking Water Program, but given the scale of their operations and the large populations they serve, they do occasionally require substantial amounts of Program staff time on various regulatory oversight issues. This can result in significant variances in Drinking Water Program service requirements for these systems from year-to-year. Preserving the Drinking Water Program's ability to recover the full cost of service from these systems can help ensure that the Program's funding is adaptable to these changing circumstances.

ACWA encourages the SWRCB maintain the existing fee-for-service structure for Wholesaler Water Systems.

IV. THE SWRCB RESOLUTION ADOPTING THE FINAL DRINKING WATER FEE REGULATIONS SHOULD ENSURE THAT THE STATE'S DRINKING WATER PROGRAM MAINTAINS ITS ACCOUNTABILITY TO PUBLIC WATER SYSTEMS AND THE CUSTOMERS THEY SERVE

A. Maintain the Drinking Water Program's accounting of staff time allocated to specific water systems.

Under the current fee-for-service structure, all Large Water Systems receive semi-annual invoices that detail the Drinking Water Program staff time dedicated to their system. These invoices are critical to providing water systems with an opportunity to review and account for the service provided by the Drinking Water Program to their system.

As the Drinking Water Program moves towards a connection-based fee structure, we encourage the Board to include language in the Resolution adopting the final drinking water fee regulations that directs SWRCB staff to retain the DART system which is currently used to track Drinking Water Program staff time and continue to make an accounting of Drinking Water Program service available to Public Water Systems. This can help ensure that water systems are able to obtain the service, oversight and support that they require.

B. Track and report key Drinking Water Program performance metrics.

The Drinking Water Program provides essential services and oversight for all Public Water Systems, and regardless of how fees are assessed it is critical to ensure that all water systems receive an appropriate level of service in a timely fashion.

ACWA encourages the Board to include language in the Resolution adopting the final drinking water fee regulations that directs SWRCB staff to develop an annual report on key Drinking Water Program performance metrics to be presented to the Board at a public meeting no less frequently than once per year. In addition to providing the Board with an update on the Drinking Water Program's performance, the report would give members of the public, including Public Water System fee payors, an opportunity to provide feedback on the level of service provided by the Drinking Water Program.

SWRCB Draft Drinking Water Fee Regulations
Comment Letter, Association of California Water Agencies (June 21, 2016)*C. Ensure that implementation of the final drinking water fee regulation is responsive to fee payors' budgeting processes and other constraints.*

Section 64315 of the Draft Fee Regulations requires that fee invoices be paid "within forty five (45) calendar days of the date of the invoice, except that this date may be extended by the State Board for good cause, which shall be determined at the State Board's sole discretion."

With the costs of the Drinking Water Program increasing and fees for many water systems substantially escalating under any revised fee proposal, many fee payors (particularly public agencies) will be required to obtain budget approvals to pay their revised fee. Obtaining the necessary authorization to pay these increased fees may take more than 45 days from receipt of an invoice. Accordingly, ACWA encourages the SWRCB to revise the section 64315 of the Draft Fee Regulations to provide 90 days for payment of invoices, and to include language in the Resolution adopting the final drinking water fee regulations that directs SWRCB staff to interpret the "good cause" provision in a manner that is responsive to fee payors' budgeting processes and other constraints.

ACWA appreciates the SWRCB's willingness to engage public water system representatives on this important issue. We urge the SWRCB to: 1) modify the Draft Fee Regulations consistent with the Water Community Option; and, 2) include the accountability elements detailed in this letter in the Board Resolution adopting the final drinking water fee regulations.

If you have any questions regarding this matter, please contact me at AdamR@ACWA.com or (916) 441-4545.

Sincerely,



Adam Walukiewicz Robin
Senior Regulatory Advocate

cc: The Honorable Felicia Marcus, Chair
The Honorable Dorene D'Adamo, Member
The Honorable Tam M. Doduc, Member
The Honorable Frances Spivy-Weber, Member
The Honorable Steven Moore, Member
Mr. Tom Howard, Executive Director
Mr. Eric Oppenheimer, Chief Deputy Director
Ms. Cindy Forbes, Deputy Director, Division of Drinking Water
Mr. John Russell, Deputy Director, Division of Administrative Services
Mr. David Ceccarelli, Staff Services Manager II, Division of Administrative Services
Mr. Ryan Wilson, Staff Services Manager I, Division of Administrative Services

SWRCB Draft Drinking Water Fee Regulations
Comment Letter, Association of California Water Agencies (June 21, 2016)

Attachments

1. Side-by-Side Details: SWRCB Draft Fee Regulations and Water Community Option
2. Impacts Analysis: SWRCB Draft Fee Regulations and Water Community Option

ATTACHMENT 1 - Side-by-Side Details: SWRCB Draft Fee Regulations and Water Community Option

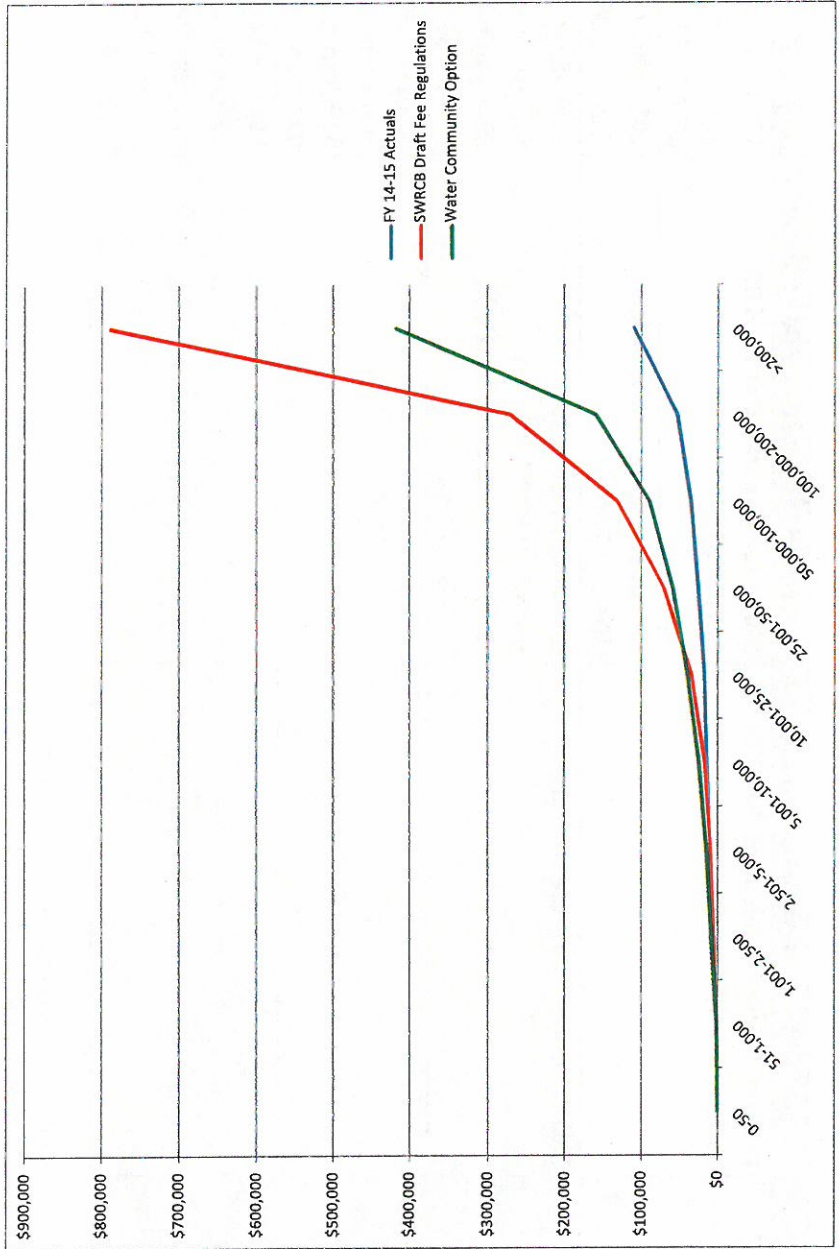
System Type	SWRCB Current Fee Schedule	SWRCB Proposed Fee Regulations	Water Community Option
Small	1,000 or fewer connections: \$250 or \$6/cxn, whichever is more*	100 or fewer connections: \$200 (SDACs: \$100)	100 or fewer connections: \$250 or \$6/cxn, whichever is more* (SDACs: \$100)
	1,001+ connections: fee-for-service	101-1,000 connections: \$4/cxn (SDACs: \$2/cxn) 1,001+ connections: \$4/cxn for first 1,000 cxns, \$2/cxn for each cxn over 1,000 (SDACs: \$2/cxn)	101-1,000 connections: \$6/cxn (SDACs: \$2/cxn) 1,001-5,000 connections: \$6/cxn for first 1,000 cxns, \$3.5/cxn for each cxn over 1,000 (SDACs: \$2/cxn)
Large			5,001-15,000 connections: \$6/cxn for first 1,000 cxns, \$3.5/cxn for next 4,000 cxns, \$2/cxn for each cxn over 5,000
			15,000+ connections: \$6/cxn for first 1,000 cxns, \$3.5/cxn for next 4,000 cxns, \$2/cxn for next 10,000 cxns, \$1/cxn for each cxn over 15,000

SDAC: Severely Disadvantaged Community
cxn: Connection

* - Consistent with provisions of Health & Safety Code section 116565 in effect from 2009 through June 30, 2016

ATTACHMENT 2 - Impacts Analysis: SWRCB Draft Fee Regulations and Water Community Option

# of Service Connections	# of Systems in Range	Average Fee Option Impacts By System Size				Water Community Option - Average Fee	Water Community Option - % of FY14-15 Actuals
		FY 14-15 Actuals - Average Fee	SWRCB Draft Fee Regulations - Average Fee	SWRCB Draft Fee Regulations - % of FY14-15 Actuals	Water Community Option - Average Fee		
0-50	467	\$252	\$200	79%	\$254	101%	
51-1,000	805	\$1,688	\$1,106	66%	\$1,697	101%	
1,001-2,500	211	\$8,807	\$5,280	60%	\$8,240	94%	
2,501-5,000	137	\$9,733	\$9,073	93%	\$14,878	153%	
5,001-10,000	110	\$14,518	\$16,525	114%	\$24,525	169%	
10,001-25,000	132	\$18,018	\$34,162	190%	\$39,764	221%	
25,001-50,000	63	\$25,701	\$70,086	273%	\$59,043	230%	
50,000-100,000	16	\$35,484	\$131,225	370%	\$89,612	253%	
100,000-200,000	5	\$53,664	\$270,708	504%	\$159,354	297%	
>200,000	4	\$110,172	\$788,645	716%	\$418,323	380%	



Sherrie Sobol

From: ACWA [acwabox@acwa.com]
Sent: Monday, July 18, 2016 4:09 PM
To: Sherrie Sobol
Subject: Outreach Alert: Proposition 53 Could Undermine Local Control and Water Projects

JULY 18, 2016

www.acwa.com | [Trouble viewing](#) - [View online](#)


OUTREACH Alert

GRASSROOTS SUPPORT TO ACHIEVE RESULTS

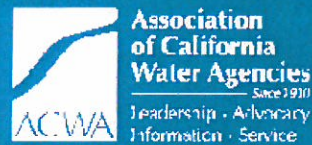
Proposition 53 Could Undermine Local Control and Water Projects ACWA Opposes "Cortopassi Initiative" on November Ballot

Proposition 53, also known as the "Cortopassi Initiative," will appear on the Nov. 8 ballot. The measure, if approved by voters, would amend the California Constitution to require statewide voter approval of infrastructure projects financed through revenue bonds over \$2 billion. Many legal experts believe the measure could impact the construction of vital state and local water projects, including water storage, recycling facilities and other projects.

ACWA's Board of Directors voted in July 2015 to oppose the measure, citing its potential to undermine local control and restrict critical infrastructure projects in the future. ACWA Executive Director Timothy Quinn is one of three signatories to the ballot amendment opposing the measure. Others include representatives of the California Professional Firefighters Association and the Office of Emergency Services.

Proponents of the measure and its sponsor, Delta landowner Dean Cortopassi, say Proposition 53 is aimed at giving voters a say before state government incurs large amounts of new debt. It is widely believed, however, that the measure targets a specific state project designed to improve water conveyance in the Delta. The measure is written in such a way that it could affect local projects pursued by joint authorities.

ACWA has prepared a variety of materials to brief its members on Proposition 53 and assist them with educating key audiences. It is permissible for public agencies to take a position on a ballot measure and to provide balanced, educational materials to the public on the measure, its potential impacts and the agencies' position. All materials and guidelines on permissible activities are available at <http://www.acwa.com/prop-53-toolkit>.



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[ACWA STATE LEGISLATIVE COMMITTEE](#)
[REGULATORY ISSUES](#)

Suggested Actions to Take

- Have your Board of Directors adopt a resolution in opposition to Proposition 53. A sample resolution is included under "Sample Letter."
- Forward your board's resolution to ACWA by emailing it to Marie Meade at mariem@acwa.com. ACWA will then forward your resolution to the campaign opposing the measure so your agency can be added to the list of Proposition 53 opponents.
- Report your board's action in your agency's customer newsletter.
- Use balanced, educational materials on Proposition 53 to inform the community at public meetings or in community presentations when asked.

Materials Available for Use

ACWA has prepared a communications toolkit for use in public education on Proposition 53. These tools offer a balanced perspective on the initiative, outlining its content and possible impact as described by the impartial Legislative Analyst's Office and the state Department of Finance.

The toolkit includes:

- A fact sheet
- A sample resolution
- Talking points that can be customized with local examples
- Pro and con arguments about Proposition 53
- Guidelines on permissible actions by local agencies

The complete toolkit is available [here](#). Member login is required.

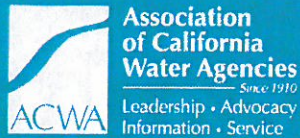
Other Resources

Here is a link to a website offering opponents' views on the measure www.savelocalcontrol.com.

Here is a link to a website offering proponents' views on the measure www.stopblankchecks.com.

Questions

Please feel free to contact ACWA Director of Communication [Lisa Lien-Mager](#) at (916) 441-4545 with any questions about the communications toolkit or Proposition 53.



Communications Toolkit

Facts about Proposition 53

Proposition 53 will appear on the Nov. 8, 2016 ballot. The measure, if approved by voters, would amend the California Constitution to require statewide voter approval of infrastructure projects financed by revenue bonds over \$2 billion.

Many legal experts believe that the measure could impact the construction of water projects – both state and local.

ACWA's Board of Directors voted in July 2015 to oppose the measure.

Facts about Proposition 53:

- Requires statewide voter approval for projects that are financed, owned, operated, or managed by the state or any joint powers authority created by or including the state, if the revenue bond amount exceeds \$2 billion.
- Affects local control by requiring statewide voter approval even for some local infrastructure projects.
- Prohibits the dividing of projects into multiple separate projects to avoid statewide voter approval requirement.
- Applies to revenue bonds, which are repaid by users of a project who directly benefit, not statewide taxpayers.
- Applies to a broad range of projects, including: water storage facilities, desalination plants, water treatments facilities, roads and highways, hospitals and healthcare facilities, UC and CSU facilities, ports, and bridges.
- Contains no exemption for cases where earthquakes or other natural disasters have damaged infrastructure.



Association
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Water Agencies
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Communications Toolkit

Key Talking Points on Proposition 53

- Proposition 53, if approved by voters, would amend the California Constitution to require statewide voter approval of infrastructure projects financed through revenue bonds over \$2 billion.
- Proposition 53 could undermine local control by delaying or blocking much-needed infrastructure projects pursued by local water agencies and other local jurisdictions.
- Proposition 53 proponents claim the measure is aimed at big projects proposed by the state; however, the language of the measure could affect local projects pursued by joint powers authorities.
- The measure would impact a wide range of infrastructure projects in California. Projects include: water storage facilities, desalination plants, water treatments facilities, roads and highways, hospitals and healthcare facilities, UC and CSU facilities, ports, and bridges.
- Proposition 53 would empower voters in distant communities to reject projects outside of their communities. (Customize with specific examples for your agency.)
- The measure contains no exemptions for emergencies or major disasters. That means in the event of a major disaster such as an earthquake or flood, local governments may have to wait as long as two years to get statewide voter approval to repair bridges, water recycling plants and other critical projects.
- The measure targets revenue bonds, which are typically backed by private investors. Revenue bonds are repaid by users of a project who directly benefit, not taxpayers.
- According to the Legislative Analyst's Office, the new voter requirement might discourage some jurisdictions from pursuing projects due to the additional costs and uncertainty associated with voter approval.

Proposition 53 – Pro and Con Arguments

Proposition 53 will appear on the Nov. 8, 2016 ballot. The measure, if approved by voters, would amend the California Constitution to require statewide voter approval of infrastructure projects financed through revenue bonds over \$2 billion. The website of opponents of the measure is www.savelocalcontrol.com. The proponents' website is www.stopblankchecks.com.

Below are some of the arguments being made in the initiative discussion.

What Supporters Say	What Opponents Say
<ul style="list-style-type: none"> • Proposition 53 shifts power from Sacramento politicians and gives more power to the electorate by requiring that all multi-billion state bonds go to a statewide vote. • Proposition 53 gives voters a say when the state government wants to incur enormous new debt that the public will have to repay. • Proposition 53 will help protect California's financial future by allowing the electorate to rein in the state's massive debt. • Proposition 53 will bring transparency to state spending by showing voters the actual costs and benefits of large projects. 	<ul style="list-style-type: none"> • Proposition 53 diminishes local control by requiring statewide voter approval for some local infrastructure projects that could be funded by a mix of local and state funds. • Proposition 53 impacts revenue bonds, which are paid for by users of a project who directly benefit, not the general public. • Proposition 53 threatens California's future by jeopardizing the building and improvement of aging infrastructure, including water projects voters envisioned when they passed Proposition 1. • Proposition 53 is poorly written and, according the Legislative Analyst's Office, creates uncertainties about which projects would be affected by the measure.

Resolution No. 2016-08
Resolution of the Humboldt Bay Municipal Water District Board of Directors
Opposing Proposition 53

WHEREAS, local water agencies throughout California are on the front lines of delivering safe, reliable water to people throughout the state; and

WHEREAS, the current drought has proven the importance of local supply and local infrastructure in agencies' ability to provide reliable water to customers; and

WHEREAS, an initiative on the November ballot would amend the California Constitution to require statewide voter approval of infrastructure projects financed through revenue bonds over \$2 billion; and

WHEREAS, many legal experts believe that the measure, if approved, could impact the construction of water projects on both state and local levels, requiring them to be approved by voters statewide if they are constructed in partnership with the state; and

WHEREAS, the requirement of a statewide vote would empower voters in distant communities to reject projects outside their communities; and

WHEREAS, the measure could impede Humboldt Bay Municipal Water District's ability to build vital projects to enhance local supplies and other projects.

NOW, THEREFORE, BE IT RESOLVED that the Humboldt Bay Municipal Water District opposes Proposition 53.

Adopted and approved this 11th day of August 2016 by the following roll call vote:

AYES:
NOES:
ABSENT:

Attest:

Barbara Hecathorn, President

J. Bruce Rupp, Secretary/Treasurer

Engineering



CHANGE ORDER

PROJECT: Humboldt Bay Municipal Water District
Collector 1&1A Rehabilitation Project

Change Order No.: 3

Date: 07/18/16

Page No.: 1 of 1

CONTRACTOR: Layne Christensen Company

DESCRIPTION OF CHANGE:

The District has installed an orange safety fence around the pond that has already been cut, and the District wants to install a more secure fence to keep the public out of the pond area.

Under this Change Order, and as described in Field Work Directive #1, the "(N) temporary 4-ft high orange safety fence" around the perimeter of the percolation pond, as shown on Drawing C105 of the Contract Construction Drawings, will be replaced with a temporary 6-ft high chain link fence. The temporary fence is to go around the entire perimeter of the percolation pond generally as shown for the "orange safety fence" called out on Drawing C105. A gate is to be provided on the west side of the pond near the northwest corner.

Adjustment of contract sum		Adjustment of contract completion dates	
Original Contract Sum	\$2,024,500.00	Original Contract Completion Date	Oct .07, 2016
Prior Adjustments	(\$124,500.00)	Prior Adjustments in Calendar Days	85
Contract Sum Prior to this Change	\$1,900,000.00	Adjustment in Calendar Days for this Change Order	0
Adjustment for this Change	\$4,809	Revised Contract Completion Date	Dec.31, 2016
Revised Contract Sum	\$1,904,809.00		

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

RECOMMENDED BY:

[Signature]
Engineer

DATE: 07/18/2016

APPROVED BY:

[Signature]
Owner

DATE: 7/28/16

ACCEPTED BY:

[Signature]
Contractor

DATE: 07/28/2016



WATER • MINERAL • ENERGY

Mr. Patrick Kaspari, PE
GHD Engineering
718 Third Street
Eureka, California 95501

RE: Humboldt Bay Municipal Water District
Collectors 1 & 1A Rehabilitation Project
Potential Change Order No. 3

Dear Pat,

In response to your request, we offer to install up to 1000 feet of 6 feet tall chain link fence, to surround the percolation pond at the West End Road water treatment facility. The work will be performed by Wahlund Construction, Inc., or a subcontractor to Wahlund. The fence will include a man-gate. The price includes rental through the end 2016 and removal at the end of the project.

Wahlund quoted Layne a price of	\$4580.00
Layne OH & P, 5%	<u>\$ 229.00</u>
Total	\$4809.00

We will proceed with the work as soon as possible. Should you have any questions, please call.

Sincerely,
Layne Christensen Company
Ranney Collector Wells

A handwritten signature in black ink, appearing to read "Andrew J. Smith".

Andrew J. Smith
Senior Engineer

C: Nathan Stevens
Mike Hartman



FIELD WORK DIRECTIVE

PROJECT: HBMWD COLLECTORS 1&1A REHABILITATION PROJECT

FIELD WORK DIRECTIVE NO.: 1

GHD# 11110031

DATE: 06/30/2016

CONTRACTOR: LAYNE HEAVY CIVIL, INC.

PAGE NO.: 1 OF 1

CC:

DESCRIPTION OF DIRECTIVE:

Please replace the "(N) Temporary 4-ft high orange safety fence" around perimeter of the percolation pond, as shown on Drawing C105 of the Contract Construction Drawings, with a temporary 6-ft high chain link fence. Temporary fence to go around the entire perimeter of the percolation pond generally as shown for the "orange safety fence" detailed on Drawing C105. Gate to be provided on the west side of the pond near the northwest corner.

A change order will be required prior to the start of this work. Please provide a cost estimate with cost breakdown shown for the performance of this work including the anticipated credit for the elimination of the orange safety fence.

CHANGES TO CONTRACT SUM OR TIME: No Change Change order required.
Contractor to submit cost breakdown

COST BASIS: Lump Sum Time and Material

ESTIMATED COST: _____

DIRECTED BY:

Engineer

DATE: 06/30/2016

Layne Heavy Civil - HBMWD Wells 1 & 1A

ID	Task Mode	Task Name	Duration	Start	Finish	Actual Start	Actual Finish	June	July	August	September	October	November	December
1	✓	Preliminary Work	25 days	Mon 6/6/16	Fri 7/8/16	Mon 6/6/16	Fri 7/8/16	5/29/16	7/3/16	7/31/16	8/28/16	9/23/16	10/23/16	11/23/16
2	✓	Pre-test Well 1A	3 days	Thu 6/16/16	Sat 6/18/16	Thu 6/16/16	Sat 6/18/16							
3	✓	Percolation pond install	5 days	Mon 6/20/16	Fri 6/24/16	Mon 6/20/16	Fri 6/24/16							
4	✓	Yellow Mine installation (by owner)	5 days	Mon 6/6/16	Fri 6/10/16	Mon 6/6/16	Fri 6/10/16							
5	✓	Pull/Raise pumps - Well 1 (by owner)	15 days	Mon 6/20/16	Fri 7/8/16	Mon 6/20/16	Fri 7/8/16							
6	✓	Well 1	60 days	Mon 7/18/16	Fri 9/30/16	Tue 8/2/16	NA							
7	✓	Mobilize Crew & Equip	3 days	Tue 8/2/16	Thu 8/4/16	Tue 8/2/16	NA							
8	✓	Close valves 1A & remove Valves Well 1 (diver)	1 day	Thu 8/4/16	Thu 8/4/16	NA	NA							
9	✓	Pour floor to new elevation	1 day	Fri 8/5/16	Fri 8/5/16	NA	NA							
10	✓	Install access port	2 days	Sat 8/6/16	Mon 8/8/16	NA	NA							
11	✓	Set pump/discharge	2 days	Tue 8/9/16	Wed 8/10/16	NA	NA							
12	✓	Pump down & muck out	2 days	Thu 8/11/16	Fri 8/12/16	NA	NA							
13	✓	Pour Finish Floor	1 day	Sat 8/13/16	Sat 8/13/16	NA	NA							
14	✓	Core & Set new lateral ports	3 days	Mon 8/15/16	Wed 8/17/16	NA	NA							
15	✓	Mobilize & Setup jacking equip in well	7 days	Thu 8/18/16	Thu 8/25/16	NA	NA							
16	✓	Install Lateral 1	10 days	Wed 9/7/16	Sat 9/17/16	NA	NA							
17	✓	Install Lateral 2	10 days	Mon 9/19/16	Thu 9/29/16	NA	NA							
18	✓	Remove jacking Equipment	2 days	Fri 9/30/16	Sat 10/1/16	NA	NA							
19	✓	Install Valves/remove plugs	2 days	Mon 10/3/16	Tue 10/4/16	NA	NA							
20	✓	Develop Laterals	4 days	Wed 10/5/16	Sat 10/8/16	NA	NA							
21	✓	Install SS tubing from valves to subfloor	1 day	Mon 10/10/16	Mon 10/10/16	NA	NA							
22	✓	Demobe well 1 - move to 1A	3 days	Tue 10/11/16	Thu 10/13/16	NA	NA							
23	✓	Install Turbine Pumps (by Owner)	14 days	Fri 10/14/16	Sat 10/29/16	NA	NA							
24	✓	Well 1A	54 days	Fri 10/14/16	Thu 12/22/16	NA	NA							
25	✓	Install port for discharge	1 day	Fri 10/14/16	Fri 10/14/16	NA	NA							
26	✓	Reconfigure yellow mine pipe	1 day	Sat 10/15/16	Sat 10/15/16	NA	NA							
27	✓	Install pump & discharge	1 day	Mon 10/17/16	Mon 10/17/16	NA	NA							
28	✓	Install jacking Platform	2 days	Tue 10/18/16	Wed 10/19/16	NA	NA							
29	✓	Core & Set new lateral ports	4 days	Thu 10/20/16	Mon 10/24/16	NA	NA							
30	✓	Mobilize jacking equip in well	3 days	Tue 10/25/16	Thu 10/27/16	NA	NA							
31	✓	Install Lateral 1	8 days	Fri 10/28/16	Sat 11/5/16	NA	NA							
32	✓	Install Lateral 2	8 days	Mon 11/7/16	Tue 11/15/16	NA	NA							
33	✓	Install Lateral 3	8 days	Wed 11/16/16	Thu 12/1/16	NA	NA							
34	✓	Remove jacking Equipment	2 days	Fri 12/2/16	Sat 12/3/16	NA	NA							
35	✓	Install Valves/remove plugs	2 days	Mon 12/5/16	Tue 12/6/16	NA	NA							
36	✓	Develop Laterals	6 days	Wed 12/7/16	Tue 12/13/16	NA	NA							
37	✓	Install SS tubing from valves to hatch	1 day	Wed 12/14/16	Wed 12/14/16	NA	NA							
38	✓	Final pumping test	4 days	Thu 12/15/16	Mon 12/19/16	NA	NA							
39	✓	Demobilize	3 days	Tue 12/20/16	Thu 12/22/16	NA	NA							

Project: Humboldt Bay Well 1 & 1A
Date: Fri 7/29/16

Task: []
Split: []
Milestone: []

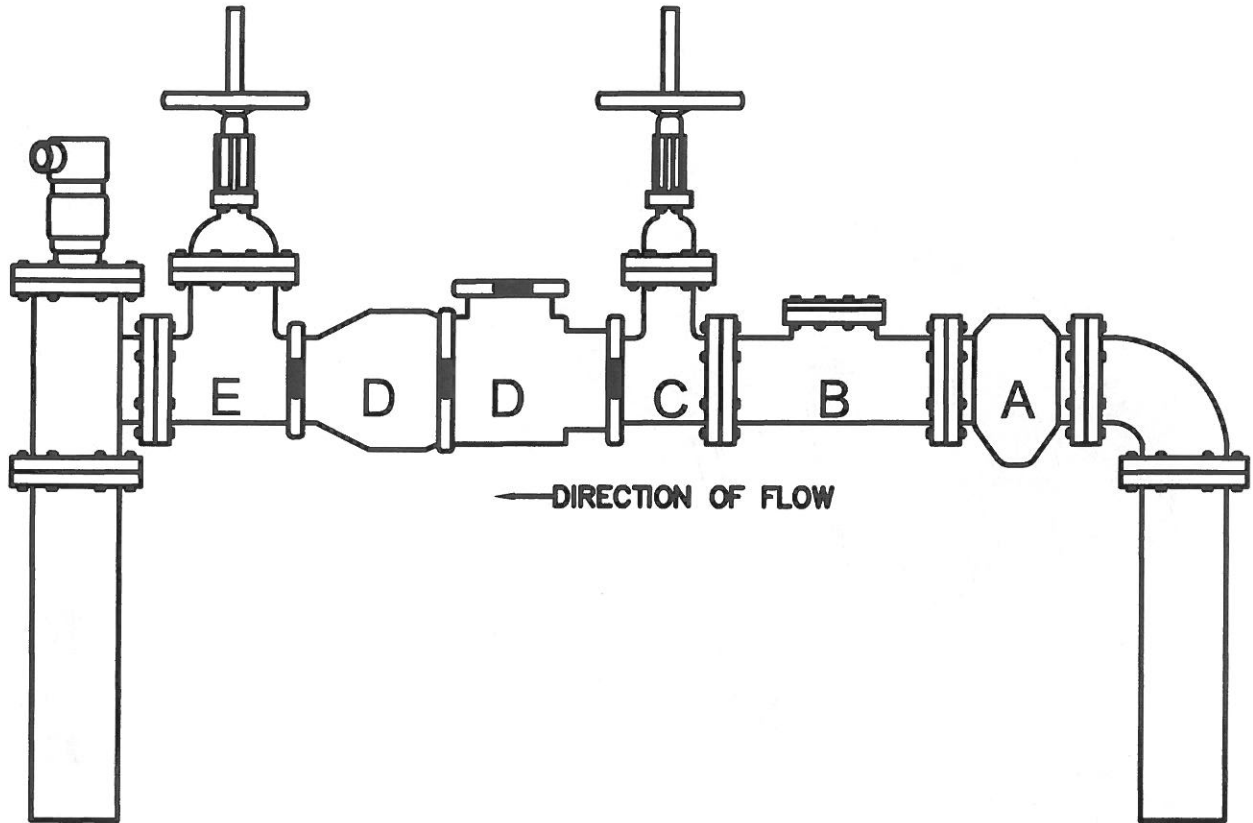
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Project Summary: []
External Tasks: []

External Milestone: []
Inactive Task: []
Inactive Milestone: []

Inactive Summary: []
Manual Task: []
Duration-only: []

Manual Summary Rollup: []
Manual Summary: []
Start-only: []

Finish-only: []
Deadline: []
Progress: []

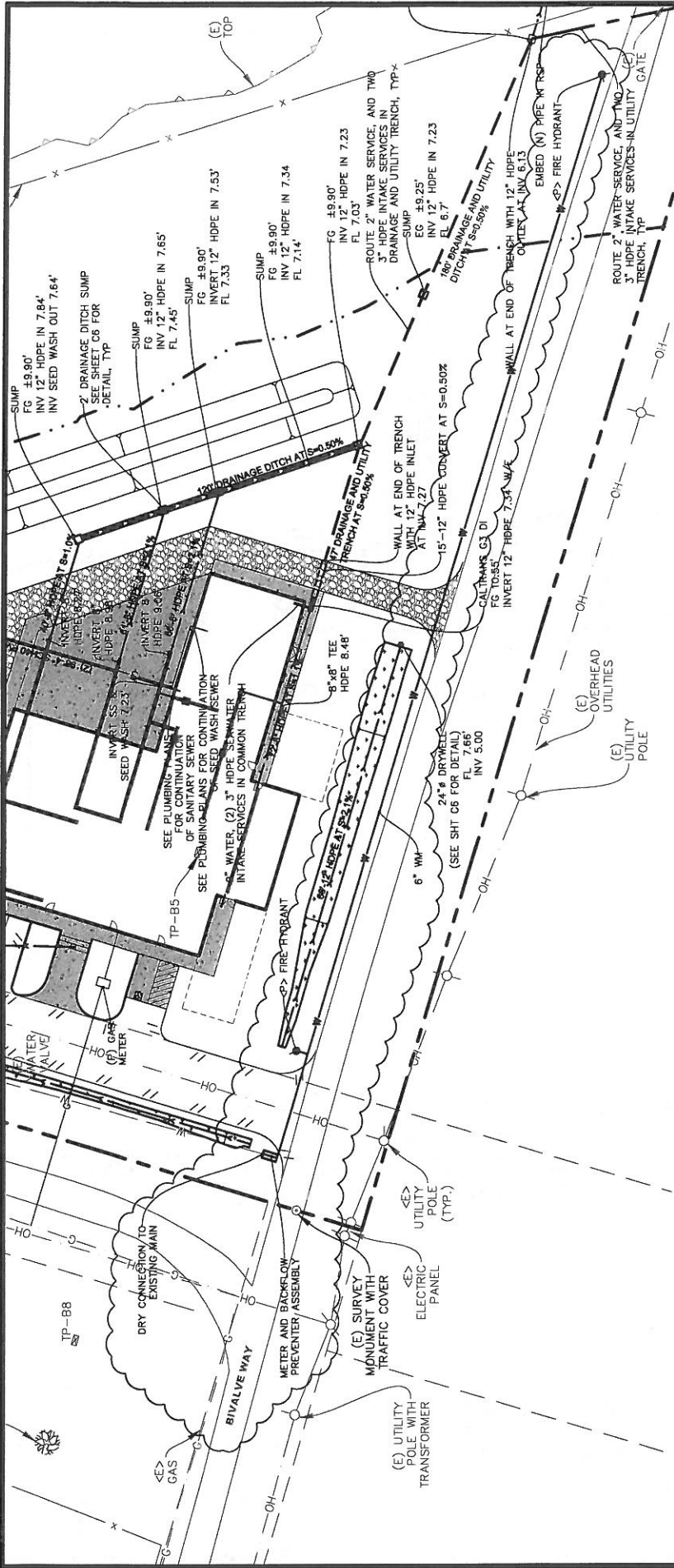


- A. METER STRAINER
- B. TURBINE METER, SENSUS OR APPROVED EQUAL
- C. GATE VALVE, CLOW OR APPROVED EQUAL
- D. BACKFLOW PREVENTER, FEBCO, WILKINS OR APPROVED EQUAL
- E. GATE VALVE, CLOW OR APPROVED EQUAL

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CONSULTING

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Construction Managers · Environmental Scientists · Landscape Architects · Planners

HOG ISLAND OYSTER FACILITY	
1 BIVALVE WAY, EUREKA, CA, APN 401-301-05	
METER & BACKFLOW PREVENTER DETAIL	
PROJ. MGR.: <u>SN</u>	SHEET
DRAWN BY: <u>TS/SL</u>	1 OF 1
DATE: <u>07-20-16</u>	HIOEUCA
SCALE: <u>N.T.S.</u>	



1. SHUT OFF FOR CONNECTION TO EXISTING WATER MAIN TO BE COORDINATED WITH HUMBOLDT BAY MUNICIPAL WATER DISTRICT (707-443-5018) A MINIMUM OF TWO WEEKS IN ADVANCE.
2. DISINFECTION REQUIREMENTS:
 - 2.1. INSTALL WATERMAIN UP TO POINT OF CONNECTION AND CAP.
 - 2.2. FILL PIPE WITH WATER/CHLORINE SOLUTION FOR TIME AS OUTLINED BELOW:
 - 2.2.1. WATER-CHLORINE SOLUTION OF 50 PARTS PER MILLION (PPM) CHLORINE FOR 24 HOURS
 - 2.2.2. WATER-CHLORINE SOLUTION OF 200 PPM FOR 3 HOURS
 3. PERFORM BACTERIAL SAMPLING TO VERIFY DISINFECTION.
 4. ON DAY OF TIE IN, DISINPECT THE SECTION BETWEEN THE EXISTING WATERMAIN AND THE PROPOSED FIRE PROTECTION SYSTEM AS OUTLINED IN NOTE 2 ABOVE.

DATE	REVISIONS	DRAWN BY	CHECK BY
		SL	



Manhard
CONSULTING
 811 T Street, Suite A, Eureka, CA 95501 Tel: (707)444-3900 Fax: (707)444-3900 www.manhard.com
 Civil Engineers, Surveyors, Water Resources Engineers, Water & Wastewater Engineers
 Construction Management, Environmental Services, Landmarks & Planning

HOG ISLAND OYSTER FACILITY
1 BI-VALVE WAY, EUREKA, CA
WATER SERVICE CONNECTION

DRAWN BY: SL DATE: 07-21-11 SCALE: 1" = 40'
 CODE: HIOEUC4

© 2016 ALL RIGHTS RESERVED

650-165

AP# 507-251-20

" - 430 - 02

" - " - 01

14270

14270

GRANT OF RIGHT OF WAY

The undersigned, FRANK P. TOSTE and MARIA TOSTE hereinafter called Grantor, for and in consideration of the sum of \$ 7,740.00 in hand paid as full payment for the following described right of way, receipt whereof is hereby acknowledged, does hereby grant and convey unto HUMBOLDT BAY MUNICIPAL WATER DISTRICT, a District duly organized and existing under the laws of the State of California, hereinafter called Grantee, a permanent right of way and easement, 30 feet in width for the purpose of laying, constructing, maintaining, operating, altering, changing the site of, repairing, or replacing a pipeline or lines, and all fittings and appliances properly appurtenant thereto, for the transportation of water through such pipeline, the Grantee to have the right to select, change, or alter the route under, upon, over and through lands which the undersigned owns, or in which the undersigned has an interest, situated in the County of Humboldt, State of California, being further described as follows, to wit:

Beginning on quarter section line at a point distant 233 feet East of Southeast corner of Southwest quarter of Northeast quarter of said Section 16, Township 6 North, Range 1 East, Humboldt Meridian; and running thence North 88 degrees 30 minutes West on quarter section line 1353 feet to the center quarter section corner of said Section 16; thence North on quarter section line 1320 feet more or less to one-eighth section corner; thence East on the North line of Southwest quarter of Northeast quarter of said section; 700 feet; thence South 65 degrees 15 minutes East, 390 feet; thence South 75 degrees 30 minutes East 108 feet; thence South 10 degrees 30 minutes East 200 feet; thence South 25 degrees East 50 feet; thence South 44 degrees 50 minutes East 100 feet; thence East 90 feet; thence South 13 degrees 57 minutes East 800 feet more or less to the point of beginning.

EXCEPTING from above, the strip of land deed to Arcata and Mad River Railroad Company by deed recorded in Book 3 Page 694 of Deeds, Humboldt County Records.

ALSO EXCEPTING that portion conveyed to the State of California by deed recorded July 15, 1955 in Book 348, Page 534, Humboldt County Records.

- 14270

Grantee may further define the location of said right of way and easement by recording a "Notice of Location" referring to this instrument and setting forth a legal description of the location of said right of way and easement in a which description may be set forth by map attached to said Notice. A copy of said Notice shall be delivered to Grantor.

The Grantee shall have all other rights and benefits necessary and convenient for the full enjoyment or use of the rights herein granted, including but without limiting the same to, the free right of ingress and egress to, over, across, and from said lands, together with the right to use such portion of said lands adjacent to and along said right of way as may be reasonably necessary in connection with the installation, repair, and replacement of such pipeline or lines.

The Grantee shall have the right to change its pipe or pipes to any size Grantee shall deem necessary or desirable, and after the initial installation of pipe or pipes to lay, construct, maintain, operate, repair and remove additional lines of pipe.

TO HAVE AND TO HOLD the estate, rights of way, easements, rights, and privileges hereby conveyed to said Grantee, its successors and assigns, until such pipeline be constructed and so long thereafter as a pipeline is maintained thereon.

Grantor represents and warrants that Grantor is the owner in fee simple of the lands above described, subject only to outstanding encumbrances, if any, now on record in said County, and Grantor agrees to warrant and forever defend all and singular said right of way unto the Grantee, its successors and assigns, against every person whatsoever lawfully claiming or to claim the same or any part thereof.

The undersigned Grantor, and Grantor's successors, heirs, or assigns, reserves the right fully to use and enjoy the said premises subject to the permanent right of way and easement herein granted and conveyed, provided, however, that the Grantee shall have the right from time to time to cut and remove all trees, all undergrowth, and any other obstructions that may interfere, impede, or interfere with the construction and use of said pipeline or lines, or fittings and appliances appurtenant to any of said lines. The Grantor shall not erect or construct any buildings or other structure, or drill or operate any well, or construct any reservoir or other obstruction on said right of way, or diminish or substantially add to the ground cover over said pipeline.

The Grantee, by the acceptance hereof, agrees as follows:

1. To pay the reasonable amount of actual damage to crops, fences, timber, buildings, private roads, and other improvements, which may arise from laying, constructing, maintaining, operating, altering, repairing, removing, changing the size of, and replacing such pipeline or lines, or additional pipeline or lines, or in the exercise of the right of ingress or egress.
2. To pay to Grantor prior to the construction of the initial pipeline the sum of \$2,250.00 per acre of said lands, within the right of way strip, less the amount previously paid as consideration for this grant of right of way.
3. Promptly to backfill any trench made by it on said right of way, and if said land shall then be cultivated, to restore the surface of the ground, so far as is practicable, to its condition prior to Grantee's trenching operations.
4. To indemnify Grantor against any loss or damage which shall be caused by any wrongful or negligent act or omission of Grantee or of its agents or employees in the course of their employment.

All payments hereunder may be made by check or draft of Grantee direct by mail to Grantor at Rt. 1, Box 100, West End Road, Arcata, California

or to _____ of _____ who is hereby appointed agent and is authorized to negotiate, receive, receipt and release for all payments and claims against Grantee, its contractors, agents or employees.

The provisions hereof shall inure to the benefit of and bind the heirs, successors, and assigns of the respective parties hereto, and all covenants shall apply to and run with the land.

It is understood that this indenture as written covers all the agreements and stipulations between the parties, and that no representations or statements, verbal or written, have been made, modifying, adding to, or changing the terms thereof.

Whereas herein the singular or masculine is used, it shall be considered as if the plural or the feminine or the neuter, as the case may be, had been used, where the context or the party or parties hereto so require, and the rest of the sentence shall be construed as if the grammatical and terminology changes thereby rendered necessary had been made.

IN WITNESS WHEREOF, the Grantor has executed these presents this 20th day of July, 1961, at _____
Frank P. Toste
Maria Toste

Maria Toste
Maria Toste
Grantors

STATE OF CALIFORNIA)
COUNTY OF HUMBOLDT.) ss.
On this 20th day of July, 1961

before me, the undersigned personally appeared FRANK P. TOSTE and MARIA TOSTE

known to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

WITNESS my hand and official seal.
Notary Public
Name - Bob G. Schmeis

14270

This is to certify that the interest in real property conveyed by the deed or grant dated July 20, 1961 from Frank P. Jones and Barbara Jones to HUMBOLDT BAY MUNICIPAL WATER DISTRICT, a political subdivision of the State of California, is hereby accepted by the Grantee, and the Grantee consents to recordation thereof. Such acceptance and consent to recordation are pursuant to Resolution No. 46 of the Directors of the HUMBOLDT BAY MUNICIPAL WATER DISTRICT.

Dated this 27 day of Aug, 1961.

H. Bernard Jones
RECORD CLERK

14270

RECORDED BY REQUEST OF
W. German
CITY CLERK
VO: 650 RECORDS PG 165

AUG 29 4 42 PM 1961

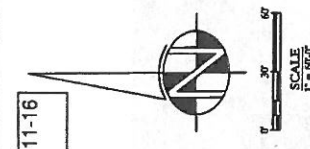
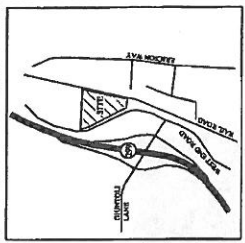
HUMBOLDT COUNTY RECORDS
EMMA CALA RECORDER
Mary Beaud DEPUTY
REC'D

Roll with 14266



AXEL COMMERCIAL DEVELOPMENT
 5550 WEST END ROAD, ARCATA CA 95521
 APN: 507-251-020

Project #: 15078
 Drawn by: JW
 Scale: 1" = 60'-0"
 Sheet No. **P1**



Received 01-11-16
 ComDev

OWNER:
 AXEL INDUSTRIES
 5550 WEST END ROAD
 ARCATA, CA 95521

ENGINEER:
 ATLAS ENGINEERING
 252 O STREET
 ARCATA, CA 95521
 (707) 407-8476
 julian@atlaseng.com

ARCHITECT:
 JULIAN BERG DESIGNS
 846 A STREET
 ARCATA, CA 95521
 (707) 407-8476
 julian@bergdesigns.com

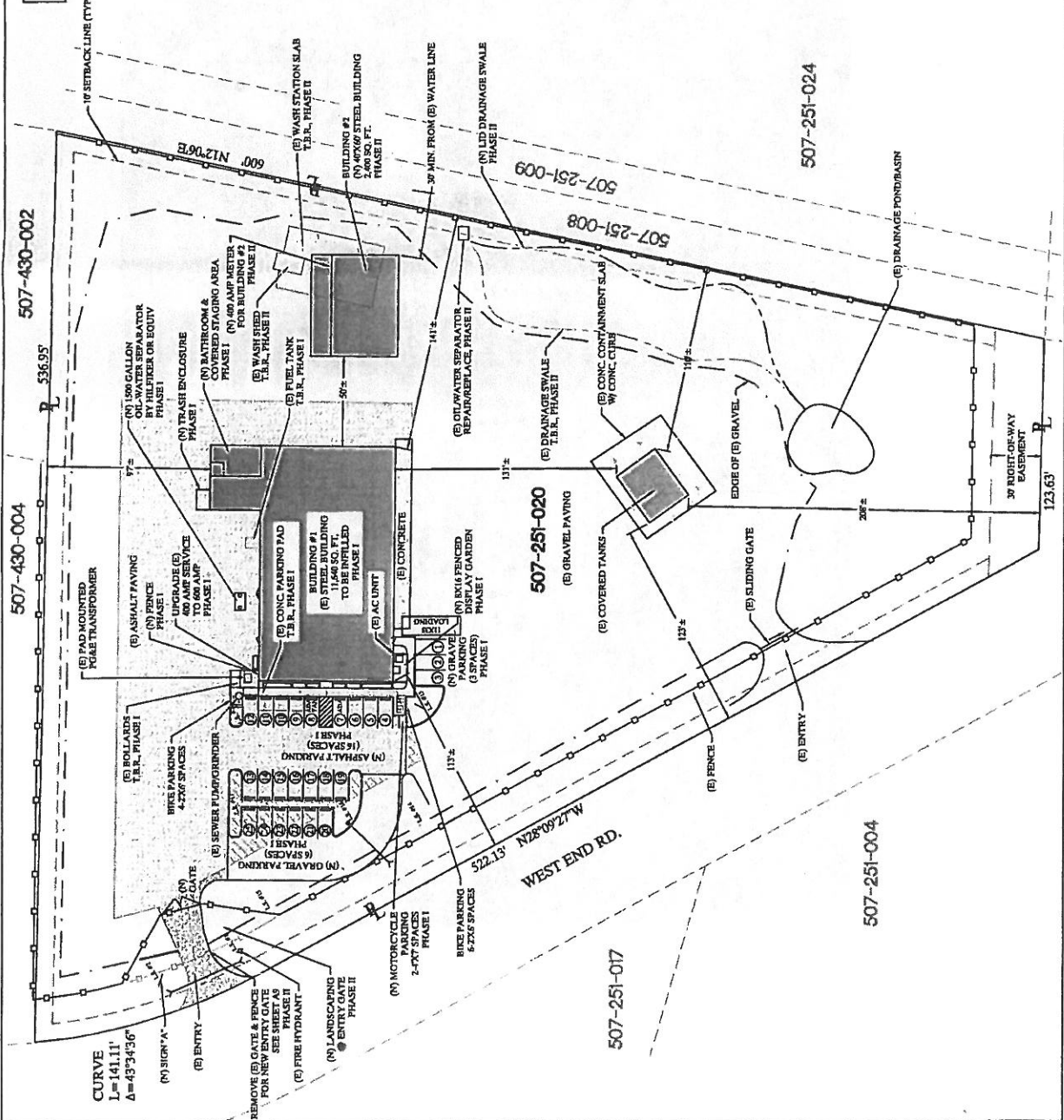
CONTRACTOR:
 LEVEQUE CONSTRUCTION
 145 G STREET
 ARCATA, CA 95521
 (707) 845-8317

- NOTES:**
- NO CURBS, PONDS, OR WATERCOURSES.
 - MUNICIPAL WATER AND SEWER RUN FROM WEST END ROAD
 - ZONING: IL (INDUSTRIAL - LIMITED)
 1. FRONT SETBACK = 10'
 2. SIDE SETBACK = 10'
 3. MAX. HEIGHT = 45'
 4. MAX. FLOOR AREA RATIO = 1.5
 5. BUILDING AREAS
 - (B) BUILDING #1 1ST FLOOR = 10,290 SQ. FT.
 - (B) BUILDING #1 2ND FLOOR = 1,440 SQ. FT.
 - (B) BUILDING #1 3RD FLOOR = 11,790 SQ. FT.
 - (B) BUILDING #1 4TH FLOOR = 11,790 SQ. FT.
 - (B) COVERED STAGING AREA = 476 SQ. FT.
 - (B) COVERED TANKS = 998 SQ. FT.
 6. PROPOSED LOT COVERAGE = 9%
 7. ALL SITE & ENGINEERING, PROPERTY LINES AND BUILDING LOCATIONS ARE APPROXIMATE AND BASED ON AERIAL PHOTOS AND ASSASSORS MAP.
 8. PARKING
 - MANUFACTURING & PROCESSING, WHOLESALE = 1 SPACE PER 800 - 900 SQ. FT.
 - RETAIL = 1 SPACE PER 400 - 500 SQ. FT.
 - PRELIMINARY PARKING REQUIREMENTS
 - 1713 SQ. FT. 800 SQ. FT. = 22 PARKING SPACES (MIN)
 - 1713 SQ. FT. 500 SQ. FT. = 17 PARKING SPACES (MAX)
 - ALL REGULATIONS FORWARDED TO THE CITY COUNSEL BY THE PLANNING COMMISSION.
 - 25% OF BUILDING AREA, NOT TO EXCEED 4,000 SQUARE FEET, PLEASE NOTE THAT THIS LIMIT IS NOT COPIED AT THIS TIME.
 10. OFFICE SPACE WILL CONTINUE TO BE USED FOR TRUCK MAINTENANCE (F-1 OCCUPANCY) WHICH HAS HISTORICALLY BEEN USED FOR TRUCK MAINTENANCE (F-1 OCCUPANCY) WILL BE USED FOR FOOD PRODUCTION, PACKAGING AND PROCESSING. THESE NEW USES ALSO FALL UNDER THE F1 OCCUPANCY UMBRELLA.

DESCRIPTION OF PHASES:

PHASE I: INSTALL EXISTING STEEL BUILDING TO CREATE 8 REMOVABLE UNITS, AN OWNERS RESTROOMS, THE NORTH ENTRY TO THE SITE, THE ENTRY TO THE BUILDING, AND THE ASSOCIATED PARKING WILL BE IMPROVED IN ADDITION TO THE BUILDING INFILL. A NEW GREASE INTERCEPTOR SHALL BE INSTALLED IN THE BUILDING INFILL. THE INFILL SHALL BE SIZED TO HANDLE DEMAND FROM ALL PHASES OF DEVELOPMENT.

PHASE II: INSTALL A NEW 40'x66' STEEL BUILDING, DEMOLISH EXISTING WASH STATION. INSTALL NEW LID DRAINAGE FEATURES INCLUDING A BIOSWALL, SIZED TO MEET THE REQUIREMENT FOR THIS PHASE.



**Memorandum**

August 3, 2016

To Melissa Kramer, California Coastal Commission

Copy to Paul Helliker, General Manager, Humboldt Bay Municipal Water District

From Jessica Hall Tel 707.443.8326

Subject Final Post Construction Environmental Monitoring Observations Job no. 11125101

Coastal Development Permit No. 1-13-0280

This memo is the final scheduled July 2016 follow up environmental observations reporting vegetative regrowth at designated locations of the Coastal Development Permit 1-13-0280 (CDP). The prior report was dated July 27, 2015 and emailed on July 31, 2015. The specific areas of observation were identified in Table 2 of the May 20, 2015 Post-Construction Environmental Monitoring Observations (EMO) memo, highlighted in yellow below:

Habitat Type	Post-Project Total Impact, Acres	Corrective Actions/Remediation Strategy
California Blackberry	0.008	Native seed and covered with weed-free straw mulch. Propose monitoring biannually for recovery. Provide report July 2015; July 2016.
Carex	0.000	No Action Required.
Coastal Dunemat	0.11	Replanted.
Ditch	0.00	No Action Required.
Non-native Mixed	1.54	Native seed and covered with weed-free straw mulch.
Palustrine Wetland	0.0004	Native seed and covered with weed-free straw mulch. Propose monitoring biannually for recovery. Provide report July 2015; July 2016.
Salix Hookeriana	0.00	No Action Required
ESHA	0.03	Monitor biannually for recovery. Provide report July 2015; July 2016.

1 PERMITTEE, PROJECT SITE AND DESCRIPTION

Coastal Development Permit No. 1-13-0280 was granted to the Humboldt Bay Municipal Water District. The project involved the expansion, replacement and abandonment of water supply lines within roadway and ruderal upland habitats along an approximately 2-mile long segment between the Humboldt Bay Municipal Water District's Terminal Reservoir and the Fairhaven area on the Samoa Peninsula on Humboldt Bay's north spit in Humboldt County, California. The work was performed based on a Stormwater Pollution Prevention Plan (SWPPP), ESHA protection plan, Final Staging and Stockpiling Plan, and the CDP.

Areas of vegetative impact to be observed include a small area mapped wetland, a patch of blackberry, and ESHA where a holding tank and overflow area were set up. The mapped wetland and blackberry patch were along the edge of access areas. The holding tank and overflow areas were away from established roads on City of Eureka property. Informal truck tracks criss-cross this property.

2 ENVIRONMENTAL MONITORING

Environmental monitors, biologists, soils scientists and other environmental specialists with GHD performed inspections of the project site and provided summary field observations with, where needed, photo documentation of observations. This report summarizes these observations, highlights the water quality and/or ESHA noncompliance occurrences observed, and reports on solutions implemented or proposed.

Monitoring included observing and documenting the implementation of SWPPP, the ESHA plan, and limits of stockpiling and staging areas, including tarping of stockpile materials, flagging of sensitive areas, exclusionary fencing, etc.

3 OBSERVATIONS

The sites were visited on July 21 by GHD's landscape architect Jessica Hall and botanist Amy Livingston. The observations conducted were visual survey. The sites were also visited in September 2015 and February 2015. The September 2015 visit included weeding at the blackberry location.

3.1 *California Blackberry*

The EMO observed an impact to 0.008 acre of a vegetative patch dominated by California blackberry. The July 2015 report noted little change, with sprouting plants beginning to establish. The July 2016 observations found significant changes to the site. This is an area of private property within a HBMWD easement for access. Other users of the property over the past year have dumped soil and debris, including Christmas trees, within the area. Despite these disturbances, the site has achieved approximately 70% cover with vegetation. Areas of bare dirt are mainly due to dumped soil and debris.

Species observed include native and non-native species (in alphabetical order by scientific name):

- pearly everlasting *Anaphalis margaritacea* (native)
- mustard *Brassica nigra* (non-native)
- bull thistle *Cirsium vulgare* (non-native)
- poison hemlock *Conium maculatum* (non-native)
- American dune grass *Elymus mollis* (native)
- coast buckwheat *Eriogonum latifolia*, (native)
- Coastal gumweed *Gindelia stricta* (native)
- Dune rush *Juncus lescurii* (native)
- yellow bush lupine *Lupinus arboreus* (invasive non-local native)
- plantain *Plantago lanceolata* (non-native)
- wild radish *Raphanus spp* (non-native)
- Himalayan blackberry *Rubus armeniacus* (non-native)
- California blackberry *Rubus ursinus* (native)
- dock *Rumex spp.* (non-native)

The dominant species present were wild radish, poison hemlock, and mustard, primarily disturbance species. Grindelia, California blackberry and Himalayan blackberry were also well represented. It is anticipated that, if the site is not continually disturbed, the two blackberry species will eventually dominate.

This would be consistent with adjacent areas. The stand characterized as "California blackberry" that this was considered a part of shows, approximately forty feet away, a dominant mix of Himalayan blackberry, California blackberry and non-native grasses. Also present in smaller quantities are poison hemlock and yellow bush lupine. Dune rush is present throughout this area but is obscured by the blackberry.



Figure 2: Above, view of blackberry area, July 2016. Note dumped soil and tree branches in mid ground. Outline represents approximate target observation area for comparison with 2015 photos.

Figure 1: Left, view by dumped tree branches. Coast gumplant is visible at left mid ground.



Figure 3: Above, photo of blackberry area (May 2015); below, same area two months later (July 2015).



Figure 4: Adjacent existing blackberry area includes large stands of Himalayan blackberry interspersed with robust stands of California blackberry.

3.2 Palustrine Wetland/Groundwater Well Impact Area

Also described as “Impact Area 6”, this location experienced regrowth in 2015, with a decrease from 18.7 square feet to 14 square feet between May and July of 2015. By the July 2016 visit, the area of bare ground was reduced to 1.6 square feet. This is a reduction of 90%. The remaining bare area was larger in the 2015 observations. The main species present are dune rush, sweet clover *Mellilotus albus* (*non-native*) and scotch broom *Cytisus scoparius* (*non-native*). These species were also observed along the base of the willow trees adjacent to, and outside of, the areas impacted by HBMWD activities.



Figure 5:

Above left, view of remaining bare area



Figure 6:

Below left, measurement of remaining disturbed area.

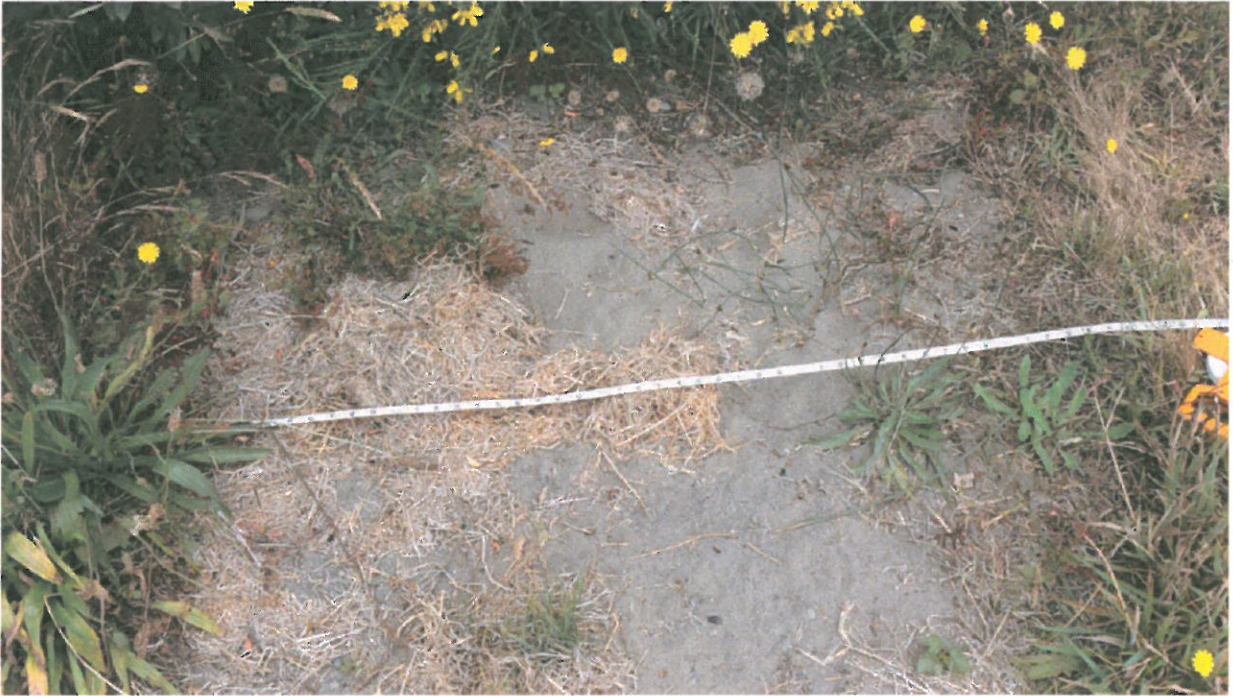


Figure 7: This same area in July 2015 measured 14 square feet.



Figure 8: View of adjacent wetland area with similar plant assemblage.

3.3 ESHA

3.3.1 Overflow Area

The ESHA area impacted by overflow of pumped groundwater appears unimpacted one year later. The area has 95-100% cover, of which 85-90% is dune rush. Sweet vernal grass *Anthoxanthum odoratum* (non native) and poison hemlock each also had approximately 10% cover. Also observed was California blackberry, yarrow *Achillea millefolium* (native) and Canada thistle *Cirsium arvense* (non-native).



Figure 9: July 2016 photo of overflow area .



Figure 10: Photos of overflow area in July 2015 observation report. Note upper photo was from May 2015, lower photo from July 2015.

3.3.2 Groundwater Storage Tank

The groundwater storage tank area was observed in 2015 as presenting approximately 15% cover with many nascent native and non-native species. Vegetation in this area today appears to have significantly re-established with approximately 90-95% cover by predominantly non-native species, including ripgut brome *Bromus diandrus* (non-native) and rattlesnake grass *Briza maxima* (non-native). Coast buckwheat, California blackberry, yellow lupine, and dune rush, were also present.

The adjacent matrix consists of the same non-native grass species with the addition of the non-natives sweet vernal grass, dock, invasively non-local native yellow bush lupine, and native yarrow.



Figure 11: View of impacted ESHA area in July 2016 shows complete vegetative cover.



Figure 12: Close up of vegetation re-establishing in impacted ESHA area.



Figure 13: Close up of vegetation re-establishing in impacted ESHA area.



Figure 14: Same area in May and July 2015.



Figure 15: Adjacent ESHA matrix dominated by non-native grasses and non-local yellow bush lupine.

4 Field Report Summary

This table summarizes observations and conclusions.

Table 1: Summary of Observations

Habitat Type	May 2015 Post-Project Total Impact, Acres	Observations
California Blackberry	0.008	<p>4/20/2015 Recommendations: Native seed and covered with weed-free straw mulch. Propose monitoring biannually for recovery. Provide report July 2015; July 2016.</p> <p>7/20/2015: Disturbed area footprint unchanged with reestablishment within. Reestablishment estimated at 40% with a mix of native and non-native plants.</p> <p>7/21/2016: Ongoing disturbances to the area out of HBMWD's control have impacted re-establishment. Plant cover is approximately 70%. Dominant species are non-native invasive disturbance species. Native and non-native blackberry continue to re-establish.</p>
Palustrine Wetland	0.0004	<p>4/20/2015 Recommendation: Native seed and covered with weed-free straw mulch. Propose monitoring biannually for recovery. Provide report July 2015; July 2016.</p> <p>7/20/2015: Regrowth reduced total disturbed area to 0.0003 acre. Modest reestablishment of dune rush and non-native herbaceous species within remaining disturbed area. Coverage estimated at 20%.</p> <p>7/21/2016: Bare area is reduced to 1.6 square feet (0.000037 acre)</p>
ESHA	0.03	<p>4/20/2015 Recommendation: Monitor biannually for recovery. Provide report July 2015; July 2016.</p> <p>7/20/2015: At overflow area, regrowth has been significant, with cover approximately 85% dominated by native dune rush and California blackberry.</p> <p>At groundwater storage tank location, slower regrowth estimated at 15% cover including both native and non-native species. Sprouting dune species such as buckwheat under drought conditions are promising developments.</p>

		7/21/2016: At overflow area, regrowth appears complete, with strong survival of native dune ESHA species. At groundwater storage tank location, regrowth appears almost complete and consistent with adjacent ESHA dominated by non-native grasses.
--	--	--

The impacted areas have largely re-established to conditions similar to adjacent areas. The exception is the blackberry area which is subject to ongoing disturbance beyond the control of the HBMWD. Despite disturbances, this area is also re-establishing vegetation and appears to be on track to return to a mix of native and non-native blackberry although it will be dominated by disturbance species in the short term.

Submitted respectfully,

Jessica Hall
Landscape Architect

Financial

Required Employer Contribution

Actuarially Determined Employer Contributions:	Fiscal Year	Fiscal Year
	2015-16 ¹	2016-17
Employer Contributions (in Projected Dollars)		
Plan's Employer Normal Cost	\$ 139,615	\$ 154,257
Plan's Payment on Amortization Bases	128,516	145,775 ²
Total Employer Contribution	\$ 268,131	\$ 300,032
Projected Payroll for the Contribution fiscal year	\$ 1,744,532	\$ 1,841,423
Required Employer Contributions (Percentage of Payroll)		
Pool's Base Employer Normal Cost	8.003%	8.377%
Surcharge for Class 1 Benefits ³		
None	0.000%	0.000%
Phase out of Normal Cost Difference ⁴	0.000%	0.000%
Pools Expected Employee Contribution for Formula	6.891%	6.886%
Plan's Total Normal Cost	14.894%	15.263%
Plan's Employee Contribution Rate	6.891%	6.886%
Employer Normal Cost Rate	8.003%	8.377%

Required Employer Contribution for Fiscal Year 2016-17

Employer Normal Cost Rate⁵	8.377%
Plus Monthly Employer Dollar UAL Payment⁶	\$ 12,147.91
Annual Lump Sum Prepayment Option	\$ 140,598

For Fiscal Year 2016-17 the total minimum required employer contribution is the **sum** of the Plan's Employer Normal Cost Rate (expressed as a percentage of payroll) **plus** the Employer Unfunded Accrued Liability (UAL) Contribution Amount (in dollars). Whereas in prior years it was possible to prepay total employer contributions for the fiscal year, beginning with Fiscal Year 2015-16 and beyond, only the UAL portion of the employer contribution can be prepaid. Late payments will accrue interest at an annual rate of 10 percent.

Plan Normal Cost contributions will be made as part of the payroll reporting process. As a percentage of projected payroll your UAL contribution is 7.916 percent for a total Employer Contribution Rate of 16.293 percent.

- ¹ The results shown for Fiscal Year 2015-16 reflect the prior year valuation and do not reflect any lump sum payment, side fund payoff or rate adjustment made after annual valuation report is completed.
- ² The Plan's Payment on Amortization Bases reflects the sum of all UAL amortization bases including the Plan's Side Fund (where applicable).
- ³ Section 2 of this report contains a list of Class 1 benefits and corresponding surcharges for each benefit.
- ⁴ Risk pooling was implemented for most plans as of June 30, 2003. The normal cost difference was scheduled to be phased out over a five year period. The phase out of normal cost difference is 100 percent for the first year of pooling, and is incrementally reduced by 20 percent of the original normal cost difference for each subsequent year.
- ⁵ The minimum employer contribution under PEPPRA is the greater of the required employer contribution or the total employer normal cost.
- ⁶ The Plan's Payment on Amortization Bases Contribution amount for Fiscal Year 2016-17 will be billed as a level dollar amount monthly over the course of the year. Lump sum payments may be made through my|CalPERS. If you would like to prepay the entire Annual Payment toward your Plan's Unfunded Accrued Liability, you can submit the Annual Lump Sum Prepayment amount against the July Unfunded Accrued Liability receivable. The Annual Lump Sum Prepayment must be received in full on or before July 31. If there is contractual cost sharing or other change, this amount will change. § 20572 of the Public Employees' Retirement Law assesses interest at an annual rate of 10 percent if a contracting agency fails to remit the required contributions when due.



California Public Employees' Retirement System
P.O. Box 942715
Sacramento, CA 94229-2715
(888) CalPERS (or 888-225-7377)
TTY: (877) 249-7442
www.calpers.ca.gov

Circular Letter No.: 200-035-16
Distribution: VI

Circular Letter

July 1, 2016

TO: ALL CONTRACTING PUBLIC AGENCIES

SUBJECT: INTEREST ON DELINQUENT UNFUNDED LIABILITY CONTRIBUTIONS FOR ALL POOLED PLANS

The purpose of this Circular Letter is to explain how delinquent unfunded liability contributions will be assessed interest for pooled and inactive plans. The procedures for Unfunded Liability contributions are described in Circular Letters 200-016-15 (Pooled Plan) and 200-017-15 (Inactive Plan).

Annual Lump-Sum Payment Option

An annual lump-sum prepayment option is available. This lump-sum is a discounted amount compared to the sum of the twelve monthly installments and can be found in Section 1, page 4, of the June 30, 2014, valuation report. If this option is selected for Fiscal Year 2016-17, payment of the amount must be paid and processed by CalPERS prior to August 1, 2016. Please note that employers will not be invoiced for the annual lump-sum prepayment amount. Rather, employers will receive instructions for paying the annual lump sum amount on their July 1, 2016, invoice.

Monthly Payment Option

If the lump-sum prepayment amount is not received by CalPERS prior to August 1, 2016, the default payment option will be twelve monthly installments.

The following procedures will apply to monthly payments:

- On the 1st of each month, the monthly invoice will be uploaded and available in my|CalPERS and a copy of the invoice will be automatically distributed through your preferred delivery method.
- As monthly invoices are now available online, employers are responsible for accessing the invoice and submitting payment in full by the payment due date.
- All invoices must be paid as billed.
- Any full or partial payment received after the payment due date will be considered delinquent and subject to interest charges.

Circular Letter No.: 200-035-16

July 1, 2016

Page 2

Note: Employers may make additional payments at any time but must continue making every monthly payment until the balance due is zero. If more than the monthly invoiced amount is paid, the employer is not relieved of the next month's payment. Payments can only be stopped when the entire annual amount has been paid.

Interest on Delinquent Monthly Payments

If the employer does not pay the entire amount invoiced on or before the due date, interest will be assessed on 100 percent of the outstanding invoice amount past due until the full amount is paid. Interest will be charged at an annual rate of 10 percent per Government Code Section 20572(b) of the Public Employees' Retirement Law. The interest assessment will terminate on the date CalPERS receives payment in full for the balance due (initial invoice amount and any assessed interest).

In addition to the interest assessed, a delinquent penalty of 10 percent may be imposed on all delinquent balances. The 10 percent delinquency penalty may be assessed until all outstanding balances are paid in full (initial invoice amounts and any assessed interest).

CalPERS reserves all rights and remedies to collect contributions if not paid timely. This includes, without limitation, the right to recover costs and attorneys' fees associated with the collection of past due payments. In addition, any failure to provide a delinquency notice or my|CalPERS notation, or any discrepancy between a delinquency notice or my|CalPERS notation and applicable law, does not affect the rights of CalPERS to collect payment to which it is entitled.

Employer's use of electronic funds transfer (EFT) will significantly reduce the risk of delinquency. The Electronic Funds Transfer Authorization process guide is available on our website. You may set up your EFT account by logging into the my|CalPERS system.

If you have any questions, please contact the CalPERS Customer Contact Center at **888 CalPERS** (or **888-225-7377**).

Cheryl Eason
Chief Financial Officer

ANNUAL UNFUNDED LIABILITY PAYMENT DEADLINES AND PAYMENT OPTIONS

Invoices will be available on July 1, 2016 and will contain the annual lump-sum payment amount and monthly installment payment amount options.

If payment of the annual lump-sum amount is received by CalPERS by July 31, 2016, interest will be discounted compared to the sum of the twelve monthly installment payments.

To ensure your annual lump-sum payment is received and processed by CalPERS by the due date of July 31, 2016, please follow the timeline below.

PAYMENT METHOD	CUT-OFF DATE/TIME	WHERE TO SEND
EFT (preferred method)	5:00 p.m. Thursday, July 28	Not applicable
U. S. Mail	Mail by July 18 to ensure timely delivery.	CalPERS – FRAS Attention: Cashiers Unit P. O. Box 942703 Sacramento, CA 94229-2703
Overnight (e.g. FedEx)	Arrive at CalPERS on Thursday, July 28	CalPERS – FRAS Attention: Cashiers Unit 400 Q Street Sacramento, CA 95811
Hand Delivery	Arrive at CalPERS <u>before 9:00 a.m.</u> on Friday, July 29	CalPERS 1 st Floor Security Desk 400 P Street Sacramento, CA 95811 ** Ask the Security Guard to contact the Cashiers Unit.
Wire Transfer	Arrive at CalPERS <u>before 9:00 a.m.</u> on Friday, July 29	See instructions on following page.

BANK WIRING INSTRUCTIONS FOR UNFUNDED ACCRUED LIABILITY LUMP-SUM PAYMENTS

Wire transfer the payment amount to the following account:

ABA#0260-0959-3

Bank of America Sacramento Main
555 Capitol Mall, Suite 1555
Sacramento, CA 95814

For credit to State of CA, CalPERS
Account # 01482-80005

In the reference section of the wire, please identify your:

- Agency name,
- CalPERS ID number,
- Rate Plan ID,
- Receivable ID, and
- UAL (Reason for the payment)

**ANY INDIVIDUAL WIRE TOTALING MORE THAN \$5,000,000
REQUIRES A 72-HOUR NOTICE. PLEASE EMAIL:**

FCSD_public_agency_wires@calpers.ca.gov and your actuary
notification of your pending wire as soon as possible to ensure timely crediting to your
account. Please attach your Unfunded Accrued Liability invoice. You can also fax
documents to 916-795-7622.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
Statement of Fund Balances at July 31, 2016

Account Fund Balance at Month End		AT 7-31-16	AT 7-31-15	Increase/(Decrease)
U.S. BANK ACCOUNTS				
- Commercial Account - Old General Fund Account		0.00	325.81	
- Commercial Account - New General Fund Account		330,133.76	603,361.73	
- Money Market Account (DWR Contract for SRF Loan)	①	160,247.84	159,845.91	
- Certificate of Deposit (DWR Contract for SRF Reserve)	②	547,473.05	547,401.60	
- Municipal Investor Account (Loan for Ranney & Techite Projects)	③	0.00	0.15	
- Prop 50 Project Account (Community Intertie Projects)	⑧	0.00	188,672.44	
Subtotal		<u>1,037,854.65</u>	<u>1,499,607.64</u>	(461,752.99)
HUMBOLDT COUNTY:				
- Investment Account		3,172,837.93	1,861,463.31	
- DWFP Reserve (in accordance with Ordinance 16)	④	467,104.13	184,155.05	
- MSRA Reserve (Municipal Supplemental Reserve Account)	⑤	418,322.64	414,784.51	
- SRF Loan Payment	⑥	93,875.10	93,433.00	
- A/B Bond Tax Account		0.00	0.00	
- 1% Tax Account	⑦	216.42	715.39	
Subtotal		<u>4,152,356.22</u>	<u>2,554,551.26</u>	1,597,804.96
L.A.I.F.				
Cash on Hand		650.00	650.00	0.00
TOTAL CASH		<u>\$ 5,192,463.43</u>	<u>\$ 4,056,404.67</u>	<u>\$ 1,136,058.76</u>
Less: Encumbrances & Reserves (Funds Dedicated for Specific Purposes and Projects)				
RESTRICTED				
Municipal Customers PF2 Prior Year Reconciliation		(560,677.24)	(362,615.92)	
1% Tax Account	⑦	(216.42)	(715.39)	
Municipal Investor Account (Loan for Ranney & Techite Projects)	③	0.00	(0.15)	
Municipal Customer Advanced Charging - Ranney Collector 1 & 1A Rehabilitation		(1,772,579.72)	(850,251.25)	
Municipal Customer Advanced Charging - Ranney Collector 2 Rehabilitation		(125,000.00)	(125,000.00)	
Municipal Customer Advanced Charging - 1MG Domestic Reservoir Roof		(35,000.00)	0.00	
Municipal Customer Advanced Charging - Replace Ruth Bunkhouse		(195,000.00)	0.00	
DWR Reserve Fund for SRF Loan	②	(547,473.05)	(547,401.60)	
DWR Contract Payment for SRF Loan for DWFP (Drinking Water Filtration Plant-PF1 Charges from Munis)	①	(160,247.84)	(159,845.91)	
- Prop 50 Project Account (Community Intertie Projects)	⑧	0.00	(188,672.44)	
SUBTOTAL RESTRICTED RESERVES (Net Position)		<u>(3,396,194.27)</u>	<u>(2,234,502.66)</u>	<u>1,161,691.61</u>
UNRESTRICTED:				
Board Restricted:				
Paik-Nicely Development		(4,158.00)	(4,158.00)	
Sequoia Investments X, LLC (Hog Island Project)		1,104.75	0.00	
DWFP Reserve *	④	(467,104.13)	(184,155.05)	
MSRA Reserve (Municipal Supplemental Reserve Account)	⑤	(418,322.64)	(414,784.51)	
Unrestricted Reserves				
SRF Loan Payment	⑥	(93,875.10)	(93,433.00)	
Techite CalEMA Subgrantee Administrative Allowance		(30,004.63)	(30,004.63)	
Municipal Customer Accumulation for Debt Service for US Bank				
Project Loan Payment		(198.94)	(188.70)	
General Fund Reserve		<u>(783,710.47)</u>	<u>(1,095,178.12)</u>	
SUBTOTAL UNRESTRICTED RESERVES (Net Position)		<u>(1,796,269.16)</u>	<u>(1,821,902.01)</u>	<u>(25,632.85)</u>
Total Net Position		<u>(5,192,463.43)</u>	<u>(4,056,404.67)</u>	<u>1,136,058.76</u>

	JULY RECEIPTS	YTD TOTAL AT 7-31-16	BUDGET	% OF BUDGET	YTD TOTAL AT 7-31-15
MISCELLANEOUS RECEIPTS (RETURNED TO CUSTOMERS VIA PF2)					
RETAIL WATER SALES	\$ 29,947.55	\$ 29,947.55	\$309,060	10%	\$ 30,520.22
SUBTOTAL RETAIL WATER SALES	\$ 29,947.55	\$ 29,947.55	\$309,060	10%	\$ 30,520.22
GENERAL REVENUES					
INTEREST (1)	7,324.61	7,324.61	\$12,000	61%	1.13
FCSD CONTRACT FOR MAINT. & OPERATIONS	53,064.05	53,064.05	175,000	30%	71,781.14
POWER SALES	9,702.62	9,702.62	175,000	6%	5,604.89
MISCELLANEOUS (SEE NEXT PAGE)	\$3,375.53	\$ 3,375.53	50,000	7%	\$ 7,210.42
SUBTOTAL GENERAL REVENUES	\$ 73,466.81	\$ 73,466.81	\$412,000	18%	\$ 84,597.58
TAX RECEIPTS					
1% TAXES (1)	216.42	216.42	775,000	0%	0.00
TOTAL PF 2 CREDIT	\$ 103,630.78	\$ 103,630.78	\$1,496,060	7%	\$ 115,117.80
WHOLESALE CONTRACT RECEIPTS					
INDUSTRIAL / HARBOR DISTRICT	\$276.79	\$276.79	\$50	554%	\$0.00
TOTAL INDUSTRIAL	\$276.79	\$276.79	\$50	554%	\$0.00
CITY OF ARCATA	\$87,172.07	\$87,172.07	\$1,257,114	7%	\$80,647.81
CITY OF EUREKA	212,294.59	212,294.59	3,001,244	7%	394,017.90
HUMBOLDT CSD	71,043.35	71,043.35	1,032,162	7%	65,737.16
MANILA CSD	5,725.77	5,725.77	82,399	7%	5,316.31
MCKINLEYVILLE CSD	71,090.26	71,090.26	1,019,529	7%	65,230.23
FIELDBROOK CSD	11,583.75	11,583.75	166,168	7%	20,893.68
BLUE LAKE	12,301.36	12,301.36	185,744	7%	15,898.90
TOTAL MUNIS	\$471,211.15	\$471,211.15	\$6,744,360	7%	\$ 647,741.99
A/B BOND TAXES	\$0.00	\$0.00	\$0	0%	\$0.00
TOTAL RECEIPTS	\$ 575,118.72	\$ 575,118.72	\$8,240,470	7%	\$ 762,859.79

(1) Humboldt County Accounts Investment Account \$7,322.43 & 1% Taxes Account \$216.42 Interest for January - March 2016 and LAIF Interest for period April-June 2016 \$2.18

MISCELLANEOUS RECEIPTS

	JULY	YEAR TO DATE
Administrative		
<i>Parking Lot Rent</i>	\$25.00	\$25.00
<i>Employee Telephone</i>	5.12	5.12
<i>Employee Gas</i>	0.00	0.00
<i>Retirees' Reimbursement of Health Insurance Premium</i>	3,147.69	3,147.69
<i>COBRA Dental Ins & Admin Fee - Retiree</i>	0.00	0.00
<i>COBRA Vision Ins & Admin Fee - Retiree</i>	0.00	0.00
<i>Water Processing Fees</i>	0.00	0.00
<i>Hydrant Rental Deposit</i>	0.00	0.00
<i>Meter Installations</i>	0.00	0.00
<i>Retail Connection Charge</i>	0.00	0.00
<i>Mainline Connection Charge</i>	0.00	0.00
<i>Right of Way Fees</i>	0.00	0.00
<i>Special Event Liability Insurance</i>	0.00	0.00
<i>ACWA/JPIA Retrospective Premium Adjustment</i>	0.00	0.00
<i>ACWA/JPIA Insurance Claim</i>	0.00	0.00
<i>Dividend Check (Principal Life)</i>	0.00	0.00
<i>Bad Debt Recovery</i>	0.00	0.00
<i>Miscellaneous Payments for Copies &/or Postage Costs</i>	26.25	26.25
<i>Diesel Fuel Tax Refund</i>	0.00	0.00
<i>Park Use Fees</i>	0.00	0.00
<i>Sequoia Investments X, LLC - Hog Island Project</i>	0.00	0.00
<i>PG&E - CPUC Mandated Gas Credit</i>	96.47	96.47
Ruth Area		
<i>Use of Ruth Cabin</i>	75.00	75.00
<i>RLCSD-Water System Permit Fees</i>	0.00	0.00
<i>Ruth Area Water Use Permit</i>	0.00	0.00
<i>Buffer Strip Right of Way License Fee</i>	0.00	0.00
<i>Ruth Buffer Strip PG&E Right of Way Fees</i>	0.00	0.00
<i>Ruth Sale of Merchantable Timber</i>	0.00	0.00
<i>Ruth Sale of Surplus Gravel</i>	0.00	0.00
<i>Don Bridge Lease</i>	0.00	0.00
Miscellaneous		
<i>Other</i>	0.00	0.00
Total Miscellaneous Receipts	\$3,375.53	\$ 3,375.53
OTHER RECEIPTS or GRANTS		
<i>Prop 84 - Ranney Collector 1</i>	0.00	0.00
<i>CalEMA Blue Lake/Fieldbrook Pipeline Crossing(Note1)</i>	0.00	0.00

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HUMBOLDT BAY MUNICIPAL WATER DISTRICT
TOTAL EXPENDITURES
AT JULY 31, 2016 (1 MONTHS - 8.33%)

SECTION 2b, PAGE NO. 4

	JULY EXPENSES	YTD TOTAL 7/31/2016	BUDGET	% OF BUDGET	TOTAL 7/31/2015
PAYROLL:					
Regular	\$155,528.07	\$155,528.07	\$ 1,917,832	8%	\$161,181.75
Part-Time	4,126.75	4,126.75	53,600	8%	4,344.38
Overtime	1,166.74	1,166.74	35,000	3%	1,651.55
Standby	6,406.79	6,406.79	80,000	8%	6,219.43
Pay Differential	778.96	778.96	11,500	7%	695.68
Deferred Compensation	1,275.00	1,275.00	30,600	4%	1,275.00
Employee Assistance Plan	75.20	75.20	1,078	7%	80.96
Director Compensation	1,280.00	1,280.00	26,000	5%	2,160.00
Director - Secretary Fees	262.50	262.50	3,200	8%	262.50
Taxes/Benefits	247,009.82	247,009.82	1,437,324	17%	241,290.29
TOTAL PAYROLL	\$ 417,909.83	\$ 417,909.83	\$ 3,596,134	12%	\$ 419,161.54
SERVICE & SUPPLY					
O & M					
Engineering	\$2,062.25	\$2,062.25	\$ 75,000	3%	\$4,277.09
Maint., Repairs, Supplies	7,401.04	7,401.04	115,000	6%	8,559.05
TRF Maint, Repairs, Supplies	147.54	147.54	55,000	0%	2,794.03
Lab	0.00	0.00	13,000	0%	0.00
Auto Maintenance	1,519.27	1,519.27	46,000	3%	1,560.87
Radio Maintenance	507.63	507.63	10,500	5%	254.29
USGS Meter Station	0.00	0.00	7,800	0%	0.00
Ruth Lake License	0.00	0.00	1,500	0%	0.00
A&G					
Accounting Services	0.00	0.00	\$ 30,000	0%	0.00
Legal	558.00	558.00	28,000	2%	2,442.50
Professional Services	933.47	933.47	20,000	5%	0.00
Insurance	0.00	0.00	105,000	0%	0.00
Telephone/Internet	3,932.36	3,932.36	46,000	9%	3,841.65
Office Building Maintenance	792.64	792.64	18,000	4%	2,401.99
Office Expense	2,219.87	2,219.87	52,000	4%	3,760.86
Travel & Conference	454.17	454.17	25,000	2%	847.32
Dues & Subscriptions	363.77	363.77	15,500	2%	191.40
Technical Training	0.00	0.00	11,000	0%	270.00
County Tax Fee	0.00	0.00	21,000	0%	0.00
County Property Taxes	0.00	0.00	1,100	0%	0.00
LAFCO	0.00	0.00	4,500	0%	0.00
Regulatory Agency Fees	2,894.29	2,894.29	75,000	4%	0.00
Ruth Lake Programs	0.00	0.00	5,000	0%	0.00
Miscellaneous	635.74	635.74	11,500	6%	288.01
TOTAL SERVICE/SUPPLIES W/OUT POWER	\$24,422.04	\$24,422.04	\$ 792,400	3%	\$31,489.06
POWER					
Essex Pacific Gas & Electric	\$54,502.47	\$54,502.47			\$51,228.28
Fuel For 2 MW Generator	0.00	0.00			0.00
<i>Subtotal Essex Pumping</i>	\$54,502.47	\$54,502.47	561,863.00	10%	\$51,228.28
All Other Pacific Gas & Electric	7,286.25	7,286.25	78,137		4,475.31
POWER EXPENSE SUBTOTAL	\$61,788.72	\$61,788.72	\$ 640,000	10%	\$55,703.59
TOTAL SERVICE/SUPPLIES WITH POWER	\$86,210.76	\$86,210.76	\$ 1,432,400	6%	\$87,192.65
PROJECTS, FIXED ASSETS & CONSULTING SERVICES					
	\$142,769.45	\$142,769.45	\$ 5,349,550	3%	\$55,249.47
TOTAL OPERATING	\$646,890.04	\$646,890.04	\$ 10,378,084	6%	\$561,603.66
DEBT SERVICE - SRF LOAN (1)	\$0.00	\$0.00	\$ 547,337	0%	\$273,668.48
TOTAL EXPENDITURES	\$646,890.04	\$646,890.04	\$ 10,925,421	6%	\$835,272.14
DEBT SERVICE - US Bank	\$0.00	\$0.00	\$ 162,200	0%	\$0.00

I. CAPITAL PROJECTS	JULY EXPENSES	YTD TOTAL 7/31/2016	BUDGET	% OF BUDGET
A. Projects Charged to All Customers via Price Factor 2 (BWF)				
SCADA System Upgrade - Phase 2	\$0.00	\$0.00	381,100	0%
Replacement of Check Valves for 1-1, 1-2 & 1-4	0.00	0.00	30,750	0%
Replace Collector 2, Pump 2-2 Motor	0.00	0.00	55,000	0%
Replace 12Kv Switchgear Roof	0.00	0.00	2,250	0%
Mainline Valve Replacement	0.00	0.00	100,000	0%
Electrical Shop Upgrade - Phase 2	0.00	0.00	7,250	0%
1 Mg Domestic Water Reservoir Roof & Painting	470.50	470.50	602,000	0%
Replace Chlorine Booster Pumps	0.00	0.00	12,250	0%
New Valve below 1 Mg Domestic Reservoir	0.00	0.00	30,000	0%
Replace Ruth Bunkhouse	0.00	0.00	403,500	0%
Replace Ruth HQ Septic System	0.00	0.00	15,000	0%
Plan to Replace Ruth Hydro Protective Relays	0.00	0.00	15,000	0%
SUBTOTAL A:	\$470.50	\$470.50	1,654,100	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)				
TRF SCADA System Upgrade - Phase 2	\$0.00	\$0.00	100,000	0%
Raise Containment Wall Around Sodium Hypochlorite Tank	0.00	0.00	6,500	0%
SUBTOTAL B:	\$0.00	\$0.00	106,500	0%
C. Projects Funded by Other Sources (BWF)				
Blue Lake/FGCSD River Crossing Funded by Prop 84 & FEMA Grants	\$0.00	\$0.00	630,000	0%
Ranney Collector 1 & 1A Laterals Partially funded through Prop 84 Grant & Adv. Charges	125,184.36	125,184.36	2,140,500	6%
SUBTOTAL C:	\$125,184.36	\$125,184.36	2,770,500	5%
TOTAL CAPITAL PROJECTS:	\$125,654.86	\$125,654.86	4,531,100	3%

Annual Capital Project Limitation (per Section 7.2.5 of Ordinance 16)
Amount that can be charged to wholesale customers in a fiscal year.

FY2014/15 Annual Limit
Total charged to date
Balance Remaining

While the total projects expenditures are budgeted at \$5,349,550, the actual wholesale customer charges are \$2,464,600. Capital Projects C and Professional & Consulting Services C is the listing of Projects Funded by Other Sources. In addition the Ranney Collector 3 and Techite Pipeline Replacement projects have been partially funded with financing over 10 years. Only the annual debt service for these financed projects are being charged to the wholesale customers.

I. FIXED ASSETS	JULY		YTD TOTAL 7/31/2016	BUDGET	% OF BUDGET
	EXPENSES	BUDGET			
A. Projects Charged to All Customers via Price Factor 2 (BWF)					
Essex- Replace Two Administrative Computers	\$0.00	4,500	\$0.00	4,500	0%
Essex- Replace Two Laptop Computers - Ruggedized	0.00	6,500	0.00	6,500	0%
Collector 3 Emergency Generator Connection	0.00	3,750	0.00	3,750	0%
Replace Ingersoll Rand Mobile Air Compressor	0.00	22,500	0.00	22,500	0%
Purchase Shop Manual & Diagnostic Equipment to service Heavy Fleet Vehicles	0.00	9,750	0.00	9,750	0%
Replace Unit 15	0.00	46,250	0.00	46,250	0%
Purchase Precision Measuring Equipment	0.00	3,500	0.00	3,500	0%
Purchase Engine Driven Air Compressor for Unit 8	0.00	2,500	0.00	2,500	0%
Replace Towable Portable Restroom	0.00	3,500	0.00	3,500	0%
Replace Warren Creek Pipeline Meter Manifold	0.00	8,000	0.00	8,000	0%
Conduit Bending Machine	0.00	8,000	0.00	8,000	0%
Eureka - Replace Computer - Part 1	0.00	2,500	0.00	2,500	0%
Eureka - Replace Computer - Part 2	0.00	2,500	0.00	2,500	0%
SUBTOTAL A:	\$0.00	123,750	\$0.00	123,750	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
TRF Spare Parts Inventory	\$0.00	4,000	\$0.00	4,000	0%
SUBTOTAL B:	\$0.00	4,000	\$0.00	4,000	0%
TOTAL FIXED ASSETS PROJECTS:	\$0.00	127,750	\$0.00	127,750	0%

II. MAINTENANCE PROJECTS	JULY		YTD TOTAL 7/31/2016	BUDGET	% OF BUDGET
	EXPENSES	BUDGET			
A. Charged to All Customers via Price Factor 2 (BWF)					
Paint Collector 3	\$0.00	19,250	\$0.00	19,250	0%
Pipeline Maintenance	0.00	13,500	0.00	13,500	0%
12KV Electric System Maintenance	0.00	4,000	0.00	4,000	0%
Mainline Meter Flow Calibration	572.83	6,000	572.83	6,000	10%
Technical Support & Software Updates to Include Control System	4,815.00	19,250	4,815.00	19,250	25%
Generator Service	0.00	3,500	0.00	3,500	0%
Hazard & Diseased Tree Removal	0.00	6,250	0.00	6,250	0%
Catholic Protection	0.00	6,500	0.00	6,500	0%
Maintenance Emergency Repair	0.00	50,000	0.00	50,000	0%
Fleet Paint Repairs	0.00	5,000	0.00	5,000	0%
AC Pipe Disposal	0.00	8,500	0.00	8,500	0%
Replace Two Doors at Essex	0.00	5,000	0.00	5,000	0%
Repair/Upgrade Line Shed 6	0.00	28,250	0.00	28,250	0%
Brush Abatement at Ruth Dam	0.00	5,540	0.00	5,540	0%
Ruth HQ Tree Removal	0.00	4,250	0.00	4,250	0%
Ruth HQ Remodel Project	0.00	4,000	0.00	4,000	0%
Ruth Hydro - Howell Bunger Valve Inspection	0.00	1,110	0.00	1,110	0%
SUBTOTAL A:	\$5,387.83	189,900	\$5,387.83	189,900	3%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
TRF - Generator Service	\$0.00	500	\$0.00	500	0%
TRF Limotorque Valve Retrofit Supplies - Phase 1	0.00	15,750	0.00	15,750	0%
SUBTOTAL B:	\$0.00	16,250	\$0.00	16,250	0%
TOTAL MAINTENANCE PROJECTS:	\$5,387.83	206,150	\$5,387.83	206,150	3%

III. PROFESSIONAL & CONSULTING SERVICES	JULY		YTD TOTAL		% OF BUDGET
	EXPENSES	7/31/2016	BUDGET	BUDGET	
A. Charged to All Customers via Price Factor 2 (BWF)					
Collector 1 Transformer & Electrical Evaluation	\$0.00	\$0.00	5,000	5,000	0%
Collector 1 Pump & Motor Upgrades	0.00	0.00	13,000	13,000	0%
Collector 1 Lateral Evaluation Report	0.00	0.00	5,000	5,000	0%
Crane Testing/Certification	0.00	0.00	6,500	6,500	0%
Essex Trolley/Cable Car Inspection	138.50	138.50	10,000	10,000	1%
Essex Septic System Construction Assistance	0.00	0.00	4,000	4,000	0%
Essex Mad River Cross-Sectional Survey	363.00	363.00	10,000	10,000	4%
Mad River Watershed Regulatory Compliance	0.00	0.00	50,000	50,000	0%
Spill Prevention Control & Countermeasure Plan Updates (Ruth Marina & Essex)	138.50	138.50	6,500	6,500	2%
CIP Financial Plan Update	0.00	0.00	25,000	25,000	0%
Catholic Protection Review/Inspection	0.00	0.00	9,500	9,500	0%
Techite Pipeline Replacement - Final Inspection & Report	1,206.50	1,206.50	9,000	9,000	13%
Dune Monitoring Program - Component of Coastal Conservancy Climate Ready Grant	2,000.00	2,000.00	2,000	2,000	100%
GIS/Facilities Information System	0.00	0.00	10,000	10,000	0%
GIS/Facilities Information System - Ruth	0.00	0.00	4,000	4,000	0%
Backflow Tester Training	0.00	0.00	3,000	3,000	0%
Control Software Training	0.00	0.00	15,000	15,000	0%
Technical Training	0.00	0.00	5,750	5,750	0%
Industrial Water Reservoir Condition Assessment	0.00	0.00	8,000	8,000	0%
Licensed Timber Operator	0.00	0.00	5,000	5,000	0%
FERC Dam Safety Surveillance & Monitoring Report(DSSMR)/FERC Dam Safety Review (Part 12)	0.00	0.00	3,000	3,000	0%
FERC Chief Dam Safety Engineer	0.00	0.00	10,000	10,000	0%
FERC Part 12 - GEI	0.00	0.00	10,000	10,000	0%
FERC Part 12 - Cardno	0.00	0.00	20,000	20,000	0%
FERC Part 12 Independent Consultant Inspection and Engineering Support - GHD	1,360.01	1,360.01	11,000	11,000	12%
Grant Applications	0.00	0.00	20,000	20,000	0%
Public Education	0.00	0.00	5,000	5,000	0%
Water Resources Planning	0.00	0.00	50,000	50,000	0%
SUBTOTAL A:	\$5,206.51	\$5,206.51	335,250	335,250	2%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
Chlorine System Maintenance	\$123.98	\$123.98	16,100	16,100	1%
SUBTOTAL B:	\$123.98	\$123.98	16,100	16,100	1%
C. Projects Funded by Other Sources (BWF)					
Surge Tower Replacement - CEQA, Bidding & Construction Assistance] Funded by FEMA Grant	\$0.00	\$0.00	50,000	50,000	0%
Quagga Grant/RLCSD] CA Dept of Boating & Waterways	0.00	0.00	9,150	9,150	0%
SUBTOTAL C:	\$0.00	\$0.00	59,150	59,150	0%
TOTAL PROFESSIONAL & CONSULTING SERVICES:	\$5,330.49	\$5,330.49	410,500	410,500	1%

IV. INDUSTRIAL SYSTEM PROJECTS			
A. Charged to All Customers via Price Factor 2 (BWF)	JULY EXPENSES	YTD TOTAL 7/31/2016	% OF BUDGET
- Maintain Water Supply to Industrial Pump Station (Pump Station 6) During Low-Flow Months	\$0.00	\$0.00	0%
SUBTOTAL A.	\$0.00	\$0.00	0%
B. Charged to Municipal Customers via PF2 (DWTF)			
	\$0.00	\$0.00	0%
SUBTOTAL B.	\$0.00	\$0.00	0%
TOTAL INDUSTRIAL SYSTEM PROJECTS:	\$0.00	\$0.00	0%
CARRY-OVER PROJECTS FROM 2015/16			
I. CAPITAL PROJECTS			
A. Charged to All Customers via Price Factor 2 (BWF)	JULY EXPENSES	YTD TOTAL 7/31/2016	% OF BUDGET
Replace Essex Septic System	\$0.00	\$0.00	0%
Repair/Upgrade Park Restrooms	0.00	0.00	0%
Upgrade Ethernet Radio Modems/PLC Systems at Samoa Booster Pump Station	0.00	0.00	0%
Repair Ruth HQ Master Bath/Laundry Room	61.08	61.08	4%
Ruth Hydro - Install Auto Synchronizer System	0.00	0.00	0%
SUBTOTAL A.	\$61.08	\$61.08	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)			
Remodel TRF Line Shed 5	\$98.44	\$98.44	5%
SUBTOTAL B.	\$98.44	\$98.44	5%
Subtotal Capital Projects	\$159.52	\$159.52	1%
I. FIXED ASSETS			
A. Charged to All Customers via Price Factor 2 (BWF)	JULY EXPENSES	YTD TOTAL 7/31/2016	% OF BUDGET
Install Signal Amplifier at Mt. Pierce	\$0.00	\$0.00	0%
SUBTOTAL A.	\$0.00	\$0.00	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)			
	\$0.00	\$0.00	0%
SUBTOTAL B.	\$0.00	\$0.00	0%
Subtotal Fixed Assets Projects	\$0.00	\$0.00	0%

CARRY-OVER PROJECTS FROM 2015/16 Continued

II. MAINTENANCE PROJECTS				
A. Charged to All Customers via Price Factor 2 (BWF)				
Replace Eyewash/Shower Station and Drain System	\$0.00	\$0.00	800	0%
Large Business & Fire Service Meter Calibration & Maintenance	0.00	0.00	15,000	0%
Ruth Spillway Bridge Painting	0.00	0.00	5,000	0%
SUBTOTAL A.	\$0.00	\$0.00	20,800	0%

B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)				
SUBTOTAL B.	\$0.00	\$0.00	0	0%
Subtotal Maintenance Projects	\$0.00	\$0.00	20,800	0%

III. PROFESSIONAL & CONSULTING SERVICES				
A. Charged to All Customers via Price Factor 2 (BWF)				
Crane Operator Training	\$0.00	\$0.00	7,000	0%
Focused Engineering Studies	6,236.75	6,236.75	10,000	62%
Hydro Assessment & Analysis	0.00	0.00	5,000	0%
SUBTOTAL A.	\$6,236.75	\$6,236.75	22,000	28%

B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)				
SUBTOTAL B.	\$0.00	\$0.00	0	0%

Subtotal Professional & Consulting Projects	\$6,236.75	\$6,236.75	22,000	28%
2015/16 CARRYOVER PROJECTS TOTAL	\$6,396.27	\$6,396.27	60,800	11%

PROJECTS GRAND TOTAL:	\$142,769.45	\$142,769.45	5,349,550	3%
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Less Projects Funded from Other Sources (Grants/Loans/Advanced Charges/Reserves)	\$125,184.36	\$125,184.36	2,884,950	4%
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PF2 Project Total Charged to Customers excluding Debt Service (US Bank)	\$17,585.09	\$17,585.09	2,464,600	1%
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Humboldt Bay Municipal Water District
Overtime Pay
July 2016

	51		52		54		56		58		TOTAL	
	Hours	Jul 16	Hours	Jul 16	Hours	Jul 16	Hours	Jul 16	Hours	Jul 16	Hours	Jul 16
Employee Wages, Taxes and Adjustm...												
Gross Pay												
Overtime	6.25	330.46	14	758.07	0.5	8.63	0.75	43.43	0.5	26.15	22.00	1,166.74
Total Gross Pay	6.25	330.46	14	758.07	0.5	8.63	0.75	43.43	0.5	26.15	22.00	1,166.74
Adjusted Gross Pay	6.25	330.46	14	758.07	0.5	8.63	0.75	43.43	0.5	26.15	22.00	1,166.74
Net Pay	6.25	330.46	14	758.07	0.5	8.63	0.75	43.43	0.5	26.15	22.00	1,166.74
Employer Taxes and Contributions		0.00		0.00		0.00		0.00		0.00		0.00

51 - Ruth

52 - Pumping & Control

53 - Water Treatment

54 - Maintenance & Operation

55 - Customer Service

56 - Administration

58 - Ruth Hydro

Humboldt Bay Municipal Water District Expenses by Vendor Detail

SECTION J2b, PAGE NO. 11

July 2016

Memo	Amount
101Netlink	
Ruth Data Link/Internet	-160.00
Total 101Netlink	-160.00
Advanced Display & Signs	
signs for Collector 1 & 1A Lateral Replacement	-88.29
Total Advanced Display & Signs	-88.29
Advanced Security Systems	
Ruth Hydro Quarterly Alarm monitoring	-73.50
Total Advanced Security Systems	-73.50
Arcata Garbage	
Essex garbage	-470.20
Total Arcata Garbage	-470.20
AT & T	
Ruth HQ	
TRF	
Essex office	
Eureka office	-39.16
Ruth Hydro	
Valve Building Samoa	
Ruth HQ	-87.30
TRF	-243.17
Essex office	-56.81
Eureka office	-6.32
Ruth Hydro	-564.19
Valve Building Samoa	-83.85
Total AT & T	-1,080.80
AT&T	
Eureka/Essex Landline	-35.32
Arcata/Essex Landline	-35.32
Samoa/Essex Landline	-236.85
Blue Lake Meter Signal Line	-60.98
Eureka Office	-107.40
Eureka Office Alarm Line	-38.68
Samoa Booster Pump Station	-72.01
Valve Building-Samoa	-107.40
Eureka Office	-298.66
Essex Office	-554.28
TRF	-267.62
Ruth Data Line	-104.35
Total AT&T	-1,918.87
AT&T Advertising Solutions	
white page listing	-21.00
Total AT&T Advertising Solutions	-21.00
Campton Electric Supply	
TRF Maintenance	-213.00
Total Campton Electric Supply	-213.00
City of Eureka	
Eureka office water/sewer	-50.76
Total City of Eureka	-50.76
Coast Counties Truck & Equipment Company	
Unit 10 maintenance	-62.67
Total Coast Counties Truck & Equipment Company	-62.67
Coastal Business Systems Inc.	
Eureka office copy and fax machine	-563.00
Total Coastal Business Systems Inc.	-563.00

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

SECTION J2b PAGE NO. 12

08/02/16

July 2016

Memo	Amount
Don's Rent-All, Inc	
Remodel TRF Line Shed 5	-27.19
Total Don's Rent-All, Inc	-27.19
Eagle Eye Power Solutions, LLC	
Replace Ruth Hydro 125VDC Power System (Battery Bank)	-811.00
Total Eagle Eye Power Solutions, LLC	-811.00
ESRI, Inc	
Annual GIS Software Maintenance Support for Essex Office	-3,880.00
Annual GIS Software Maintenance Support for Eureka Office	-500.00
Total ESRI, Inc	-4,380.00
Eureka-Humboldt Fire Ext.,Co, Inc	
Eureka annual fire extinguisher maintenance	-44.25
credit from Essex annual fire extinguisher maintenance	16.49
Total Eureka-Humboldt Fire Ext.,Co, Inc	-27.76
Eureka Oxygen	
cylinder rental	-99.20
Total Eureka Oxygen	-99.20
Fastenal Company	
Shop supplies	-73.62
Safety supplies	-115.32
Total Fastenal Company	-188.94
FEDEX	
mail payment to FERC Part 12 Consultant	-34.23
return ACWA/JPIA training tapes	-16.05
Total FEDEX	-50.28
Ferguson Waterworks	
Fieldbrook-Glendale CSD Mainline Meter Repair	-572.83
Total Ferguson Waterworks	-572.83
Fernbridge Tractor & Equipment Company	
equipment repair	-65.56
Total Fernbridge Tractor & Equipment Company	-65.56
Friends of the Dunes	
Coastal Conservancy Climate Ready Grant for Coastal Dune Vulnerability and Adaption	-2,000.00
Total Friends of the Dunes	-2,000.00
Frontier Communications	
Ruth HQ	-50.89
Ruth Hydro	-158.59
Total Frontier Communications	-209.48
GEI Consultants, Inc	
FERC Part 12 Safety Inspection	-518.78
Total GEI Consultants, Inc	-518.78
Genesis Computer Systems, Inc	
Annual Antivirus software update	-435.00
Total Genesis Computer Systems, Inc	-435.00

Humboldt Bay Municipal Water District Expenses by Vendor Detail

July 2016

Memo	Amount
GHD	
(67091) Trolley Car/Cable Inspection	-138.50
(67086) Collector 1 & 1A Lateral Replacement	-10,250.50
(67098) Spill Prevention Containment Control Essex and Ruth	-138.50
(67096) 1 MG Reservoir Roof Replacement Design	-470.50
(67093) FERC Part 12 Assistance	-138.50
(67095) Mad River Cross Sections Survey @ Essex	-363.00
(67083) Sequoia Investments - Hog Island Analysis	-138.50
(67084) Focused Engineering Study - Collector Raw Water Mainline Single Point of Failure	-6,236.75
(67088) General Engineering - Ruth Lake	-550.00
(67088) General Engineering - Essex	-800.75
(67088) General Engineering - Eureka	-573.00
(67088) General Engineering - FERC Part 12 PFM review	-668.50
(67120) Techite CDP Final Observation & Reporting	-1,206.50
Total GHD	-21,673.50
Harbor Freight Tools	
shop supplies	-22.80
Total Harbor Freight Tools	-22.80
Hensel Hardware	
shop supplies	-97.58
Total Hensel Hardware	-97.58
Humboldt Fasteners	
marking paint	-50.90
replace drill-driver for Electrical maintenance	-444.79
Total Humboldt Fasteners	-495.69
Humboldt Redwood Company, LLC	
Mt Pierce Lease site	-257.63
Total Humboldt Redwood Company, LLC	-257.63
Humboldt Waste Management Authority	
dispose of construction waste	-333.46
Total Humboldt Waste Management Authority	-333.46
John Friedenbach	
expense reimbursement to attend ACWA/JPIA Leadership training	-454.17
Total John Friedenbach	-454.17
Kennedy/Jenks Consultants	
Assistance with review of 2015 Urban Water Management Plan	-130.00
Total Kennedy/Jenks Consultants	-130.00
Layne Christensen Company	
Collector 1 & 1A Rehabilitation Project - Progress Payment 1	-114,285.00
Total Layne Christensen Company	-114,285.00
Mad River Union	
position advertisement - Maintenance Worker	-60.00
Total Mad River Union	-60.00
Matthews Paints, Inc.	
replace pressure washer hose	-136.05
Total Matthews Paints, Inc.	-136.05
McMaster-Carr Supply	
safety signs	-43.04
safety equipment	-140.18
Total McMaster-Carr Supply	-183.22
Mendes Supply Company	
Eureka office maintenance supplies	-38.32
Total Mendes Supply Company	-38.32

Humboldt Bay Municipal Water District Expenses by Vendor Detail

July 2016

SECTION J2b PAGE NO. 14

Memo	Amount
Miller Farms Nursery	
shop supplies	-32.49
safety supplies	-75.54
Collector 1 & 1A Lateral Replacement	-64.67
TRF gate repair	-147.54
right of way maintenance	-128.67
Total Miller Farms Nursery	-448.91
Mission Linen	
maintenance supplies	-32.63
Uniform Rental	-674.08
Total Mission Linen	-706.71
Mitchell, Brisso, Delaney & Vrieze	
Legal services June 2016	-558.00
Total Mitchell, Brisso, Delaney & Vrieze	-558.00
Napa Auto Parts	
JD 110 tractor maintenance	-29.68
vehicle maintenance	-180.17
Total Napa Auto Parts	-209.85
Network Management Services	
EssentialCare Computer Support Service for Eureka office	-368.10
Guard-IT Security Service for Eureka office	-139.99
Recover-IT Backup Solution	-124.99
Domain Management	-3.00
Umbrella- Security	-30.00
Eureka office - Computer assistance	-292.47
Total Network Management Services	-958.55
North Coast Journal, Inc	
position advertisement - Maintenance Worker	-280.00
Total North Coast Journal, Inc	-280.00
North Coast Unified Air Quality Mangement	
2MW Generator @ Essex	-1,268.50
TRF Generator	-755.28
Essex Emergency Generator	-435.22
Ruth Hydro Generator	-435.29
Total North Coast Unified Air Quality Mangement	-2,894.29
Northern California Safety Consortium	
monthly membership	-50.00
Total Northern California Safety Consortium	-50.00
Pacific Gas & Electric Co.	
Ruth Bunkhouse	-50.90
Eureka office	-470.20
Jackson Ranch Rectifier	-20.12
299 Rectifier	-110.06
West End Road Rectifier	-123.77
TRF	-4,671.67
Ruth Hydro Valve Control	-26.69
Ruth Hydro	-19.71
Samoa Booster Pump Station	-1,772.21
Samoa Dial Station	-20.92
Essex Pumping June 1 - 30, 2016	-54,502.47
Total Pacific Gas & Electric Co.	-61,788.72
Pierson Building Center	
Replace Ruth Hydro 125 VDC Power System (Battery Bank)	-87.25
Total Pierson Building Center	-87.25
Pitney Bowes	
postage meter lease	-212.06
Total Pitney Bowes	-212.06

Humboldt Bay Municipal Water District Expenses by Vendor Detail

July 2016

SECTION J2b, PAGE NO. 15

Memo	Amount
Platt Electric Supply	
Chlorine system maintenance	-123.98
Total Platt Electric Supply	-123.98
PPG Architectural Coatings	
Collectors 1 & 1A Lateral Replacement	-495.90
Total PPG Architectural Coatings	-495.90
Recology Humboldt County	
Eureka office garbage/recycling service	-75.27
Total Recology Humboldt County	-75.27
Renner Petroleum	
cardlock fuel - pumping & control	-319.11
cardlock fuel - water quality	-319.11
cardlock fuel - maintenance	-319.11
cardlock fuel - customer service	-319.10
oil inventory	-921.83
Total Renner Petroleum	-2,198.26
Sierra Chemical Company	
replenish chlorine	-1,387.26
Total Sierra Chemical Company	-1,387.26
Sitestar Nationwide Internet	
Essex Internet	-52.90
Total Sitestar Nationwide Internet	-52.90
Staples	
Eureka office supplies	-215.66
Total Staples	-215.66
Stillwater Sciences	
professional assistance - Fish habitat/biologist consultation	-511.00
Total Stillwater Sciences	-511.00
Sudden Link	
Eureka office Internet	-204.95
Total Sudden Link	-204.95
T.P. Tire Service, Inc	
dump trailer tire repair	-30.00
Total T.P. Tire Service, Inc	-30.00
The Mill Yard	
shop supplies	-25.99
Essex window tinting	-29.31
window repair	-97.88
Remodel TRF Line Shed 5	-71.25
Total The Mill Yard	-224.43
Times Printing	
Humboldt Bay envelopes	-181.01
Fieldbrook-Glendale CSD envelopes	-181.02
Total Times Printing	-362.03
Trinity County General Services	
Pickett Peak site lease	-250.00
Total Trinity County General Services	-250.00
Trinity County Solid Waste	
Ruth HQ dump fees	-64.39
Ruth Hydro dump fees	-64.39
Total Trinity County Solid Waste	-128.78

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

SECTION J2b, PAGE NO. 16

July 2016

Memo	Amount
Underground Service Alert	
Annual Membership	-363.77
Total Underground Service Alert	-363.77
US Security Supply	
replace locks at Essex	-566.33
replace locks at Ruth HQ	-256.82
replace locks at Ruth Hydro	-256.83
Total US Security Supply	-1,079.98
USTI, Inc	
eBills Humboldt Bay retail	-11.92
eBills Fieldbrook-Glendale CSD	-14.24
Total USTI, Inc	-26.16
Verizon Wireless	
Operations 1	-1.05
Superintendent	-79.32
Unit 3	-53.70
Electrician	-0.22
Operations 2	-0.89
Water Operations Supervisor	-56.71
Maintenance Supervisor	-43.74
Electrician	-12.50
Unit 6	-4.52
Unit 6	-4.53
Assistant Water Operations Supervisor	-47.96
Spare Operations	-0.22
Total Verizon Wireless	-305.36
William B. Newell	
expense reimbursement for Ruth HQ Master Bath & Laundry Room upgrade	-61.08
expense reimbursement for HBMWD/RLCSD Joint lunch meeting	-295.74
Total William B. Newell	-356.82
TOTAL	<u>-228,842.38</u>

Operations

Memo to: HBMWD Board of Directors
From: Dale Davidsen, Superintendent
Date: August 3, 2016
Subject: Essex/Ruth July Operational Report

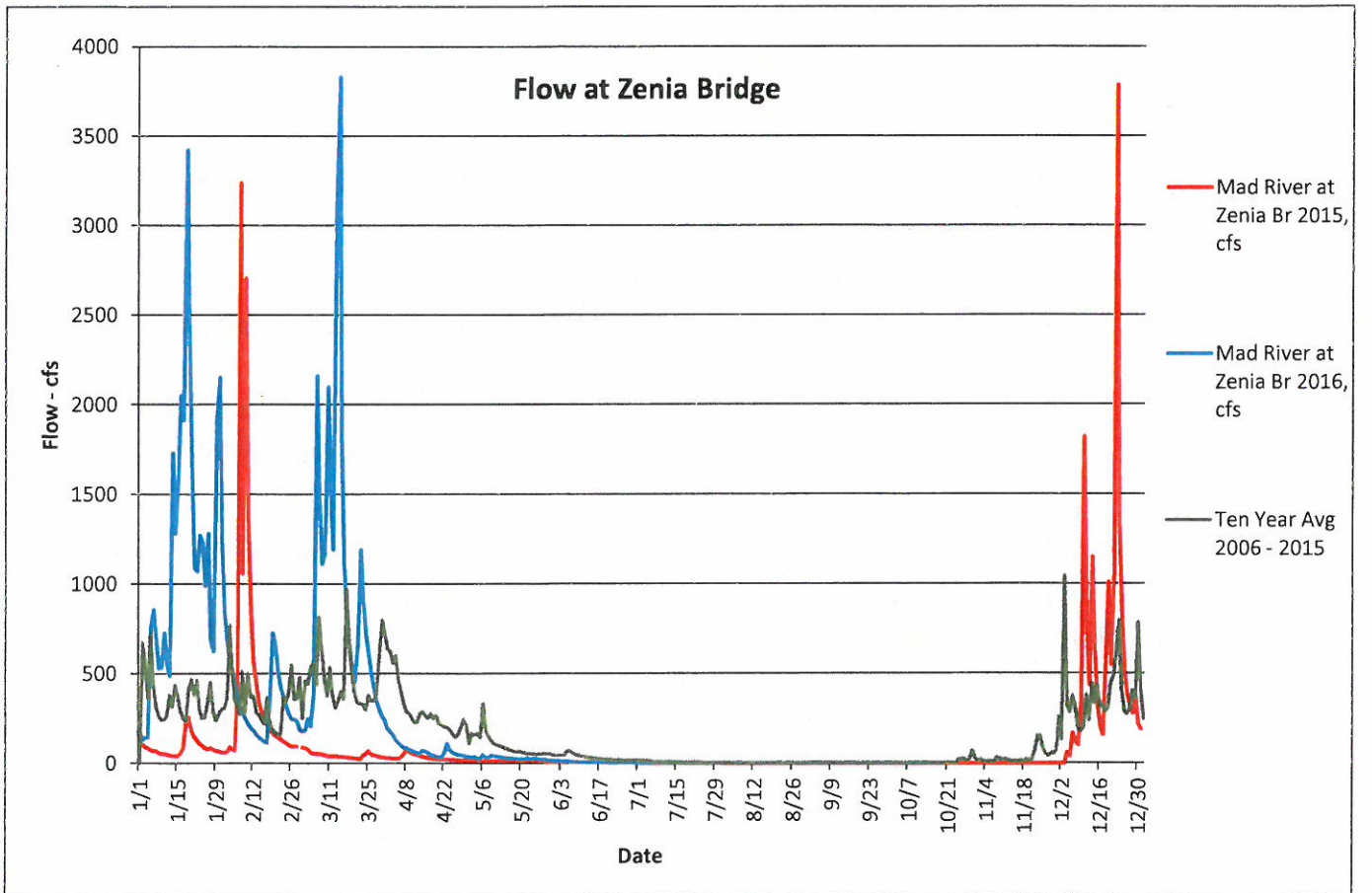
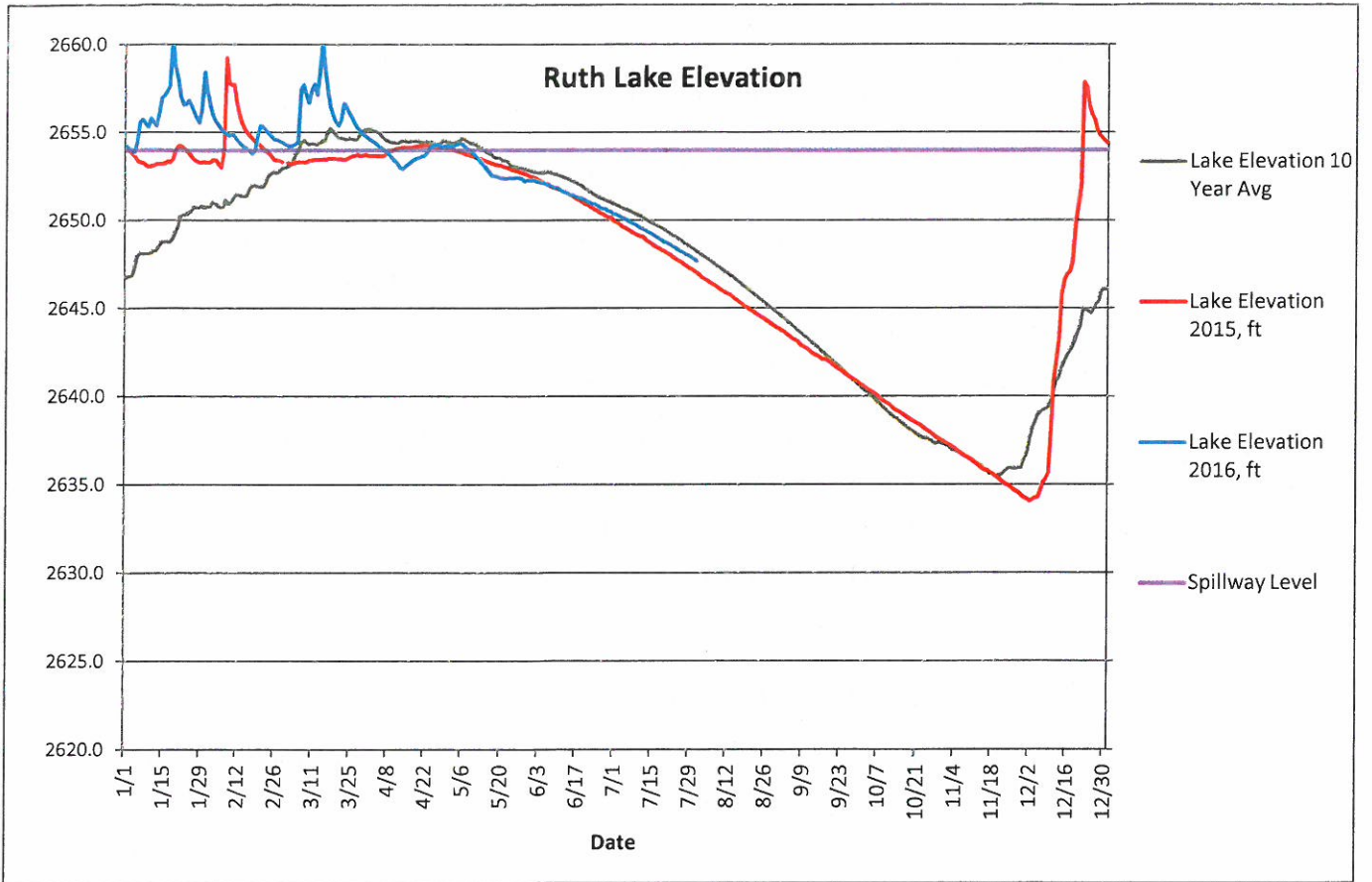
SECTION J3a, PAGE NO. 1

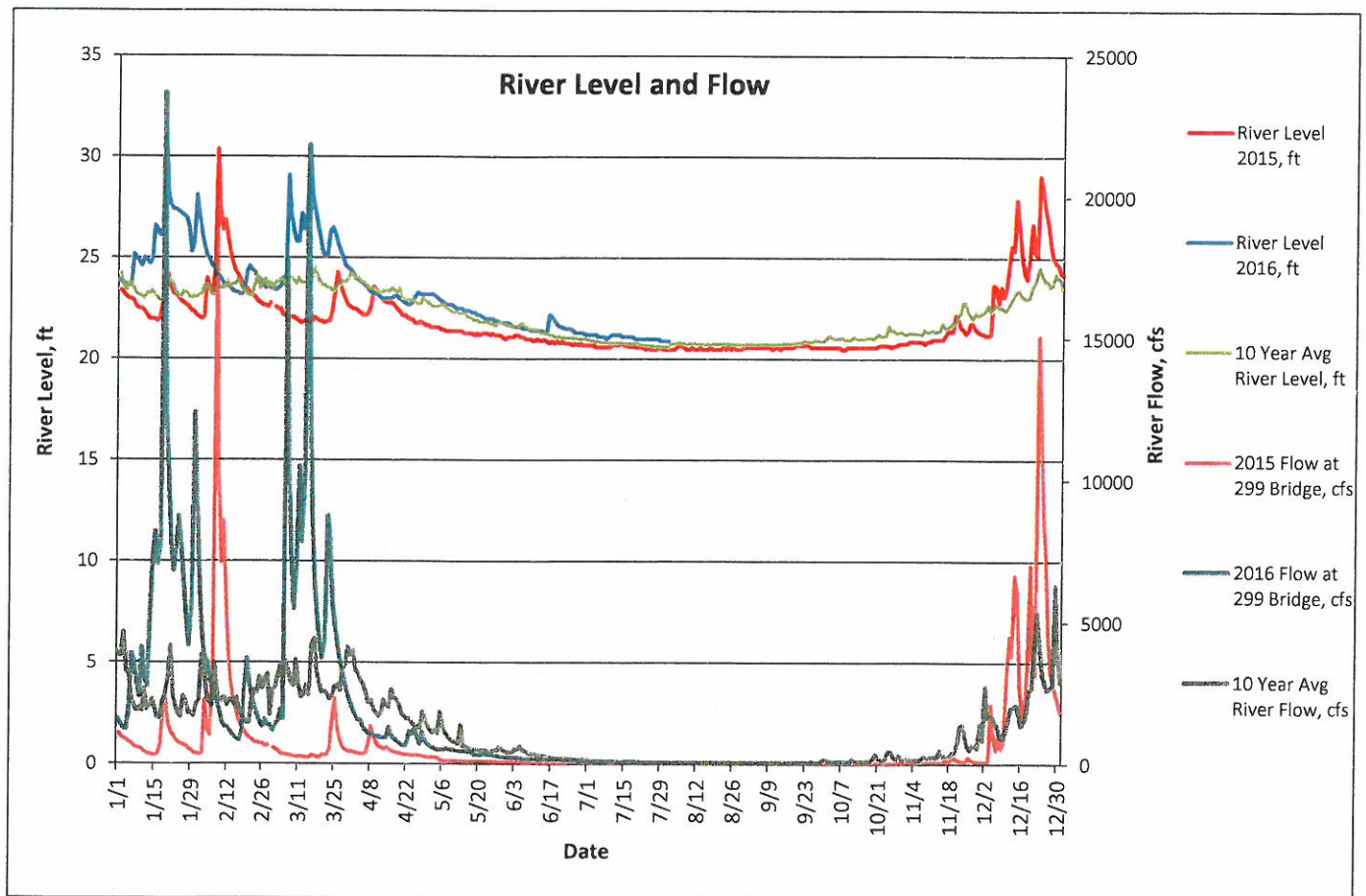
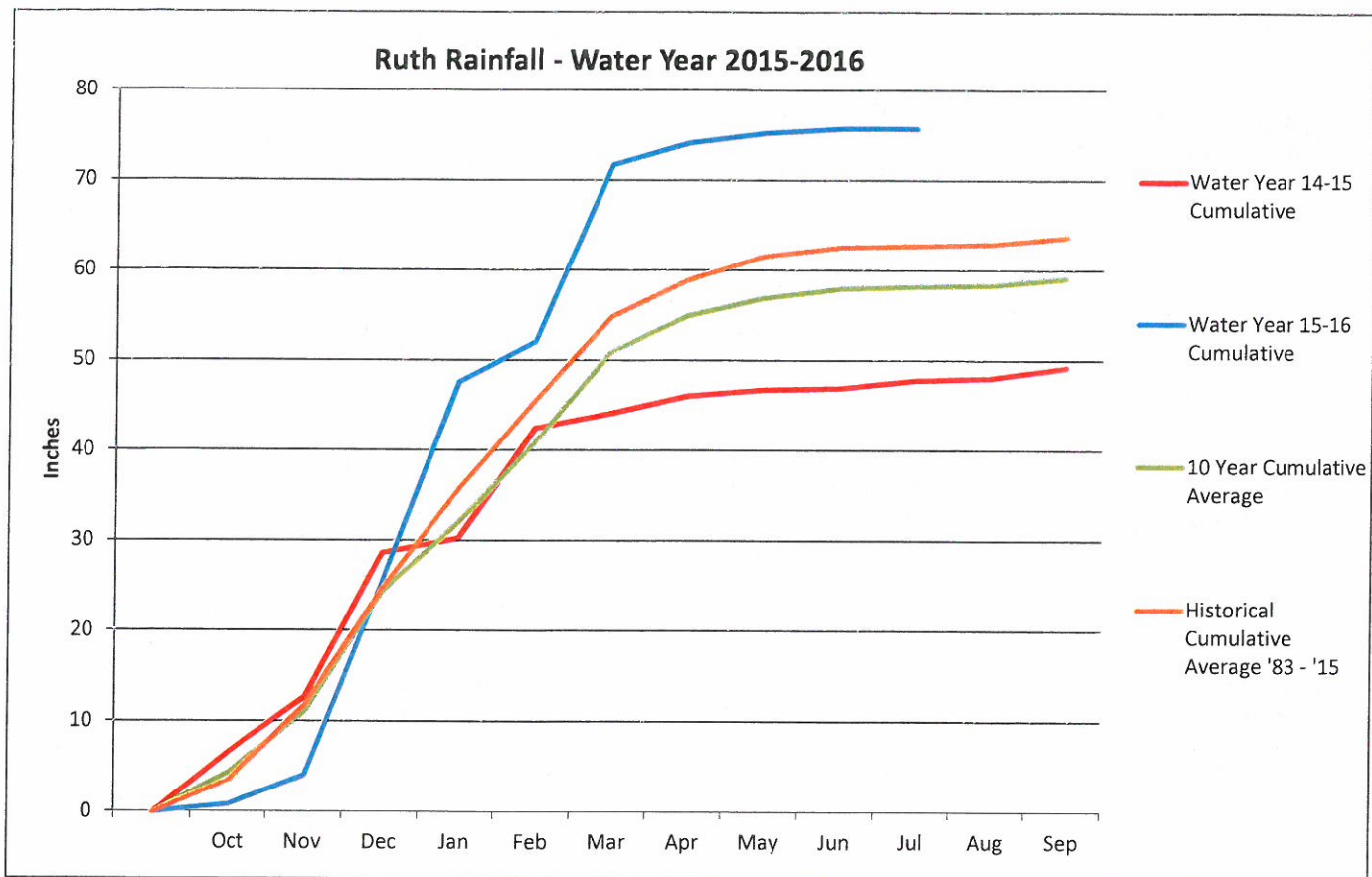
Ruth Lake, Upper Mad River and Hydro Plant

1. The high flow at Mad River above Ruth Reservoir (Zenia Bridge) during the month was measured on July 6 at 2.7 cfs and the low flow was measured on July 29 at 0 cfs.
2. The conditions at Ruth Lake in July were as follows:
 - a. The lake level on July 31, 2016 was 2647.70 feet which is:
 1. 2.68 feet lower than June 30, 2016
 2. 0.65 feet higher than July 31, 2015
 3. 0.42 feet above the ten year average
 4. 6.30 feet below the spillway
3. We measured no rain at Ruth Headquarters during the month of July.
4. Ruth hydro power production was 148,800 kWh during the month with no shutdowns and no lost production.
5. The high discharge flow from the lake this month was 43.9 cfs on July 23 and the low release flow from the lake was 39.0 cfs on July 4.


Winzler Control, TRF and Lower Mad River

6. The river at Winzler Control Center reached a high recorded flow of 99 cfs and a level of 21.2 feet on July 10. The low river flow was on July 29 with a flow of 57 cfs and a level of 20.9 feet.
7. The domestic water conditions for July were as follows:
 - a. The monthly turbidity average was 0.16 ntu, which meets Public Health Secondary Standards.
 - b. We metered 307.805 million gallons at an average of 9.929 mgd.
 - c. The maximum metered daily municipal customer use was 12.469 mgd on July 23.
8. July 5th - James Carl Painting finished painting the hydro plant and shop roofs.
9. July 6th - We held our quarterly SB198 safety meeting.
10. July 8th - The maintenance crew finished removing the pumps from Collector 1 in prep for the Collector 1 lateral project.
11. July 20th - Steve conducted the Respirator training and fit testing safety meeting.
12. July 25th - PG&E inspected the new battery room at the hydro plant. We have not yet gotten a letter of acceptance but the inspection went good and the inspector had no issues. So we expect a letter soon.
13. We are currently in the process of interviewing candidates for the Maintenance Worker position.





Confidential: Documents submitted under General Order 66-C, §§2.8 and PU Code §583

 Pacific Gas and Electric Company® Purchase / Sales Invoice Invoice Number: 72849 Delivery Period Start: 06/01/2016 Delivery Period End: 06/30/2016 Invoice Date: 07/08/2016 Due Date: 07/29/2016 Log Number: 19H051 Account Code: 2320900 Meter Channel: LJ600B Contract Start: 04/10/1983	From: Pacific Gas and Electric Company 77 Beale Street San Francisco, CA 94105	To: HUMBOLDT BAY MWD P. O. Box 95 Eureka, CA 95501
	Contract Manager: Nancy Breckenridge Phone: 415-973-4092 Email: NJB6@pge.com Settlement Analyst: Kimberly Song Phone: 415-973-5815 Fax: 415-973-9505 Email: K5SW@pge.com	Project Name: HUMBOLDT BAY MWD Payment Method: CHECK Vendor Number: 1024538 Contact: Steve Marshall Phone: 707-822-2918 Fax: Email: ops@hbmwd.com

Payment Name	Quantity	Unit	Amount
Energy Payment 06/01/2016 - 06/30/2016	142.249	MWh	\$-3,395.68
As-Delivered Capacity Payment	118.329	MWh	\$-1,289.31
Net Total			\$-4,684.99

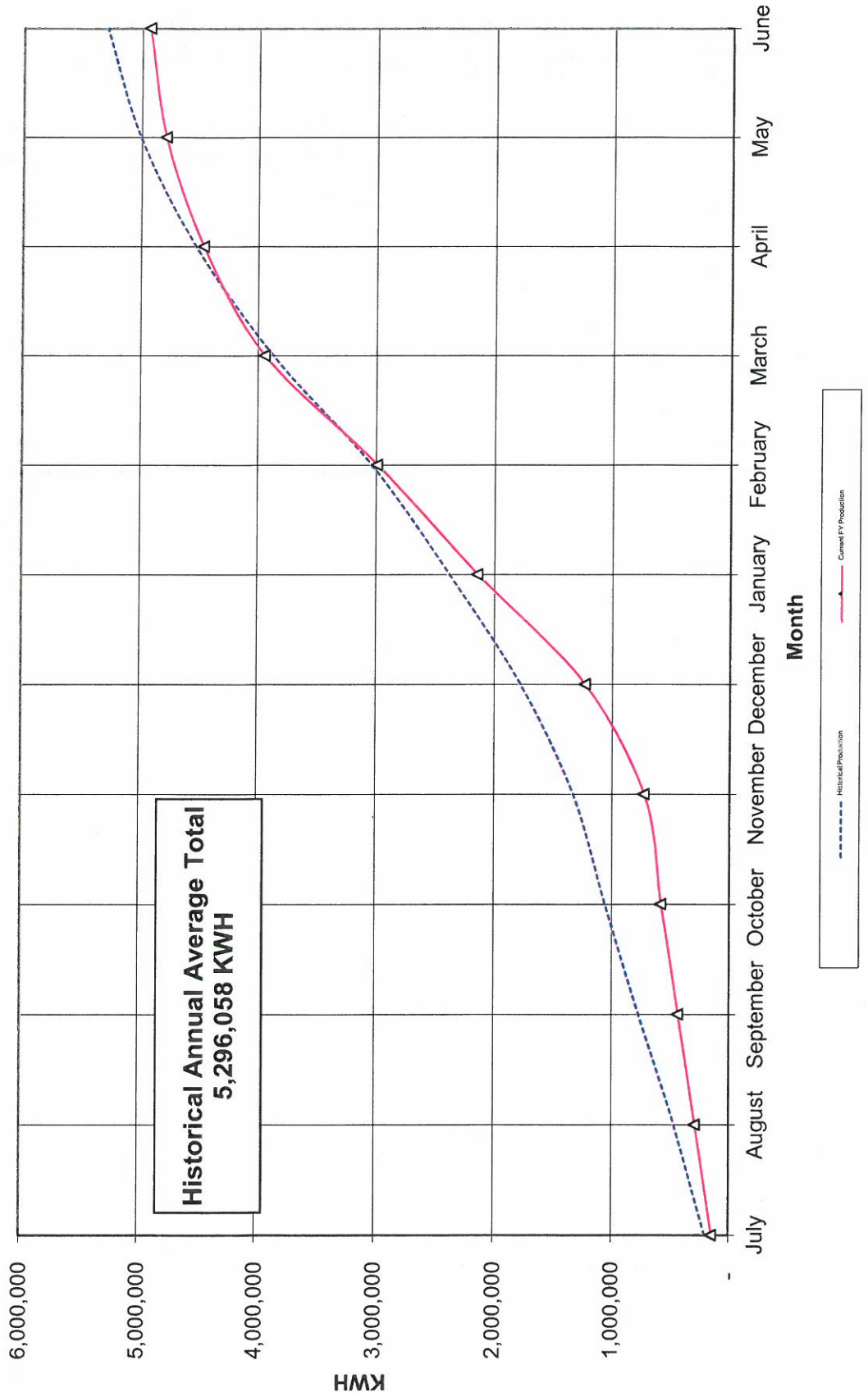
Total Amount Due to HUMBOLDT BAY MWD on Due Date: 07/29/2016**USD \$ 4,684.99**



Humboldt Bay Municipal Water District Ruth Hydro Production Report - Since June 1983

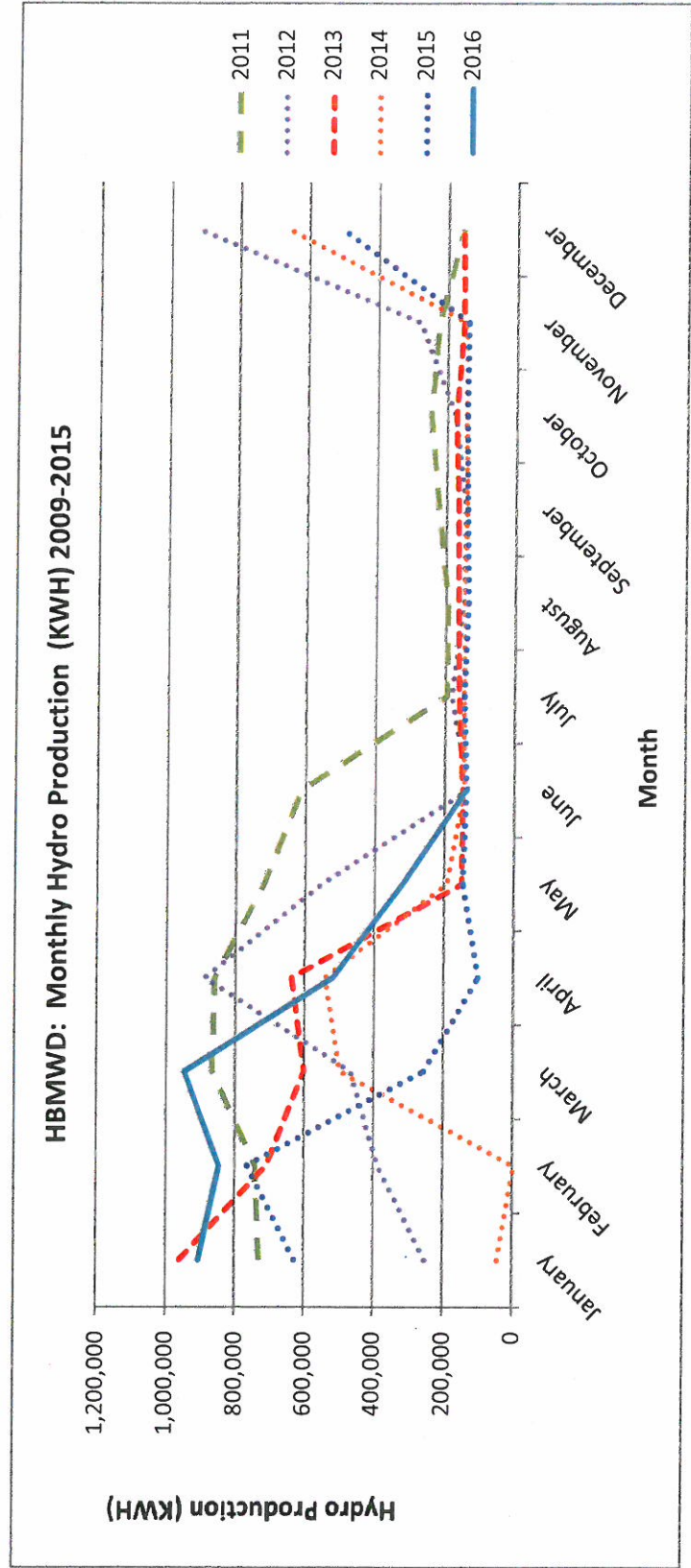
	Total Kwh Production	Production for Period Ending 6/30/2016	Average Monthly Kwh Production
On Peak	11,386,232	25,410	28,753
Part Peak	56,272,008	30,256	142,101
Off Peak	80,717,831	62,662	203,833
Super Off Peak	25,731,620	23,920	64,979
Grand Total	174,107,691	142,248	439,666
Grand Total Revenues		\$8,545,671.26	
No. of Months of Operation		396	
Average \$/Kwh		\$0.0491	

**Historical vs. Actual Cumulative Production
Gosselin Hydroelectric Plant @ Ruth Lake
All Data In Kilowatt Hours**




Humboldt Bay Municipal Water District
 Monthly Hydro Electric Production (KWH) for CY2011 - 2016

Month	2011	2012	2013	2014	2015	2016
January	731,895	255,300	962,724	47,002	632,611	907,103
February	743,385	390,898	713,055	0	769,170	848,575
March	868,396	470,351	605,327	501,812	261,555	950,250
April	862,182	892,452	642,402	545,893	106,258	523,573
May	720,776	553,888	152,795	196,968	151,803	323,636
June	613,500	138,181	152,044	147,630	143,055	142,248
July	197,448	186,027	164,775	149,503	150,599	
August	196,872	151,424	168,428	148,220	140,977	
September	224,463	147,850	169,768	145,020	145,468	
October	249,000	179,706	178,812	148,715	147,574	
November	226,807	282,768	157,195	148,816	145,196	
December	159,636	923,766	160,936	665,823	510,915	
Total Annual	5,794,360	4,572,611	4,228,261	2,845,402	3,305,181	3,695,385



ACWA

ACWA UPCOMING EVENTS


**Association
of California
Water Agencies**
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 Information • Service
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Conferences

2016 Fall Conference & Exhibition

November 29 – December 2, 2016

Anaheim Marriott Hotel, Anaheim

Drinking water operator certification credit available.

2017 Fall Conference & Exhibition

November 28 – December 1, 2017

Anaheim Marriott Hotel, Anaheim

Drinking water operator certification credit available.

2017 Spring Conference & Exhibition

May 9 – 12, 2017 *Need to move
May Board Mtg.*

Monterey Marriott & Portola Hotel

Drinking water operator certification credit available.

2018 Spring Conference & Exhibition

May 8 – 11, 2018 *need to
move*

Sacramento Convention Center *Board mtg*
& Surrounding Hotels

Drinking water operator certification credit available.

Seminars, Workshops & Region Events

Region 3 Event

September 9, 2016

Placerville, CA

2016 Steve Hall Fierce

Competitor Golf Tournament

September 23, 2016

DarkHorse Golf Club, Auburn

Region 10 Program & Tour

Advanced Water Purification:

The Road to Resilience

October 28, 2016

Vista Irrigation District, Vista

2016 Continuing Legal

Education for Water

Professionals

September 15–16, 2016

Bahia Resort Hotel, San Diego

Continuing Legal Education (CLE)

credit available.

2016 Regulatory Summit

October 3–4, 2016

Bay Area, CA

Region 4 Program & Tour

November 7, 2016

Winters, CA

Region 9 Event

October 6–7, 2016

2017 Washington, D.C.

Conference

Region 5 Event

September 18–19, 2016

Byron, CA

Region 6 & 7 Event

October 14, 2016

Visalia, CA

February 28–March 1, 2017

St. Regis Hotel, Washington, D.C.

MEMORANDUM

Date: August 1, 2016

To: ACWA Region 1 Member Agency Presidents and General Managers
(sent via e-mail)

From: ACWA Region 1 Board

The Region 1 Board is looking for ACWA members who are interested in leading the direction of ACWA Region 1 for the remainder of the 2016-2017 term. The Board is seeking candidates to fill one Board Member vacancy.

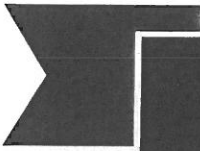
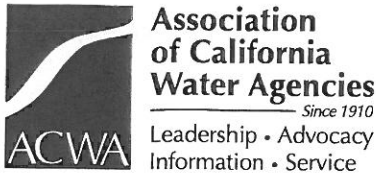
The leadership of ACWA's ten geographical regions is integral to the leadership of the Association as a whole. The Chair and Vice Chair of Region 6 serve on ACWA's Statewide Board of Directors and recommend all committee appointments for Region 6. The members of the Region 6 Board determine the direction and focus of region issues and activities. Additionally, they support the fulfillment of ACWA's goals on behalf of members.

If you, or someone within your agency, are interested in serving in a leadership role within ACWA by becoming a Region 1 Board Member, please familiarize yourself with the Role of the Regions and Responsibilities; and the Region 1 Rules and Regulations (HERE) and complete the following steps:

- **Complete the a Nomination Form (available HERE)**
- **Obtain a Resolution of support from your agency's Board of Directors (Sample Resolution HERE)**
- **Submit the requested information to ACWA as by August 31, 2016**

The Region 1 Board will make their appointment shortly thereafter and will inform the region of the results.

If you have any questions, please contact ACWA Regional Affairs Representative Katie Dahl at katied@acwa.com or ACWA Region & Member Services Specialist II Ana Torres, at anat@acwa.com or call (916) 441-4545.



REGION BOARD CANDIDATE NOMINATION FORM

Name of Candidate: _____

Agency: _____ Title: _____

Agency Phone: _____ Direct Phone: _____

E-mail: _____ ACWA Region: _____ County: _____

Address: _____

Agency Function(s): (check all that apply)

- | | | |
|---|---|---|
| <input type="checkbox"/> Wholesale | <input type="checkbox"/> Sewage Treatment | <input type="checkbox"/> Flood Control |
| <input type="checkbox"/> Urban Water Supply | <input type="checkbox"/> Retailer | <input type="checkbox"/> Groundwater Management / Replenishment |
| <input type="checkbox"/> Ag Water Supply | <input type="checkbox"/> Wastewater Reclamation | <input type="checkbox"/> Other: _____ |

Describe your ACWA-related activities that help qualify you for this office:

In the space provided, please write or attach a brief, half-page bio summarizing the experience and qualifications that make you a viable candidate for ACWA Region leadership. Please include the number of years you have served in your current agency position, the number of years you have been involved in water issues and in what capacity you have been involved in the water community.

I acknowledge that the role of a region board member is to actively participate on the Region Board during my term, including attending region board and membership meetings, participating on region conference calls, participating in ACWA's Outreach Program, as well as other ACWA functions to set an example of commitment to the region and the association.

*I hereby submit my name for consideration by the Nominating Committee.
(Please attach a copy of your agency's resolution of support/sponsorship for your candidacy.)*

Signature Title Date

Submit completed form to Ana Torres at anat@acwa.com.

Submit

Resolution 2016-10

**A Resolution of the Board of Directors of the Humboldt Bay Municipal Water District
Placing in Nomination _____ as a Board Member of the Association of California
Water Agencies Region 1 Board**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF HUMBOLDT BAY MUNICIPAL WATER DISTRICT AS FOLLOWS:

WHEREAS, The Board of Directors of the Humboldt Bay Municipal Water District (HBMWD) does encourage and support the participation of its members in the affairs of the Association of California Water Agencies (ACWA); and

WHEREAS, _____ has indicated a desire to serve as a Board Member for ACWA.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Humboldt Bay Municipal Water District places its full and unreserved support in the nomination of _____ for Board Member of ACWA Region 1.

BE IT FURTHER RESOLVED, that the Board of Directors of HBMWD does hereby determine that the expenses attendant with the service of _____ in ACWA Region 1 shall be borne by the HBMWD.

PASSED and ADOPTED at a Regular Meeting of the Board of Directors of the Humboldt Bay Municipal Water District this 11th day of August 2016, by the following roll call vote:

AYES:

NOES:

ABSENT:

Attest:

Barbara Hecathorn, Board President

J. Bruce Rupp, Secretary/Treasurer

RCEA, RREDC, LAFCO



Redwood Coast Energy Authority

633 3rd Street, Eureka, CA 95501

Phone: (707) 269-1700 Toll-Free (800) 931-RCEA Fax: (707) 269-1777

E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

MEETING AGENDA

Redwood Coast Energy Resource Center
633 3rd Street, Eureka, CA 95501

July 18, 2016
Monday, 3:15 p.m.

Redwood Coast Energy Authority will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Katie Koscielak at 269-1700 by noon the day of the meeting.

I. ROLL CALL

II. REPORTS FROM MEMBER ENTITIES

III. ORAL COMMUNICATIONS

This time is provided for people to address the Board or submit written communications on matters not on the agenda. At the conclusion of all oral & written communications, the Board may respond to statements. Any request that requires Board action will be set by the Board for a future agenda or referred to staff.

IV. CONSENT CALENDAR

All matters on the Consent Calendar are considered to be routine by the Board and are enacted on one motion. There is no separate discussion of any of these items. If discussion is required, that item is removed from the Consent Calendar and considered separately. At the end of the reading of the Consent Calendar, Board members or members of the public can request that an item be removed for separate discussion.

- A. Approve attached Warrants.
- B. Accept attached Financial Reports.

V. REMOVED FROM CONSENT CALENDAR ITEMS

Items removed from the Consent Calendar will be heard under this section.

VI. NEW BUSINESS

A. Community Choice Aggregation

- Draft technical study presentation

Approve beginning CCA program implementation phase II to proceed with launching the program in 2017.

- Citizens Advisory Committee update and July 28 workshop board meeting

VII. ADJOURNMENT

*The next RCEA Board of Directors meeting
 will be a special workshop meeting, scheduled for
 Thursday, July 28, 2016 at 5:30pm (light dinner available at 5pm)
 at the Eureka Woman's Club, 1531 J Street, Eureka*



Redwood Coast Energy Authority

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Phone: (707) 269-1700 Toll-Free (800) 931-RCEA Fax: (707) 269-1777
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CITIZENS ADVISORY COMMITTEE MEETING AGENDA

**Redwood Coast Energy Resource Center
633 3rd Street, Eureka, CA 95501**

**July 20, 2016
Wednesday, 3:00 p.m.**

Redwood Coast Energy Authority will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Lexie Fischer at 269-1700 by noon the day of the meeting.

Proposed Desired Outcomes

By the end of this meeting, the members of the Citizens Advisory Committee (CAC) will have:

- An understanding of and agreement on the Citizens Advisory Charter and Work Plan
- An understanding of the relevant requirements of the Brown Act and the Public Records Act
- An understanding of the overall purposes of the July 28 and Sept. 12 Community Workshops
- Provided feedback on the draft of the presentations for the July 28 workshop
- An understanding of the outcomes, agenda, and roles for the July 28 Community Workshop
- An agreement on the key stakeholders the CAC wants to encourage to participate in the July 28 Community Workshop
- An understanding of the purpose and composition of the other committee's advising RCEA and how they relate to the work of the CAC
- Agreement on CAC meeting schedule and tasks after July 28

Agenda

What	How	Who	When
Role Call, Opening	<ul style="list-style-type: none"> • Opening comments (background on CCA and why a CAC) • Introductions: name, background, why agreed to be on this committee • Review proposed desired outcomes and agenda. Modify as needed 	Matthew Mary	3:00-3:20 (20)
CAC Charter and Work Plan	<ul style="list-style-type: none"> • Review; Q & A • Build agreement 	Mary/All	3:20-3:50 (30)

Purposes of Community Workshops	<ul style="list-style-type: none"> Review purposes in general 	Matthew	3:50-3:55 (5)
Presentation for July 28th Community Workshop	<ul style="list-style-type: none"> Practice delivering presentations What worked; suggested changes 	Matthew All	3:55-4:35 (40)

Agenda (continued)

What	How	Who	When
Break			4:35-4:55 (10)
July 28 Workshop agenda	<ul style="list-style-type: none"> Review outcomes agenda and roles Clarify as needed 	Mary/All	4:55-5:15 (20)
Stakeholders for July 28 Community Meeting	<ul style="list-style-type: none"> Identify stakeholders that CAC members want to encourage to attend 	CAC	5:15-5:30 (15)
Additional committees advising RCEA	<ul style="list-style-type: none"> Review the committees, their composition and role Clarify how they relate to CAC 	Matthew/ Lexie	5:30-5:40 (10)
Close	<ul style="list-style-type: none"> Identify and agree on meeting schedule and next steps after July 28 Feedback (+ and Δ) 	All	5:40-6:00 (20)

Sherrie Sobol

From: Sheri L. Woo [Sheri.Woo@humboldt.edu]
Sent: Friday, July 29, 2016 11:34 AM
To: Sherrie Sobol
Subject: RCEA stuff for the BB
Attachments: RCEA Workshop Host Guidelines July 28, 2016.pdf; RCEA-July-28-2016-Board-Meeting-Agenda.pdf

Hi Sherrie, here's my report for the BB.

The workshop was well attended and most people stayed for the entire 2-1/2 hours. Paul Helliker also attended.

Although the discussions covered many aspects of energy sources, and of the CCA program itself, biomass generation continues to be a discussion that is important to folks.

The phrase "community choice aggregation" is vague and not descriptive of the program. CCA is a legal term, and RCEA staff would like to use the name Redwood Community Energy program. It was noted at my table that there's potential for confusion with RCEA, RCAA, REDC, and other groups' initials and names.

Mary Gelinas and RCEA staff will compile all the meeting notes from the tables and the wall papers. The next workshop is Sept 28th.



Redwood Coast Energy Authority

633 3rd Street, Eureka, CA 95501

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E-mail: info@redwoodenergy.org Web: www.redwoodenergy.org

RCEA BOARD OF DIRECTORS & CITIZENS ADVISORY COMMITTEE SPECIAL JOINT MEETING & COMMUNITY WORKSHOP AGENDA

MEETING LOCATION:

Eureka Woman's Club
1531 J Street, Eureka, CA 95501

July 28, 2016
Thursday, 5:30 p.m.

Redwood Coast Energy Authority will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Lexie Fischer at 269-1700 by noon the day of the meeting.

Desired Outcomes of This Workshop

By the end of this meeting, participants will

- Have an understanding of:
 - What Community Choice Energy is and how it will benefit you and our community
 - The Redwood Coast Energy Authority's role in this program
 - The long-term vision for the Community Energy Program ("RePower Humboldt")
 - The status of the program now and what's next
 - An understanding of immediate next steps
- Have weighed in on the goals of the Community Energy Program and provided feedback on energy procurement options

Light dinner will be provided, beginning at 5pm

I. BOARD & COMMITTEE ROLL CALL – 5:30pm

II. COMMUNITY CHOICE ENERGY PROGRAM

- Introductions and meeting objectives
- Community Choice Energy Overview – background, goals
- Energy Resource Options
- Next steps

III. ADJOURNMENT – 7:30pm

RCEA Board of Directors & Citizens Advisory Committee Special Joint Meeting & Community Workshop

Date and Time: July 28, 2016, 5:30 – 7:30 p.m.
Location: Eureka Woman’s Club, 1531 J Street Eureka, CA

Host Guidelines

Introduction

Based on the insightful and helpful feedback from the Community Advisory Committee, this agenda differs from the one you received at the Board meeting. It has been divided into two parts: the first is a high-level description of the CCE program, the second goes into more detail regarding the energy resource options.

Guidelines for your role have been incorporated into this detailed agenda. Participants will receive a less detailed agenda.

Remember that your role at this workshop is to be a host, listener, and scribe! You will have your chance to share your perspectives during Board and CAC meetings. People’s experience of this community workshop will largely be shaped by their experience at the small tables with you.

Desired Outcomes

By the end of this meeting, participants will have

- An understanding of:
 - What Community Choice Energy (CCE) is and how it will benefit you and our community
 - The Redwood Coast Energy Authority’s role in this program
 - The long-term vision for Community Choice Energy (“RePower Humboldt”)
 - The status of the program now and what’s next
 - An understanding of immediate next steps
- Have weighed in on the goals of CCE and provided feedback on energy resources

Agenda

What	How	Who	When	Guidelines for Board and CAC
Participants arrive and have light supper	<ul style="list-style-type: none"> • Welcome people to the table • Introduce yourself • Ask people to introduce themselves to one another <ul style="list-style-type: none"> • Name, where they live • Why the topic of energy is important to them • Ask people to identify what they notice about what people have heard from their "table mates" 	Board and CAC members	5:00-5:30 (30)	<ul style="list-style-type: none"> • Welcome people to the workshop and thank them for coming. • Introduce yourself as a Board or CAC member. • Ask participants to introduce themselves to one another: names, where they live, why the topic of energy is important to them. • Ask participants to identify what they notice about what they heard, perhaps what people do or don't have in common?
Opening	<ul style="list-style-type: none"> • Welcome participants and introduce the members of the RCEA Board and the CAC • Review proposed desired outcomes, agenda, roles, and ground rules • Ask for comments from a few tables about what they noticed about why the topic of energy is important 	<p>Sheri</p> <p>Mary</p> <p>Mary</p>	5:30-5:40 (10)	<ul style="list-style-type: none"> • There will only be time to hear from a few tables. Please be ready if called on to report out what people noticed or ask one of the people at the table to share this.

What	How	Who	When	Guidelines for Board and CAC
<p>Community Choice Energy:</p> <ul style="list-style-type: none"> • What it is • Benefits • Vision for future • Status • Goals 	<ul style="list-style-type: none"> • Present (10) • “Buzz” at tables: What stands out about you heard? (5) • Report out from a few tables on what stands out (5) • Answer questions as needed (10) • Describe next hour and let people know they are welcome to stay • During the break: <ul style="list-style-type: none"> • Ask participants to use sticky dots to rate each of the goals on a scale of 1-5 (5 being the most important) • Change tables (Board and CAC members stay at the same table) 	<p>Matthew Board & CAC</p> <p>Matthew Mary</p>	<p>5:40-6:10 (30)</p>	<ul style="list-style-type: none"> • Ask people to listen to the whole presentation and write down their questions. They will have a chance to ask them later. • With the Sharpies provided, please capture what people say in as close to their words as possible, or ask someone else at your table to do this. • See if you can get at least one sentence from each person at your table in 5 minutes! It is, of course okay, if people do not want to speak. • If called on, you can report out what stood out in the conversation or ask one of the participants to do this. It's your call. • Please note that participants might start to talk about their concerns or questions about specific energy resources (like biomass). Ask them to focus on what they just heard noting that we will go into more specifics after the break.
<p>Break</p>			<p>6:10-6:20 (10)</p>	<ul style="list-style-type: none"> • Encourage people to rate the goals and change tables. You stay at the same one.

What	How	Who	When	Guidelines for Board and CAC
Energy resource options <ul style="list-style-type: none"> • Objectives • What they are 	<ul style="list-style-type: none"> • Present (15) 	Matthew All	6:20-6:35 (15)	<ul style="list-style-type: none"> • Ask people to listen to the whole presentation and write down their questions. They will have a chance to ask them later.
Consider the energy resource options	<ul style="list-style-type: none"> • "Buzz" at tables: (25) <ul style="list-style-type: none"> • What do you like about the options? • What concerns or questions do you have about them? • Table hosts or participants report out 1 key message and 1 question (10) • Respond to concerns & questions (10) 	Board & CAC Matthew	6:35-7:20 (45)	<ul style="list-style-type: none"> • Encourage them to start with what they like about all the options or specific options first to off-set the tendency of groups to start with the negative. • With the Sharpies provided, please capture what people say in as close to their words as possible, or ask someone else at your table to do this. • Encourage everyone to participate. • In the final five minutes, ask the group to identify one central message and/or one question they want to ask. • Be ready to report these out (message first, then question) or ask one of the people at the table to do this. • Remind them that all the notes will be transcribed and reviewed by the CAC.

What	How	Who	When	Guidelines for Board and CAC
Close	<ul style="list-style-type: none"> • Ask people to fill out feedback form • Describe next steps <ul style="list-style-type: none"> • Table notes transcribed & analyzed by CAC • Report to RCEA Board: 8/15 • Next Community meeting: 9/12 • Report to RCEA Board 9/19 or 10/ 17 • Thank people for coming 	Mary Sheri	7:20-7:30 (10)	<ul style="list-style-type: none"> • Thank you very much for playing such an important role in this meeting!

Proposed Ground Rules

- Listen to understand, first.
- Be succinct, pithy
- Share the airtime
- Let people finish their thoughts (i.e., don't interrupt)
- Encourage everyone to participate
- Stay on topic and on time
- Turn off electronic devices



Redwood Region
Economic Development
Commission

520 E Street, Eureka, CA 95501 (707) 445-9651 FAX (707) 445-9652

REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION

Regular meeting of the Board of Directors
At the Prosperity Center 520 E Street, Eureka, CA
July 25, 2016 at 6:30 pm

AGENDA

- I. Call to Order & Flag Salute**
- II. Approval of Agenda and Minutes**
 - A. Approval of Agenda for July 25, 2016
 - B. Approval of Minutes of the Board of Directors for May 23, 2016
- III. Public Input – for non-agenda items**
- IV. Program – Marcella Clem, Executive Director, Humboldt County Association of Governments on Transportation Sales Tax Ballot Measure <http://www.selfhelpcounties.org/>**
- V. Consent Calendar**
Acceptance of Agency-wide Financial Report: May 31, 2016
- VI. Reports – No Action Required**
 - A. Loan Portfolio Report: May 31, 2016
 - B. Executive Director's Report
- VII. Old Business**
- VIII. New Business**
 - A. Presentation on Staff Goals for FY 2017
 - B. Selection of Auditor for 2016-2018 Fiscal Year Audits
 - C. Approval of Staff Recommendation to Modify the EDA Revolving Loan Fund Plan to include streamlined process for Microloans up to \$50,000
- IX. Member Reports**
 - A. City of Blue Lake
 - B. Humboldt Bay Municipal Water District
 - C. McKinleyville Community Services District
- X. Agenda/Program Requests for future Board of Directors Meetings**
- XI. Adjourn**

The Redwood Region Economic Development Commission will, on request, make agendas available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the Board Secretary at (707) 445-9651. Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements for accommodations.

M E M B E R A G E N C I E S

City of Arcata • City of Blue Lake • City of Eureka • City of Ferndale • City of Fortuna • City of Rio Dell • City of Trinidad
County of Humboldt • Humboldt Bay Harbor, Recreation and Conservation District • Humboldt Bay Municipal Water District
Humboldt Community Services District • Manila Community Services District • McKinleyville Community Services District
Orick Community Services District • Redwoods Community College District • Hoopa Valley Tribe
Willow Creek Community Services District • Orleans Community Services District • Redway Community Services District



REGULAR MEETING AGENDA

Wednesday, July 20, 2016

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

(note meeting location change)

1. CALL TO ORDER – 9:00 AM

2. FLAG SALUTE

3. ROLL CALL

4. NEW APPOINTMENTS

A) Status of Commissioner Terms

B) Oaths of Office for New Members

C) Certificate of Appreciation for J. Bruce Rupp

5. PUBLIC APPEARANCES

Any member of the public may address the Commission concerning a non-agenda item during this time. However, the Commission cannot discuss or take action on a matter not listed on the agenda.

6. CONSENT CALENDAR

All consent items are considered routine and may be enacted by the Commission under one motion. With concurrence of the Chair, a Commissioner may request that an item be removed for discussion.

A) Approval of May 25, 2016 Special Meeting Minutes

7. BUSINESS ITEMS

Business items are for review and possible action by the Commission.

A) Proposed Response to Civil Grand Jury Recommendation R3 in 2015-16 Report - "Earthquake, Flood, Tsunami: Is Humboldt County Ready?"

B) CALAFCO Annual Conference Items

C) Proposed Response to Request for Hydrant Connection to the Kimtu Waterline in Garberville

Americans with Disabilities Act: Humboldt LAFCo meetings are held in a wheelchair accessible facility. Individuals requiring special accommodations to participate in this meeting are requested to contact the LAFCo office at (707) 445-7508. Notification 48 hours prior to the meeting will enable the Commission to make reasonable arrangements to ensure accessibility to this meeting.

8. PUBLIC HEARING ITEMS

Any member of the public may address the Commission on scheduled public hearing items. The Chair may regulate the order of such presentations and reserves the right to limit the time allowed for each person to speak.

A) South County Fire Protection Services Municipal Service Review (Continued)**9. INFORMATIONAL AND CONTINUING ITEMS**

An applicant or member of the public may receive permission to provide comments on an item at the discretion of the Chair. General direction to staff for future action may be provided by Commissioners.

A) Preview of Proposed Strongs Creek Valley Annexation to the City of Fortuna**B) LAFCo Staff Comment Letter on the Draft EIR for the Southern Humboldt Community Park****C) Status of Current and Future Proposals****10. EXECUTIVE OFFICER'S REPORT**

The Commission will receive a verbal report from the Executive Officer regarding current staff activities, communications, budget status, studies, legislation, and special projects.

A) New Humboldt LAFCo Website**11. WRITTEN CORRESPONDENCE**

Correspondence received before 12:00 p.m. the Wednesday prior to the Commission meeting will be included on the agenda. Any supplemental writings or documents submitted to the Commission after the posting of the agenda will be available for public review at the LAFCo office, located at 1125 16th Street, Suite 202, Arcata. In addition, such writings or documents will be made available to the Commission and public for review at the meeting.

None

12. ADJOURNMENT

The next Humboldt LAFCo meeting will be held on September 21, 2016, at 9:00 a.m. in the Humboldt Bay Municipal Water District, 828 7th Street, Eureka.

