

HUMBOLDT BAY
MUNICIPAL WATER
DISTRICT

STRATEGIC PLAN (FY2027 – FY2030)

Developed at the Strategic Planning Retreat, February 2 – 3, 2026

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

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Figure 1: Ruth Lake, July 2025

Picture of Ruth Lake

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INTRODUCTION

Strategic Planning Retreat · February 2-3, 2026

On Monday and Tuesday, February 2-3, 2026, the members of the Board and staff of the Humboldt Bay Municipal Water District convened to develop the District's Fiscal Year (FY) 2027 through FY 2030 Strategic Plan. The following participants contributed their expertise and vision to shape this plan.

BOARD OF DIRECTORS

Name	Role / Title
Michelle Fuller	President of the Board
Sheri Woo	Vice President of the Board
Bruce Rupp	Board Member
Nancy Stevens	Board Member
Tom Wheeler	Board Member

DISTRICT STAFF

Name	Role / Title
Michiko Mares	General Manager
Chris Harris	Director of Finance and Human Resources
Dale Davidsen	Director of Operations and Maintenance
Ryan Chairez	Maintenance Supervisor
Mario Palmero	Operations Supervisor
Paul Jorgensen	Assistant Operations Supervisor
Chris Merz	Assistant Maintenance Supervisor
Annmarie Behan	Associate Engineer
Larry Raschein	Hydroelectric Operator and Ruth Area Representative
Darcey Quinn	Accounting Specialist
Contessa Dickson	Executive Secretary and Board Secretary

ADDITIONAL SUPPORT

Name	Role / Title
Ryan Plotz	General Counsel, Mitchell Law
Steve Allen	Engineering Consultant, GHD
Hilary Straus	Strategic Planning Facilitator, California Special District Association (CSDA)

DISTRICT ACCOMPLISHMENTS

July 2024 – December 2025 (Not in Priority Order)

GOVERNANCE & BOARD LEADERSHIP

1. Adopted Board Policies, Section 1000 — General Policies and Section 4000 — Board of Directors (November 2025).
2. Successfully appointed Tom Wheeler to fill Division 1 Board vacancy (July 29, 2024).
3. Successfully appointed Nancy Stevens to fill Division 3 Board vacancy following the passing of Vice President David Lindberg (September 15, 2025).
4. Updated Ordinance 12 (Conflict of Interest Code) and Ordinance 17 (Directors Compensation) through public hearing process (August 2024).
5. Reviewed and updated District memberships to ensure strategic alignment (December 2025).
6. Successfully completed executive leadership transition with General Manager recruitment, appointment, and onboarding while maintaining operational continuity.
7. Navigated significant Board transition following the passing of Vice President David Lindberg; successfully filled vacancy through transparent public process while honoring his legacy.

PERSONNEL & ORGANIZATIONAL DEVELOPMENT

1. Successfully completed General Manager recruitment process, including contract with Tripepi Smith recruiting firm, multiple candidate interviews, and appointment (July–October 2024).
2. Completed comprehensive salary survey to ensure competitive compensation and support recruitment efforts; implemented 3-year salary adjustment based on results.
3. Implemented job description updates for multiple positions including Junior/Assistant/Associate Engineer (August 2024), Maintenance Mechanic I, and Electrician/Instrumentation Technician I (October 2025).
4. Changed job titles for Superintendent and Business Manager; revised Maintenance Worker position description (October 2025).
5. Approved out-of-class pay policy to support operational flexibility (July 2025).
6. Hosted New General Manager Open House to strengthen community relations (January 2025).
7. Managed and improved employee benefits including enhanced dental insurance plan (September 2025).
8. Secured ACWA/JPIA Wellness Grant supporting employee health initiatives (September 2024 and 2025).
9. Approved Employee Emergency Loan Program (EELP) to support staff during emergencies (December 2025).
10. Strengthened organizational culture through recognition of long-serving staff, employee engagement initiatives, and investment in professional development.

OPERATIONS & MAINTENANCE

1. Maintained daily operation of the water system serving approximately 90,000 residents, meeting all water quality regulations.
2. Adopted Heat Illness Prevention Plan to enhance worker safety (October 2024).
3. Completed tail race and channel vegetation management at R.W. Matthews Dam under 401/404 permits (September 2025).
4. Completed spillway repairs and log boom inspections and maintenance (August 2025).
5. Approved surplus and replacement of aging equipment and vehicles including chlorine equipment, 6" Altec Chipper, and 2018 Ram 1500.
6. Upgraded TRF turbidimeters; coated Collector 2 caisson; installed tiltmeters on spillway walls.
7. Enhanced dam monitoring protocols and reporting; coordinated with municipal customers on operational matters.

EMERGENCY RESPONSE & CRITICAL INFRASTRUCTURE PROTECTION

1. August 2025 Transmission Pipeline Emergency at Curtis Heights: Discovered and managed major transmission pipeline leak serving most District customers; authorized and completed emergency repairs without water service interruption (Resolution 2025-12).
2. November 2025 Samoa Peninsula Pipeline Emergency: Authorized emergency relocation of water transmission pipeline on Samoa Peninsula to prevent catastrophic failure (Resolution 2025-15); coordinated multi-agency response while maintaining uninterrupted service.
3. Successfully managed two major pipeline emergencies in 2025 demonstrating the District's emergency preparedness, technical expertise, and commitment to reliable water delivery.
4. Conducted 5-year Emergency Action Plan (EAP) functional and tabletop exercises with local emergency response agencies (September 2024).
5. Coordinated with Humboldt County Chief Administrative Office on prioritizing essential services in the era of natural disasters.
6. Participated in development of Humboldt County Local Hazard Mitigation Plan (LHMP) update.
7. Implemented Disaster Service Workers Oath of Allegiance program for enhanced emergency preparedness (December 2025).

FINANCIAL MANAGEMENT

1. Completed FY23 Audit with clean opinion (November 2024) and FY24 Audit with clean opinion (September 2025).
2. Selected new audit firm for ongoing financial oversight (April 2025).
3. Developed and approved FY25/26 Budget through comprehensive review process (May-June 2025).
4. Approved Capital Replacement Funds Price-Factor 2 (PF2) rebate to municipal customers (June 2025).
5. Adopted Resolution 2025-07 establishing Annual Limit for Appropriations (June 2025).
6. Approved Applicant's Agent Resolution for Non-State Agencies (CAL-OES Form 130) to facilitate emergency funding (December 2025).

MAJOR INFRASTRUCTURE PROJECTS

1. Onsite Sodium Hypochlorite Generation Project: Advanced Essex facility project through design, engineering, and bid award, transitioning to on-site generation and significantly improving operational safety.
2. Reservoirs Seismic Retrofit Project: Advanced three-tank seismic upgrade program.
3. TRF Generator Project: Successfully awarded construction contract to Wahlund Construction, Inc. (March 2025) for emergency backup power generation at treatment facility.
4. Collectors 1–3 Rehabilitation: Completed comprehensive rehabilitation summary and advanced critical water collection infrastructure work.
5. Samoa Peninsula Waterline Right-of-Way Maintenance Project: Advanced Environmental Impact Report process and progressed through CEQA compliance.

DAM SAFETY & WATER SUPPLY SECURITY

1. Matthews Dam Seismic Stability Project: Advanced comprehensive seismic stability analysis; approved consulting agreement with GEI Consultants (March 2025); progressed critical safety evaluation for dam serving 90,000+ residents.
2. Matthews Dam Part 12D Comprehensive Assessment: Advanced FERC-required comprehensive facility assessment demonstrating compliance with federal dam safety regulations.
3. Long-term Water Supply Security: Advanced water rights renewal process with clear roadmap ensuring continued water supply for future generations (October 2025).

ENVIRONMENTAL STEWARDSHIP

1. Organized and participated in 4th Annual National Public Lands Day Ruth Lake Cleanup (September 2025).
2. Secured executed agreement for 2024 Quagga & Zebra Mussel Infestation Prevention Grant (October 2024).
3. Approved comprehensive Aquatic Invasive Species Prevention Plan (June 2025).
4. Adopted revised Ordinance 26 with enhanced watercraft inspection protocols and increased fines to prevent Golden Mussel introduction (August 2025).
5. Secured SFRA Boating Access Grant for Invasive Mussel Response Program totaling \$100,100 (September 2025).
6. Provided aquatic invasive species education including Golden Mussel threat presentations (May 2025).

TECHNOLOGY, DIGITAL TRANSFORMATION & POLICY

1. Completed Eureka office server replacement/upgrade for improved reliability and cybersecurity (September 2024).
2. Completed cybersecurity assessment and ongoing security improvements.
3. Moved Accounting/Payroll/Utility Billing program to the cloud; began Government O365 migration (June 2025).
4. Engaged Matrix Consulting for organizational assessment and EV Fleet Master Conversion Report.
5. Initiated Strategic Planning Initiative for long-term District direction (November 2025).
6. Formed Mad River (Baduwa't) Headwaters Ad-Hoc Committee with approved charter (March 2025).
7. Advanced Un-Naming of the Mad River initiative with tribal consultation (June–October 2025).



Figure 2: Emergency Pipeline Repair, August 2025

HBMWD Staff repairing pipe

ISSUES, FACTORS & TRENDS

Key Considerations Shaping the District's Future

CRITICAL ISSUES

Infrastructure Vulnerability and Aging Systems

The District faces critical infrastructure challenges with transmission pipelines and facilities dating from the early 1960s showing significant age-related deterioration. Two emergency pipeline repairs in 2025 highlighted the urgency. The single transmission pipeline lacks redundancy — one failure could impact approximately two-thirds of Humboldt County's residents. The Samoa Peninsula infrastructure is particularly vulnerable to coastal erosion, sea level rise, and faces stringent environmental constraints.

Water Rights Security

The District faces the risk of losing water rights, with a critical 2029 renewal deadline approaching. Protecting and strengthening local water rights control before this deadline is essential. The opportunity exists to pursue instream flow dedication to permanently protect a portion of water rights for environmental benefit, which could strengthen the District's position during the renewal process.

Financial Sustainability Challenges

The District experienced an 80% drop in water consumption following the closure of pulp mills, resulting in a complete loss of industrial customer base. Revenue is heavily dependent on wholesale municipal customers through an antiquated cost-sharing model not based on actual use. This creates financial vulnerability while simultaneously requiring rate increases to fund infrastructure reinvestment and rising operational costs.

Emergency Preparedness Gaps

The District lacks a comprehensive Emergency Operations Plan with specific Emergency Response Plans and has no Business Continuity Plan in place. Additionally, there is insufficient IT staff to effectively manage cybersecurity and software/hardware configuration, creating operational risk. Emergency response resources are already stretched by multiple infrastructure issues.

Regulatory and Environmental Compliance Complexity

The District operates in a complex regulatory environment that impacts its ability to maintain infrastructure. Specific concerns include R.W. Matthews Dam seismic stability analysis and Part 12D assessment requirements, aquatic invasive species threats to Ruth Lake, and the lack of a robust system for tracking regulatory compliance documents, permits, and reports. The District maintains a perfect water quality compliance record despite these challenges.

KEY FACTORS & TRENDS

STRENGTHS	CHALLENGES & TRENDS
<p>Operational Excellence Foundation</p> <ul style="list-style-type: none"> • Healthy team culture based on respect, dedication, and hard work • 285 years of combined staff experience • Perfect water quality compliance record maintained • Strong safety record with zero reportable on-the-job injuries as goal • Clean financial audits with no known findings • Well-managed financial reserves to support emergency situations • Premium water source from Mad River aquifer through Ranney wells • Reliable water storage at R.W. Matthews Dam and Ruth Lake • Hydroelectric power generation capability at R.W. Matthews Dam <p>Collaborative Relationships</p> <ul style="list-style-type: none"> • Strong partnerships with seven wholesale municipal customers • Active participation in industry organizations (CSDA and ACWA-JPIA) • Active ad-hoc Board committees • Regional relationships supporting infrastructure reinvestment advocacy 	<p>Limited Organizational Capacity</p> <ul style="list-style-type: none"> • Outdated administrative framework requiring digital transformation • Recruitment and retention challenges in rural area • Knowledge transfer and succession planning needs • Deferred maintenance creating compounding risks <p>Climate and Environmental Pressures</p> <ul style="list-style-type: none"> • Coastal erosion and sea level rise threatening Arcata Bottoms, Mad River Slough Crossing, and Samoa Peninsula • Watershed protection challenges from lack of forest management and upstream land use • Aquatic invasive species threat to Ruth Lake <p>Emerging Opportunities</p> <ul style="list-style-type: none"> • New potential customers: Trinidad Rancheria, City of Trinidad, Peninsula CSD • Samoa Peninsula Heavy Lift Marine Terminal / Offshore Wind commercial opportunities • State water resilience infrastructure funding landscape • Digital transformation and regional GIS collaboration

MISSION & VISION

The District developed new Mission and Vision Statements to reflect the District's current and future position in the Community as Water Leaders.

MISSION STATEMENT

Humboldt Bay Municipal Water District safeguards and sustainably delivers clean and reliable water to our community while protecting our natural resources and providing a resilient water supply for present and future generations.

VISION STATEMENT

An innovative and future-ready water system that equitably and reliably delivers water while enhancing environmental stewardship and community well-being.



Figure 3: Ruth Lake, July 2025

Picture of Ruth Lake

THREE-YEAR GOALS

FY2027 through FY2030

The following five strategic goals guide the District's work for the planning period. Each goal is supported by specific annual objectives in the following section.

- A

Infrastructure and Assets

Modernize, protect, and strategically manage District infrastructure and assets to improve resiliency, operational efficiency, regulatory compliance, and service reliability.


- B

Watershed and Environmental Stewardship

Protect source water and the Mad River watershed to ensure long-term water quality, ecosystem health, and sustainable use of District resources.


- C

Regulatory Compliance

Ensure proactive regulatory compliance and strong emergency preparedness to protect public health, infrastructure, and continuity of operations.


- D

Water Supply and Reliability

Secure and sustain a reliable long-term water supply by protecting the District's water rights and strengthening the workforce and systems needed to operate the water system effectively.


- E

Governance and Organization

Strengthen governance, organizational effectiveness, and internal systems to support strategic leadership, accountability, and operational resilience.



FY2027 STRATEGIC OBJECTIVES

Year One Objectives for Each Three-Year Goal

GOAL A — Infrastructure and Assets



Modernize, protect, and strategically manage District infrastructure and assets to improve resiliency, operational efficiency, regulatory compliance, and service reliability.

#	Objective	Who	Start	End
1	Implement strategies to protect transmission pipeline rights-of-way, including surveys, vegetation management, and community coordination.	Ryan (lead), Michiko, Annmarie, consultants (CEQA, community outreach)		
2	Initiate development of a prioritized capital improvement and funding strategy informed by vulnerability, condition, and resiliency assessments. This is a multi-year objective anticipated to span the three-year planning period.	Annmarie (lead), Chris, consultants		
3	Procure project management and environmental/design consultants for the North Mainline Extension, working with regional partners to ensure a successful project.	Michiko (lead), Annmarie, Board Members, consultants		

GOAL B — Watershed and Environmental Stewardship



Protect source water and the Mad River watershed to ensure long-term water quality, ecosystem health, and sustainable use of District resources.

#	Objective	Who	Start	End
1	Implement infrastructure measures to protect Ruth Lake from aquatic invasive species, including the Golden Mussel threat.	Chris (lead), Larry		

GOAL C — Regulatory Compliance



Ensure proactive regulatory compliance and strong emergency preparedness to protect public health, infrastructure, and continuity of operations.

#	Objective	Who	Start	End
1	Develop a comprehensive regulatory compliance program, including tracking, coordination, and reporting.	Annmarie (lead); Chris, Mario, Paul & Chris M., consultants		
2	Initiate development of a comprehensive District emergency preparedness and business continuity program. This is a multi-year objective anticipated to span the three-year planning period.	Michiko (lead), Chris M., Annmarie, Chris H., Dale		

GOAL D — Water Supply and Reliability



Secure and sustain a reliable long-term water supply by protecting the District's water rights and strengthening the workforce and systems needed to operate the water system effectively.

#	Objective	Who	Start	End
1	Initiate development and documentation of Standard Operating Procedures for critical operational functions.	Mario (lead), Paul, support assistance on documentation production		
2	Advance the water rights licensing process in preparation for the 2029 renewal deadline.	Michiko (lead), Anmarie, Technical Consultant(s)		



GOAL E — Governance and Organization

Strengthen governance, organizational effectiveness, and internal systems to support strategic leadership, accountability, and operational resilience.

#	Objective	Who	Start	End
1	Advance digital transformation initiatives, including cybersecurity, to improve efficiency and access to information.	New FTE — IT Manager (lead), Michiko, Chris, Darcey, consultants		
2	Develop, approve, and begin implementation of comprehensive District-wide Board policies.	Contessa (lead), Michiko, consultant		



Figure 4: Strategic Planning Retreat, February 2026

Picture of Staff at Strategic Planning Retreat

PARKING LOT

Goals & Objectives for Future Consideration

The following goals and objectives were identified during the strategic planning process but were not selected as priority items for the current planning year. Parking Lot items may be undertaken when capacity and time allow, or if a time-sensitive need arises. They are recorded here to ensure they are not lost and will be revisited at the next Strategic Planning Session.



Financial Sustainability

Ensure long-term financial sustainability through review of ordinances, contracts, and financial practices that support reliable and cost-effective service.

#	Objective	Who	Start	End
1	Review, modernize, and streamline Ordinance 16 and related contracts for alignment with long-term capital and operational planning.	Chris (lead), Michiko, consultant(s)		



Watershed and Environmental Stewardship – Additional Objective

(This objective is related to the active Goal B in the plan above but was deferred to the Parking Lot for year one.)

#	Objective	Who	Start	End
1	Assess Ruth Lake capacity, including post-fire erosion impacts, sediment infill rates, and long-term projections.	Anmarie (lead), Larry, consultants		



Regional Relationships

Strengthen regional partnerships to advance infrastructure reinvestment, resiliency, and shared water resource solutions.

#	Objective	Who	Start	End
1	Develop a coordinated infrastructure reinvestment and resiliency strategy with regional partners.	Michiko (lead), Board Members		



Customer and Community Trust

Build and maintain customer and community trust through clear communication, education, and meaningful engagement.

#	Objective	Who	Start	End
1	Develop a comprehensive Community Engagement, Education, and Communication Program.	Michiko (lead), consultant(s)		
2	Improve accessibility and clarity of public-facing information, including the District website.	Contessa (lead), Michiko, future IT staff, consultants		

ATTACHMENT A

Strategic Planning Process — Participant Reflections

The following observations were shared by Board members and staff at the close of February 2-3, 2026 Strategic Planning Retreat:

- 1 *"Teamwork makes the Dream work. This is the first time in over 30 years with the District we have done Strategic Planning like this."*
- 2 *"Very excited to see the Mission Statement updated and the addition of a Vision Statement."*
- 3 *"As someone who has participated in Strategic Planning, these past two days have reinforced my belief that Strategic Planning works. With monitoring, we will be able to better align resources with the work to be performed."*
- 4 *"Excited to see alignment between the Board and staff. Nice to have this time and connection with the Board as a staff member."*
- 5 *"I appreciate that the Board can see up close how awesome our staff team is. I really appreciate Michiko's leadership. I am not worried about the present or the future."*
- 6 *"This is an amazing place to work!"*
- 7 *"I see the alignment between Board and staff. I echo the sentiment expressed above. We have an incredible staff."*
- 8 *"I am impressed with the Board and I liked this Strategic Planning process."*
- 9 *"As a staff member, I appreciate this opportunity to communicate with the Board as we plan our future."*
- 10 *"I like to stay busy; we're all doers and we support each other. I am excited to have a clear path."*
- 11 *"There is a lot of knowledge among the staff; staff is amazing and caring. Excited to have a Strategic Plan that is clear and promotes transparency."*

- 12 *"We have a lot of big things in front of us. Our challenge will be to balance funding/cost and replacing aging infrastructure. The last two days have reinforced that while these challenges can be daunting, we are capable of tackling them head-on."*
- 13 *"There is a lot of work ahead, but this Strategic Plan will help us balance which work can/will be performed by staff (in-house) versus by contractors."*
- 14 *"I am looking forward to reviewing the final Strategic Planning document after these two days of planning."*
- 15 *"I am proud to be part of this organization. We have advanced a lot. I learned a lot from others."*
- 16 *"We have generated a work product with a strong path forward. This Strategic Plan highlights our Unity of Purpose."*
- 17 *"Strategic Planning is better when it is a collaboration between Board and staff as has been done here. Staff appreciate having clear goals and performance evaluations are clearer."*
- 18 *"This experience has reinforced that I made the right decision to come home to Humboldt and I am proud to be a part of this team."*



Figure 5: Trucker's Parade, December 2025

Picture of HBMWD truck in truckers parade