

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
Board of Directors Meeting
July 9, 2026



Part 12 D FERC Inspection

BOARD OF DIRECTORS

828 Seventh Street, Eureka, CA 95501

Regular and Closed Session Meetings of Thursday, July 9, 2026

PURPOSE	<i>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.</i>
VISION	<i>An innovative and future-ready water system that equitably and reliably delivers water while enhancing environmental stewardship and community well-being.</i>

MEETING ACCESS & PUBLIC PARTICIPATION

Members of the public may join the meeting online through Microsoft Teams:

<https://teams.microsoft.com/meet/283007626948995?p=zXkOQg7KNRRwEjGdIZ>

Meeting ID: 283 007 626 948 995 Passcode: qA7bh2wC

Or participate by phone: +1 323-433-2201 Phone conference ID: 534 302 689#

How to Submit Public Comment: Members of the public may provide public comments via email until 5 p.m. the day before the Board Meeting by sending comments to office@hbmwd.com. Email comments must identify the agenda item in the subject line. Written comments may also be mailed to 828 7th Street, Eureka, CA 95501, and should identify the agenda item number. Comments may also be made in person at the meeting.

Remote Access Disclaimer: In-person attendance at the posted meeting location is encouraged and should be prioritized whenever possible. Remote access is provided as a courtesy to facilitate public access and participation. Technical issues, including interruptions to internet, telephone, or online meeting access, may occur. Unless continuation or suspension of the meeting is required by the Brown Act or other applicable law, technical issues affecting remote access will not prevent the Board from continuing with the meeting or taking action on agenda items.

Recording of Meeting: This meeting may be recorded to assist in the preparation of minutes. District-made recordings of open and public meetings are public records subject to inspection and may be erased or destroyed after 30 days, consistent with Government Code section 54953.5 and the District’s records retention policy.

Document Availability: Materials related to an item on this agenda that have been submitted to the HBMWD Board of Directors within 72 hours prior to this meeting are available for public inspection at the HBMWD Office, 828 7th Street, Eureka, California, during normal business hours, and can be viewed at www.hbmwd.com.

Disability Notice: In compliance with the Americans with Disabilities Act, if you require a disability-related modification or accommodation to participate in this public meeting, please call (707) 443-5018. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility.

AGENDA

REGULAR BUSINESS MEETING

Thursday, July 9, 2026 • 1:00 p.m. • 828 7th Street, Eureka, CA 95501

1. CALL TO ORDER

1. Roll Call
2. Pledge of Allegiance
3. Accept Agenda

2. PUBLIC COMMENT

Members of the public are invited to address the Board on items not listed on the agenda that are within the scope and jurisdiction of the District. The public may also request that an item on the Consent Calendar be pulled and discussed separately. At the discretion of the President, comments may be limited to three minutes per person. Under the Brown Act, the Board may not take action on any item that does not appear on the agenda and is limited to a brief response, clarifying questions, or referral to staff. Public comment on action items will be received before or during the Board's consideration of the item.

3. CONSENT CALENDAR

These matters are routine in nature and are usually approved by a single combined motion unless an item is pulled for discussion.

1. Approve the Draft Minutes of the Regular Board Meeting of June 11, 2026
2. Approve Updated CalOES Form 130 – Designation of Applicant's Agent Resolution
3. Approve Informational Memo Regarding the Humboldt County Civil Grand Jury Report – Funding the Future of Water and Sewer Systems
4. Approve Lease Agreement with Ruth Mutual Water Company for Well Site and Related Facility Use
5. Approve Informational Memo Regarding Federal Energy Regulatory Commission (FERC) Inspection and Risk Assessment Workshop

4. PRESENTATIONS

1. NONE

5. DISCUSSION AND ACTION

1. Informational Memo Concerning the Former McNamara and Peepe Mill Site
2. Discuss and Consider Approval of Withdrawing from FEMA HMGP DR-4569-PA0538-008R, R.W. Matthews Dam Advance Assistance Project Grand
3. Discuss and Consider Approval of the June Financial Statement & Vendor Detail Report
4. Discuss and Consider Approval of Items Pulled from Consent Calendar

6. REPORTS

1. Staff Reports

Board of Directors Agenda

July 9, 2026

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- a. Operations & Maintenance Report
- b. Management Report
2. Active Ad-Hoc Committee Reports
 - a. General Manager Appraisal Committee Met 6/17
3. Director Reports — General Director Comments
 - a. Vice-President Woo
 - b. Director Wheeler
 - c. Director Stevens
 - d. Director Rupp
 - e. President Fuller
4. Organizations on which HBMWD Serves
 - a. Association of CA Water Agencies (ACWA)
 - b. Association of CA Water Agencies / Joint Powers Insurance Authority (ACWA-JPIA)

7. DISCUSSION OF FUTURE AGENDA ITEMS

1. Information Management System
2. Artificial Intelligence Policy

8. ADJOURNMENT

The next Regular Meeting of the Board of Directors will be held at 1:00 p.m. on Thursday, August 13, 2026.

BOARD STAFF REPORT

Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	3.1
Agenda Item	June 11, 2026, Regular Board Meeting Minutes
Presented By	Contessa Dickson, Board Secretary
Type of Item	ACTION
Type of Action	Consent Calendar – General Vote
Applicable Board Policy	Policy 4220 – Minutes of the Board

RECOMMENDATION

Staff recommend the Board consider approval of the Draft Minutes of the Board of Directors for May 14, 2026, Regular Meeting.

DISCUSSION

The Draft Minutes of May 14, 2026, Regular meetings are attached. A reminder that the Minutes are approved by the legislative body, that is the Board of Directors, not individual members of the Board who were present at the Meeting.

STRATEGIC PLAN ALIGNMENT

Governance & Organization.

FISCAL IMPACT

There is no fiscal impact associated with this action.

ENVIRONMENTAL AND LEGAL REVIEW

Not Applicable

ALTERNATIVES

Take no action.

ATTACHMENTS

1. Draft Minutes from June 11, 2026, Regular Meeting

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



**Minutes of the Regular Meeting of the Board of
Directors**

June 11, 2026

1:00 p.m.

1.1 ROLL CALL

President Fuller called the meeting to order at 1:00 p.m. Roll call was conducted. Directors Fuller, Rupp, Stevens, Wheeler, and Woo were present. General Manager Michiko Mares, Director of Maintenance and Operations Dale Davidsen, Deputy Director of Maintenance and Operations Ryan Chairez, Director of Finance and Human Resources Chris Harris, and Board Secretary Contessa Dickson were present. Associate Engineer Annmarie Behan, Accounting Specialist Darcey Quinn, and general counsel Ryan Plotz were present for a portion of the meeting.

1.2 PLEDGE OF ALLEGIANCE

President Fuller led the pledge of allegiance.

1.3 ACCEPT AGENDA

ACTION: Motion #26-032 to accept Agenda.

Maker: Director Woo

Second: Director Rupp

Vote: 5-0 to approve

2. PUBLIC COMMENT

No public comment was received.

3. CONSENT CALENDAR

ACTION: Motion #26-033 to approve Consent Calendar.

Maker: Director Rupp

Second: Director Stevens

Vote: 5-0 to approve

3.1 Approve the Draft Minutes of the Regular Board Meeting of May 14, 2026

3.2 Approve the Draft Minutes of the Special Board Meeting of May 20, 2026

3.3 Approve LAFCO Independent Special District Election Ballot

3.4 Approve Single Audit Report for Fiscal Year Ended June 30, 2025

3.5 Approve the 2026 Annual Water Supply & Demand Assessment

4. PRESENTATIONS

4.1 None.

5. DISCUSSION AND ACTION:

5.1 Public Hearing: Resolution 2026-04 – 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP)

ACTION: Motion #26-034 to approve Resolution 2026-04: Adoption of the 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP).

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



**Minutes of the Regular Meeting of the Board of
Directors**

June 11, 2026

1:00 p.m.

Maker: Director Rupp

Second: Director Woo

Vote: 5-0 to approve by roll call vote

- Director Wheeler: Aye
- Director Woo: Aye
- Director Fuller: Aye
- Director Rupp: Aye
- Director Stevens: Aye

(5 ayes, 0 no, 0 abstained)

Associate Engineer Annmarie Behan presented this item and noted the plans must be adopted and submitted to the California Department of Water Resources by July 1, 2026. President Fuller opened the public hearing, received no public comment, and closed the public hearing. Following discussion, the Board approved Resolution 2026-04: Adoption of the 2025 Urban Water Management Plan (UWMP) and Water Shortage Contingency Plan (WSCP).

5.2 Resolution 2026-05 – Annual Limit for Appropriations

ACTION: Motion #26-035 to approve Resolution 2026-05 – Annual Limit for Appropriations.

Maker: Director Rupp

Second: Director Wheeler

Vote: 5-0 to approve by roll call vote

- Director Wheeler: Aye
- Director Woo: Aye
- Director Fuller: Aye
- Director Rupp: Aye
- Director Stevens: Aye

(5 ayes, 0 no, 0 abstained)

Accounting Specialist Darcey Quinn presented this item and provided an overview of the annual appropriations limit requirements.

5.3 Resolution 2026-06 – Adopting a Conflict of Interest Policy

ACTION: Motion #26-036 to approve Resolution 2026-06 – Adopting a Conflict of Interest Policy.

Maker: Director Stevens

Second: Director Wheeler

Vote: 5-0 to approve by roll call vote

- Director Wheeler: Aye
- Director Woo: Aye

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



**Minutes of the Regular Meeting of the Board of
Directors**

June 11, 2026

1:00 p.m.

- Director Fuller: Aye
 - Director Rupp: Aye
 - Director Stevens: Aye
- (5 ayes, 0 no, 0 abstained)

Ms. Mares presented this item and noted the policy was developed to formalize the District's conflict of interest requirements and updated to reflect current organizational positions, including the addition of a new position.

5.4 Resolution 2026-07 – Supporting the Association of California Water Agencies' Vision for our Water Future

ACTION: Motion #26-037 to approve Resolution 2026-07 – Supporting the Association of California Water Agencies' Vision for our Water Future.

Maker: Director Rupp

Second: Director Woo

Vote: 5-0 to approve by roll call vote

- Director Wheeler: Aye
 - Director Woo: Aye
 - Director Fuller: Aye
 - Director Rupp: Aye
 - Director Stevens: Aye
- (5 ayes, 0 no, 0 abstained)

Ms. Mares introduced this item and Director Rupp provided background on ACWA's Vision for Our Water Future initiative and its statewide efforts to build long-term water resiliency. Director Wheeler commented that he appreciated the Vision but expressed concern that ACWA may not adequately advocate for rural communities and agencies such as HBMWD. Following discussion, the Board approved Resolution 2026-07.

5.5 Discuss and Consider Approval of May Financial Statement & Vendor Detail Report

ACTION: Motion #26-038 to approve the May Financial Statement & Vendor Detail Report in the amount of \$705,822.33

Maker: Director Wheeler

Second: Director Stevens

Vote: 5-0 to approve

Ms. Harris presented the May financial Statement & Vendor Detail Report, noting a general account balance of approximately \$7 million, investments totaling \$13.5 million, \$6.8 million in advance charges, and \$4 million in general reserves.

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District 828 7th Street, Eureka**



**Minutes of the Regular Meeting of the Board of
Directors**

June 11, 2026

1:00 p.m.

5.6 Discuss and Consider Approval of the FY27 Budget

ACTION: Motion #26-039 to approve the FY27 budget.

Maker: Director Stevens

Second: Director Woo

Vote: 5-0 to approve

Ms. Harris presented this item and noted the proposed budget had previously been discussed during the May Board meeting and Special Budget Workshop. She stated staff did not anticipate any significant changes prior to the beginning of Fiscal Year 2026/2027 on July 1, 2026. Following discussion, the Board approved the FY27 Budget. The Board commended Ms. Harris for her thorough and well-prepared budget presentation.

5.7 Discuss and Consider Approval of Amended & Restated General Manager Employment Agreement

ACTION: Motion #26-040 to approve the Amended and Restated General Manager Employment Agreement and authorize the Board President to execute the Agreement.

Maker: Director Rupp

Second: Director Woo

Vote: 5-0 to approve

General Counsel Ryan Plotz attended virtually and presented this item. He noted this matter had previously been discussed in closed session at the May Board meeting and recommended approval of the amended agreement. Director Woo commented that over the past year Ms. Mares has consistently risen to every occasion and thanked her for her service to the District.

6. REPORTS

6.1 Staff Reports:

a. Operations Report

Non-Action Item

Mr. Davidsen presented the May Operations Report. He provided updates on Ruth Lake conditions, hydroelectric generation, domestic water operations, maintenance activities, staff training, and ongoing infrastructure projects. Updates were also provided regarding the R.W. Matthews Dam after-action review, Collector #4 inspection planning, the Ruth Lake decontamination station project, Board room audiovisual improvements, and routine maintenance activities completed by staff throughout the month. Mr. Davidsen answered questions from the Board regarding ongoing projects and maintenance activities.

b. Management Report

Non-Action Item

Ms. Mares presented the General Manager's Report, providing updates on regulatory compliance, permitting, infrastructure reliability, and strategic initiatives. She reported no workplace injuries

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District 828 7th Street, Eureka**



**Minutes of the Regular Meeting of the Board of
Directors**

June 11, 2026

1:00 p.m.

during the reporting period and stated the District remained in full compliance with all state and federal drinking water regulations. Updates were also provided on FERC and DSOD review of the embankment investigation drilling program, implementation of FY27 project prioritization efforts, watershed and environmental stewardship initiatives, ongoing Instream Flow Dedication discussions, organizational development efforts, and enhanced Board communication tools.

6.2 Active Ad-Hoc Committee Reports

a. Instream Flow Dedication – Water Rights Renewal – Met

The committee (Directors Fuller and Stevens) met on May 7.

b. GM Evaluation Committee – Met

The committee (Directors Fuller and Woo) met on May 4. President Fuller commented that the consultant has been great and the process has gone smoothly.

6.3 Director Reports

a. Vice President Woo

Vice President Woo commented that the way information was presented in the Board packet was very efficient and appreciated the financial information provided.

b. Director Wheeler

Director Wheeler announced an Offshore Wind Heavy Lift Terminal Project meeting would be held on June 24 at the Arcata Community Center and noted updates would be provided regarding the environmental review process.

c. Director Stevens

Director Stevens thanked staff for the invitation to the District Employee Recognition BBQ.

d. Director Rupp

Director Rupp commented that quagga mussels continue to be a significant issue for ACWA and expressed pride that the District has been involved from the beginning and has been effective at keeping them out of Ruth Reservoir.

e. President Fuller

President Fuller reminded the Board of the Ruth Lake Community Services District Joint Board Meeting scheduled for September 25 and the Ruth Lake Cleanup scheduled for September 26, which she plans to attend. She also noted she may miss the October Board meeting.

6.4 Organizations on Which HBMWD Serves

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



**Minutes of the Regular Meeting of the Board of
Directors
June 11, 2026
1:00 p.m.**

a. Association of CA Water Agencies (ACWA)

Non-Action Item

Director Rupp reported he attended the ACWA Board meeting virtually. The primary topic of the two-day workshop and Board meeting was the Vision for Our Water Future initiative. He also reported that ACWA is opposing AB 21 and attended the Audit Meeting for the Finance Committee.

b. Association of CA Water Agencies/Joint Powers Insurance Authority (ACWA-JPIA)

Non-Action Item

Director Rupp had no report.

7 Discussion of Future Agenda Items

7.1 Information Management System

Non-Action Item

No update.

7.2 Artificial Intelligence Policy

Non-Action Item

No update.

ADJOURN TO CLOSED SESSION

The Board adjourned from open session at 2:15 p.m. for a brief recess.

1. CLOSED SESSION

President Fuller called the Closed Session meeting to order at 2:20 p.m. Roll call was conducted. Directors Fuller, Rupp, Stevens, Wheeler, and Woo were present. General Manager Michiko Mares, Director of Maintenance and Operations Dale Davidsen, Director of Finance and Human Resources Chris Harris, and Board Secretary Contessa Dickson were present.

2. PUBLIC COMMENT

Public comments were opened and received from Patricia Lewis and James Bruffett, President of Humboldt Trinity Recreation Alliance, regarding a request for a donation of District property to establish a disaster prevention center and food bank for use during emergency events.

3. ANNOUNCEMENT OF CLOSED SESSION:

3.1 CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: portion of Trinity County APN 020-330-005

Agency negotiator: Michiko Mares, General Manager; Ryan Plotz, District Counsel

Negotiating parties: Humboldt Trinity Recreation Alliance (HTRA), a nonprofit organization

Under negotiation: price and terms of payment

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District 828 7th Street, Eureka**



**Minutes of the Regular Meeting of the Board of
Directors**

June 11, 2026

1:00 p.m.

3.2 PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: General Manager

The Board entered closed session at 2:25 p.m. and returned to open session at 3:23 p.m. President Fuller announced there was no reportable action.

ADJOURNMENT

The meeting adjourned at 3:24 p.m.

Attest:

Michelle Fuller, Board President

Contessa Dickson, Board Secretary

BOARD STAFF REPORT

Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	3.2
Agenda Item	Approval of Updated CalOES Form 130 – Designation of Applicant’s Agent Resolution
Presented By	Chris Harris, Director of Finance & Human Resources
Type of Item	ACTION
Type of Action	General Vote – Consent Calendar
Applicable Board Policy	California Disaster Assistance Act; CalOES Form 130 requirements

RECOMMENDATION

Staff recommend that the Board consider approval of an updated CalOES Form 130, Designation of Applicant’s Agent Resolution for Non-State Agencies, using the “Titles Only” method (as the District has done in the past) to identify the District’s Authorized Agents by current job title, and authorizing the Director of Finance to execute and submit the form to the California Governor’s Office of Emergency Services (CalOES).

BACKGROUND

CalOES Form 130, Designation of Applicant’s Agent Resolution for Non-State Agencies, is required by the California Governor’s Office of Emergency Services (CalOES) of every applicant seeking federal disaster assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act and/or state disaster assistance under the California Disaster Assistance Act. The form designates the individual(s) authorized to apply for and administer such assistance on the District’s behalf and must be supported by a current Board resolution.

A universal resolution is valid for up to three (3) years from the date of Board approval. The District’s currently filed Form 130 was approved more than three years ago and has since expired. The District has also updated the job titles of two Authorized Agent positions since that resolution was adopted. Both issues are addressed below.

DISCUSSION

Two issues require the Board’s action at this time:

1. Expired Resolution. The District’s current CalOES Form 130 is more than three years old and expired in January 2026. CalOES continues to honor the existing resolution for the District’s currently open grants and disasters, but it is no longer valid for any new disaster assistance applications. Until an updated resolution is on file, the District cannot apply for new state or federal disaster assistance funding.
2. Updated Job Titles. The job titles of two Authorized Agent positions – Business Manager and Superintendent – have changed since the expired form was approved. CalOES requires that Authorized Agents be identified either by current title or by name and title. Any changes in title (or personnel if listed by name) requires a new resolution.

Staff recommend the “Titles Only” method (rather than naming individuals) because it allows the resolution to remain valid for the full three-year term even if a person holding an Authorized Agent title is later replaced. CalOES is strict about form accuracy and completeness; an outdated or improperly completed Form 130 is a common cause of rejected or delayed disaster assistance applications. Staff have prepared the updated Form 130 reflecting the District’s current Authorized Agent titles for the Board’s consideration and approval.

STRATEGIC PLAN ALIGNMENT

This item advances the Governance & Organization goal of the FY2027–FY2030 Strategic Plan by ensuring the District maintains current, legally compliant administrative records and remains eligible to pursue state and federal disaster assistance funding when needed.

FISCAL IMPACT

There is no fiscal impact associated with this action. Completing and filing the CalOES Form 130 carries no direct cost to the District.

ENVIRONMENTAL AND LEGAL REVIEW

Not applicable

ALTERNATIVES

The Board could decline to approve the updated resolution at this time. Staff do not recommend this alternative: while the District’s existing Form 130 remains in effect for currently open grants and disasters, it expired in January 2026 and will not be accepted for new grant applications.

ATTACHMENTS

1. Draft CalOES Form 130 – Designation of Applicant’s Agent Resolution for Non-State Agencies (with current Authorized Agent titles)
2. CalOES Form 130 Instructions (Page 2 of current form)

**DESIGNATION OF APPLICANT'S AGENT RESOLUTION
FOR NON-STATE AGENCIES**

BE IT RESOLVED BY THE _____ OF THE _____
(Governing Body) (Name of Applicant)

THAT _____, OR
(Title of Authorized Agent)

_____, OR
(Title of Authorized Agent)

(Title of Authorized Agent)

is hereby authorized to execute for and on behalf of the _____, a public entity
(Name of Applicant)
established under the laws of the State of California, this application and to file it with the California Governor's Office of Emergency Services for the purpose of obtaining certain federal financial assistance under Public Law 93-288 as amended by the Robert T. Stafford Disaster Relief and Emergency Assistance Act of 1988, and/or state financial assistance under the California Disaster Assistance Act.

THAT the _____, a public entity established under the laws of the State of California,
(Name of Applicant)
hereby authorizes its agent(s) to provide to the Governor's Office of Emergency Services for all matters pertaining to such state disaster assistance the assurances and agreements required.

Please check the appropriate box below:

- This is a universal resolution and is effective for all open and future disasters up to three (3) years following the date of approval below.
- This is a disaster specific resolution and is effective for only disaster number(s) _____

Passed and approved this _____ day of _____, 20_____

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

(Name and Title of Governing Body Representative)

CERTIFICATION

I, _____, duly appointed and _____ of
(Name) (Title)

_____, do hereby certify that the above is a true and correct copy of a
(Name of Applicant)

Resolution passed and approved by the _____ of the _____
(Governing Body) (Name of Applicant)

on the _____ day of _____, 2026 .

(Signature)

(Title)

Cal OES Form 130 Instructions

A Designation of Applicant's Agent Resolution for Non-State Agencies is required of all Applicants to be eligible to receive funding. A new resolution must be submitted if a previously submitted Resolution is older than three (3) years from the last date of approval, is invalid or has not been submitted.

When completing the Cal OES Form 130, Applicants should fill in the blanks on page 1. The blanks are to be filled in as follows:

Resolution Section:

Governing Body: This is the group responsible for appointing and approving the Authorized Agents.

Examples include: Board of Directors, City Council, Board of Supervisors, Board of Education, etc.

Name of Applicant: The public entity established under the laws of the State of California. Examples include: School District, Office of Education, City, County or Non-profit agency that has applied for the grant, such as: City of San Diego, Sacramento County, Burbank Unified School District, Napa County Office of Education, University Southern California.

Authorized Agent: These are the individuals that are authorized by the Governing Body to engage with the Federal Emergency Management Agency and the Governor's Office of Emergency Services regarding grants applied for by the Applicant. There are two ways of completing this section:

1. **Titles Only:** If the Governing Body so chooses, the titles of the Authorized Agents would be entered here, not their names. This allows the document to remain valid (for 3 years) if an Authorized Agent leaves the position and is replaced by another individual in the same title. If "Titles Only" is the chosen method, this document must be accompanied by a cover letter naming the Authorized Agents by name and title. This cover letter can be completed by any authorized person within the agency and does not require the Governing Body's signature.
2. **Names and Titles:** If the Governing Body so chooses, the names **and** titles of the Authorized Agents would be listed. A new Cal OES Form 130 will be required if any of the Authorized Agents are replaced, leave the position listed on the document or their title changes.

Governing Body Representative: These are the names and titles of the approving Board Members.

Examples include: Chairman of the Board, Director, Superintendent, etc. The names and titles **cannot** be one of the designated Authorized Agents, and a minimum of two or more approving board members need to be listed.

Certification Section:

Name and Title: This is the individual that was in attendance and recorded the Resolution creation and approval.

Examples include: City Clerk, Secretary to the Board of Directors, County Clerk, etc. This person **cannot** be one of the designated Authorized Agents or Approving Board Member (if a person holds two positions such as City Manager and Secretary to the Board and the City Manager is to be listed as an Authorized Agent, then the same person holding the Secretary position would sign the document as Secretary to the Board (not City Manager) to eliminate "Self Certification.")

BOARD STAFF REPORT

Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	3.3
Agenda Item	Humboldt County Civil Grand Jury Report – Funding the Future of Water and Sewer Systems
Presented By	Michiko Mares, General Manager
Type of Item	INFORMATIONAL
Type of Action	NONE -Receive and File
Applicable Board Policy	Board Strategic Plan (FY27-FY30)

RECOMMENDATION

No action recommended to the Board of Directors at this time regarding this item.

BACKGROUND

On June 17, 2026, the Humboldt County Civil Grand Jury released *Flowing Forward: Funding the Future of Water and Sewer Systems*. The report documents systemic water infrastructure funding gaps affecting agencies across Humboldt County and nationally. The Grand Jury examined staffing, budgets, rates, and funding sources for local water and wastewater systems, focusing on how these systems operate and the challenges they face. This memo informs the Board of Key Findings and their alignment with HBMWD's FY2027–FY2030 Strategic Plan.

DISCUSSION






The Grand Jury report documents an \$81 billion annual shortfall nationally between water infrastructure needs and available funding. Federal grants that historically supported utilities have largely disappeared. Smaller and rural water systems face particular challenges:

- 1. Rate Discipline Prevents Crises:** Utilities that defer rate increases face crisis scenarios. Fortuna avoided rate increases for 18 years, then imposed three consecutive 20% increases. Alderpoint has not raised rates since 2014, risking loss of water services.
- 2. Federal Funding Gap:** Without federal assistance, agencies depend on rate increases, loans, and bonds to fund critical infrastructure replacement.

3. Climate and Environmental Risks: Severe droughts, floods, and wildfires threaten water systems. Rural residents pay 3–4× more than urban residents because costs are spread across smaller customer bases.
4. Rising Regulatory Costs: State and federal regulations (permitting, treatment standards, monitoring, environmental protection) impose continually rising capital and operating costs on water utilities.
5. Aging Infrastructure: Most pipelines in Humboldt County are decades old, many made of asbestos cement or clay, exceeding their typical 50-year lifespan. The likelihood of failures (leaks, breaks) grows exponentially with age.

STRATEGIC PLAN ALIGNMENT

The report findings and recommendations directly validate and support HBMWD's FY2027–FY2030 Strategic Plan goals:

A		Infrastructure & Assets <i>Modernize, protect, and strategically manage District infrastructure and assets to improve resiliency, operational efficiency, regulatory compliance, and service reliability.</i>
B		Watershed & Environmental Stewardship <i>Protect source water and the Mad River watershed to ensure long-term water quality, ecosystem health, and sustainable use of District resources.</i>
C		Regulatory Compliance <i>Ensure proactive regulatory compliance and strong emergency preparedness to protect public health, infrastructure, and continuity of operations.</i>
D		Water Supply & Reliability <i>Secure a reliable long-term water supply by protecting water rights and strengthening the workforce and systems needed to operate the water system effectively.</i>
E		Governance & Organization <i>Strengthen governance, organizational effectiveness, and internal systems to support strategic leadership, accountability, and operational resiliency.</i>

The report documents aging infrastructure crisis and federal funding gaps which are both factors the underscore the urgent need for Goal/Objective A-2:

Capital Improvement & Funding Strategy Objective:

“Initiate development of a prioritized capital improvement and funding strategy informed by vulnerability, condition, and resiliency assessments.”

This Goal/Objective will greatly strengthen the District’s ability to forecast financial needs and to secure resources in advance of the necessary infrastructure improvements.

GOALS & OBJECTIVES FOR FUTURE CONSIDERATION

One of the report findings noted that despite considerable efforts of many water districts to communicate with users, people are often unaware of rate increases until a larger bill arrives, aligns with Customer & Community Trust, a goal identified in HBMWD’s Strategic Plan parking lot.

This goal is scheduled for review and prioritization at the end of the current fiscal year. The Grand Jury's findings provide external validation and context for that future consideration.

FISCAL IMPACT

There is no fiscal impact associated with this informational item. However, the report validates HBMWD's strategic focus on capital planning, regulatory compliance, and financial sustainability, all of which have fiscal implications reflected in existing budgets and the FY2027–FY2030 Strategic Plan.

ENVIRONMENTAL AND LEGAL REVIEW

This is an informational item. No environmental review or District Counsel review is required.

ALTERNATIVES

The Board may receive and file this item (recommended).

ATTACHMENTS

1. *Humboldt County Civil Grand Jury, [Flowing-Forward---Funding-the-Future-of-Water-and-Sewer-Systems](#)* (Released June 17, 2026)
2. [Times Standard: 'Civil Grand Jury releases report: Years of avoided rate hikes leave water systems at risk'](#)
3. [HBMWD_Strategic_Plan_2026-2027.pdf](#)

BOARD STAFF REPORT

Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	3.4
Agenda Item	Lease Agreement with Ruth Mutual Water Company for Well Site and Related Facility Use
Presented By	Michiko Mares, General Manager
Type of Item	ACTION
Type of Action	Consent Calendar -General Vote
Applicable Board Policy	Not Applicable

RECOMMENDATION

Legal Counsel and staff recommend the Board consider approval of the Lease of Real Property for Well Site and Related Facility Use between Humboldt Bay Municipal Water District and Ruth Mutual Water Company, Inc., and authorize the General Manager to execute the lease in substantially the form presented to the Board.

BACKGROUND

The District owns real property in Trinity County containing the well site at issue. Ruth Mutual Water Company, Inc. operates a mutual water system in the Ruth area and uses a limited portion of the property for operation and maintenance of its well-related equipment and facilities. The parties previously operated under a lease dated March 9, 2000, later amended March 9, 2010. The proposed lease updates and replaces that prior arrangement.

DISCUSSION

The proposed lease establishes a new twenty-year term beginning July 1, 2026. It sets base rent at \$9.60 per active connection per month, based on eight active connections as of the effective date, for initial annual rent of \$921.60, payable in advance, with an annual 5% escalation. The lease also requires annual certification of connection counts and permits District audit of supporting records.

The proposed lease also strengthens the District’s protections compared to the prior lease. Among other things, it confirms that the lease grants only a limited leasehold interest and no easement or permanent right; restricts expansion of service without District consent; places

responsibility on the tenant for permits, regulatory compliance, environmental conditions, insurance, and indemnity; restricts assignment and change of control without District approval; and requires removal and restoration obligations at the end of the term.

STRATEGIC PLAN ALIGNMENT

This item supports the District's Governance & Organization goal by strengthening governance through an updated lease agreement and the Infrastructure & Assets goal by ensuring responsible management of District-owned property.

FISCAL IMPACT

Initial annual lease revenue under the proposed lease will be \$921.60, subject to annual adjustment based on connection count and the 5% annual escalation.

ENVIRONMENTAL AND LEGAL REVIEW

Approval of the proposed lease is not a project under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15378, as it is an administrative action involving the continued lease of an existing well site and will not result in a direct or reasonably foreseeable indirect physical change to the environment. The proposed lease has been reviewed and approved as to form by District Legal Counsel.

FISCAL IMPACT

Initial annual lease revenue under the proposed lease will be \$921.60, subject to annual adjustment based on connection count and the 5% annual escalation.

ATTACHMENTS

1. Lease of Real Property for Well Site and Related Facility Use

**LEASE OF REAL PROPERTY FOR WELL SITE
AND RELATED FACILITY USE**

THIS LEASE OF REAL PROPERTY FOR WELL SITE AND RELATED FACILITY USE ("Lease") is entered into as of July 1, 2026 ("Effective Date"), by and between HUMBOLDT BAY MUNICIPAL WATER DISTRICT, a California local public agency ("District" or "Lessor"), and RUTH MUTUAL WATER COMPANY, INC., a California nonprofit corporation ("Tenant" or "Lessee"). District and Tenant are sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS

A. District owns certain real property in Trinity County, California, on which a well site and related facilities are located (the "Property").

B. Tenant operates a mutual water system serving certain parcels in the Ruth area and desires to continue using a limited portion of the Property for operation of, access to, maintenance of, repair of, replacement of, and removal of certain Tenant-owned well equipment and related facilities, subject to the terms of this Lease.

C. District and Tenant acknowledge that the parties previously entered into that certain Lease of Real Property for Water Use dated March 9, 2000, as amended March 9, 2010 (collectively, the "Prior Lease"), concerning the well site and related use of District property.

D. District is willing to lease a limited portion of the Property to Tenant for that purpose only, upon the terms and conditions set forth herein.

E. District and Tenant acknowledge that District owns the underlying real property and that Tenant claims ownership of certain equipment and improvements located at the site. This Lease does not convey ownership of land to Tenant and does not constitute an easement or other permanent property interest.

F. The Parties intend this Lease to be interpreted and administered in a manner that protects District property, preserves District discretion, and allocates to Tenant all risks, costs, liabilities, and compliance obligations associated with Tenant's operations except to the extent expressly stated otherwise in this Lease.

NOW, THEREFORE, in consideration of the covenants, conditions, agreements, rent, and mutual promises contained in this Lease, the Parties agree as follows:

1. PREMISES

1.1 Lease. District leases to Tenant, and Tenant leases from District, that certain portion of the Property depicted and described on Exhibit A (the "Premises"), together with a nonexclusive right of ingress and egress over District-designated access routes solely as reasonably necessary for the permitted use described in this Lease.

1.2 Reserved Rights. District reserves all rights in and to the Property not expressly granted herein, including the right to enter, inspect, protect public health and safety, perform District work, and require temporary operational limitations where reasonably necessary.

2. TERM

2.1 Initial Term. The term of this Lease shall commence on July 1, 2026, and shall continue for twenty (20) years, unless sooner terminated pursuant to this Lease.

2.2 No Renewal Option. Tenant shall have no option to extend or renew except by written agreement approved by District in its sole discretion.

3. RENT; CONNECTION COUNT; PAYMENT

3.1 Base Rent. The Parties acknowledge that the prior rent under the existing lease was \$6.40 per connection per month. Effective as of the commencement date of this Lease, Tenant shall pay District base rent at the increased rate of \$9.60 per active connection per month.

3.2 Initial Connection Count. As of the Effective Date, the Parties acknowledge eight (8) active connections, resulting in initial annual rent of \$921.60, payable in advance on or before March 1 of each lease year, unless District directs otherwise in writing.

3.3 Annual Escalation. Beginning on the first anniversary of the commencement date, and on each anniversary thereafter, the per-connection monthly rate shall automatically increase by five percent (5%).

3.4 Annual Certification and True-Up. On or before January 31 of each year, Tenant shall provide a written certification, signed under penalty of perjury, stating the number of active connections served through the well during the preceding calendar year and identifying the parcels served. Tenant shall maintain complete books and records supporting its connection counts, service to parcels, and rent calculations for not less than four (4) years, and District may inspect and audit such records upon reasonable notice. Any underpayment disclosed by audit shall be paid within ten (10) days after demand, together with interest at the rate set forth in Section 3.5.

3.5 Late Charges and Interest. Any amount not paid within ten (10) days after written notice of delinquency shall bear interest at ten percent (10%) per annum or the maximum lawful rate, whichever is less, and shall also be subject to a late charge equal to five percent (5%) of the delinquent amount.

4. PERMITTED USE; NO EXPANSION OF USE; NO VESTED OR PRESCRIPTIVE RIGHTS

4.1 Permitted Use. Tenant may use the Premises solely for operation, inspection, maintenance, repair, replacement, and lawful use of the existing well-related equipment and facilities serving the parcels identified on Exhibit B.

4.2 No Expansion. Tenant shall not expand service to additional parcels, add additional connections, materially intensify use, install substantial new improvements, or alter the character of the use without District's prior written consent, which may be granted or withheld in District's sole discretion.

4.3 No Easement or Permanent Interest. This Lease grants only a revocable leasehold interest for the stated term and does not grant an easement, irrevocable license, prescriptive right, water right, or any right to continue occupancy or use beyond expiration or termination of this Lease.

4.4 No Vested or Prescriptive Rights. Tenant acknowledges and agrees that its use and occupancy of the Premises are permissive only and shall not ripen into or form the basis for any

claim of prescriptive right, equitable servitude, irrevocable license, franchise right, public utility right, permanent right of access, vested right, or any other continuing property or use right in favor of Tenant or any third party. Tenant waives, to the fullest extent permitted by law, any such claim.

4.5 No Holdover Rights. No holding over, acceptance of rent after expiration, prior course of dealing, accommodation, temporary permission, consent to limited work, or failure by District to enforce any term shall be deemed to extend this Lease or create any permanent, vested, or implied right in Tenant. Any continued occupancy after expiration or termination shall constitute trespass unless expressly accepted in writing by District as a month-to-month tenancy. Any continued occupancy after expiration or termination shall constitute trespass unless expressly accepted in writing by District as a month-to-month tenancy. Any such permitted holdover shall be on all of the terms and conditions of this Lease, except that base rent shall be one hundred fifty percent (150%) of the rate in effect immediately before expiration, and District may terminate such month-to-month tenancy at any time upon written notice.

5. TENANT-OWNED EQUIPMENT

5.1 Tenant Equipment. Tenant represents that the equipment and improvements listed on **Exhibit C** (the “Tenant Equipment”) are owned by Tenant, except to the extent otherwise expressly identified in writing by District.

5.2 No District Warranty. District does not warrant that any item identified by Tenant as Tenant Equipment is lawfully installed, properly permitted, or in compliance with applicable law.

5.3 No District Maintenance Obligation. Except as expressly provided herein, District shall have no obligation to maintain, repair, replace, insure, or secure the Tenant Equipment.

6. ACCESS; MAINTENANCE; ALTERATIONS

6.1 Access. Tenant and its employees, contractors, and agents may access the Premises only as reasonably necessary for the permitted use and only by routes designated by District. Except in a true emergency, Tenant shall provide reasonable advance notice before entering for non-routine work.

6.2 Maintenance and Repair. Tenant shall, at its sole cost, keep the Premises and Tenant Equipment in a clean, safe, orderly, and good condition and repair, and shall promptly repair any damage to the Premises or other District property caused by Tenant or Tenant’s employees, contractors, invitees, or equipment.

6.3 Alterations. Tenant shall not make alterations, improvements, replacements, upgrades, trenching, structural work, electrical work, or modifications to the Premises or Tenant Equipment without District’s prior written consent, except for emergency repairs necessary to prevent imminent harm or material service interruption, in which case Tenant shall notify District as soon as practicable.

6.4 Conditions on Approval. District may condition approval of alterations on plans, specifications, permits, contractor information, restoration security, and such other conditions as District reasonably determines are necessary.

6.5 Liens. Tenant shall keep the Premises and Property free and clear of any mechanics’, materialmen’s, laborers’, or similar liens arising out of any work, labor, services, or materials

furnished by or for Tenant. If any such lien is recorded, Tenant shall cause it to be released or bonded around within ten (10) days after notice from District. If Tenant fails to do so, District may take such action as it deems necessary to remove or bond around the lien, and Tenant shall reimburse District upon demand for all costs incurred. District may post and record a notice of nonresponsibility at any time.

7. TAXES, UTILITIES, AND OPERATING COSTS

7.1 Tenant Responsibility. Tenant shall pay all costs associated with operation of the Premises and Tenant Equipment, including electricity, testing, monitoring, maintenance, repairs, replacements, consumables, permits, fees, taxes, and assessments attributable to Tenant's use or equipment.

7.2 Possessory Interest Taxes. Tenant acknowledges that this Lease may create a taxable possessory interest. Tenant shall be solely responsible for, and shall timely pay before delinquency, all possessory interest taxes, real property taxes, personal property taxes, assessments, fees, and charges levied or assessed against Tenant's interest under this Lease, the Tenant Equipment, or Tenant's use of the Premises. Upon request, Tenant shall furnish District evidence of payment.

8. COMPLIANCE WITH LAWS; REGULATORY ENTITLEMENTS

8.1 Tenant Representations. Tenant represents and warrants to District, as of the Effective Date and continuously during the Term, that:

- (a) Tenant is duly organized, validly existing, and in good standing under California law;
- (b) Tenant has full power and authority to enter into and perform this Lease;
- (c) the persons executing this Lease on behalf of Tenant are duly authorized to do so;
- (d) Tenant owns or lawfully controls the Tenant Equipment identified in **Exhibit C**;
- (e) to Tenant's knowledge, **Exhibit B** accurately identifies all parcels and connections served through the well as of the Effective Date; and
- (f) Tenant has not granted and will not grant any right inconsistent with District's rights under this Lease.

8.2 Required Approvals. Tenant shall, at its sole cost and expense, obtain, maintain in full force and effect, and timely renew all permits, approvals, entitlements, licenses, registrations, certifications, operating authority, and other governmental authorizations required for Tenant's use of the Premises, operation of the mutual water system, operation and maintenance of the well and Tenant Equipment, water production, water quality monitoring and reporting, delivery of service to any parcel or connection, storage and handling of materials, and performance of any work on the Premises.

8.3 Compliance Obligation. Tenant shall comply, at its sole cost and expense, with all applicable federal, state, regional, county, and local statutes, laws, ordinances, regulations, rules, orders, permit conditions, and requirements of any governmental authority now in effect or hereafter enacted, including without limitation all laws and requirements relating to drinking water,

public health, water quality, water system operations, cross-connection control, well operation, sampling and testing, reporting, hazardous materials, environmental protection, building, electrical, fire, occupational safety, and access to or work on the Premises.

8.4 No District Representation. Tenant shall be solely responsible for determining what regulatory approvals and compliance measures are required for its operations and shall not rely on District for any legal, regulatory, operational, engineering, or permitting determination. District's execution of this Lease, acceptance of rent, review of plans, consent to work, or failure to object to any condition or activity shall not constitute any representation, warranty, approval, certification, or legal determination that Tenant's use, equipment, operations, service area, or facilities are lawful, properly permitted, or in compliance with applicable law.

8.5 Delivery of Records. Upon District's request, Tenant shall promptly, and in no event later than five (5) business days after request unless District allows more time in writing, provide complete and legible copies of any permits, licenses, registrations, testing records, monitoring reports, water quality reports, sampling results, consumer notices, engineering reports, sanitary survey materials, inspection reports, agency correspondence, notices of deficiency, notices of violation, compliance orders, enforcement communications, and any other records relating to Tenant's use of the Premises, the well, the Tenant Equipment, or the mutual water system.

8.6 Immediate Notice. Tenant shall notify District in writing within twenty-four (24) hours after Tenant receives or becomes aware of any actual or alleged violation of law, agency inquiry or enforcement communication, water quality exceedance, permit lapse, or claim that Tenant lacks legal authority to serve any parcel or connection.

8.7 Material Default. Any failure by Tenant to obtain, maintain, or comply with any required permit, approval, entitlement, law, regulation, order, or permit condition shall constitute a material default under this Lease if not cured within the applicable cure period, or immediately upon notice from District if the violation poses an immediate threat to public health, safety, the environment, or District property.

8.8 District Protective Action. If District reasonably determines that Tenant's operations, equipment, or regulatory noncompliance present a risk to public health, safety, water quality, the environment, or District property, District may require immediate suspension of all or part of Tenant's use, require corrective action, require removal of materials or equipment, or perform protective work itself, all without waiving any other remedy. Tenant shall reimburse District within ten (10) days after demand for all costs incurred by District under this Section, including administrative costs, consultant costs, and attorneys' fees.

9. ENVIRONMENTAL MATTERS

9.1 Hazardous Materials. Tenant shall not cause or permit any release, spill, discharge, disposal, or presence of hazardous materials on, under, or about the Premises, except in minimal quantities customarily used in lawful operation and maintained, stored, and disposed of in compliance with law.

9.2 Responsibility for Contamination. Tenant shall be solely responsible for any environmental contamination or condition caused by Tenant, the Tenant Equipment, or Tenant's

operations, and shall investigate, remediate, monitor, and restore the Premises as required by District or any governmental agency.

9.3 Immediate Notice. Tenant shall immediately notify District of any spill, release, regulatory notice, or environmental claim affecting the Premises.

10. INSURANCE

Throughout the Term, Tenant shall procure, maintain, and keep in force, at its sole cost and expense, the insurance coverages described in **Exhibit D** attached hereto and incorporated herein by this reference, as the same may be modified from time to time as expressly permitted therein. Tenant shall furnish proof of such insurance as required by **Exhibit D** and shall not permit any contractor or other person to enter or perform work on the Premises on Tenant's behalf except in compliance with the contractor insurance requirements set forth in **Exhibit D**. Failure to maintain or provide evidence of the insurance required by Exhibit D shall constitute a material default under this Lease.

11. INDEMNITY

11.1 Broad Defense and Indemnity. To the fullest extent permitted by law, Tenant shall defend, with counsel reasonably acceptable to District, indemnify, and hold harmless District and its directors, officers, employees, agents, volunteers, successors, and assigns from and against any and all claims, demands, actions, causes of action, suits, administrative proceedings, liabilities, damages, judgments, penalties, fines, liens, losses, costs, and expenses, including without limitation attorneys' fees, expert fees, consultant fees, and costs of investigation, monitoring, remediation, repair, restoration, and enforcement, arising out of, relating to, or in any way connected with Tenant's use or occupancy of the Premises, the Tenant Equipment, operation of the mutual water system, service to any parcel, any actual or alleged violation of law by Tenant, any injury or property damage caused by Tenant, and any release, spill, contamination, or other environmental condition caused or exacerbated by Tenant.

11.2 Only Narrow Carve-Out. Tenant's defense and indemnity obligations apply regardless of whether any claim is groundless, false, or fraudulent and regardless of whether the claim arises in tort, contract, strict liability, statute, or otherwise, except only to the extent finally determined by a court of competent jurisdiction that a claim was caused by the active negligence or willful misconduct of District.

11.3 Water Service and Regulatory Claims. Without limiting the foregoing, Tenant shall defend, indemnify, and hold harmless the District indemnitees from and against all losses, liabilities, claims, costs, and expenses arising from any actual or alleged contamination of soil, surface water, groundwater, or improvements; any failure by Tenant to obtain or maintain required regulatory approvals; any order or enforcement action requiring testing, notice, treatment, repair, replacement, system modification, remediation, cleanup, or customer response; and any interruption, inadequacy, contamination, or alleged defect in water service provided by Tenant.

11.4 District Control if Needed. District may participate in the defense of any claim with counsel of its choosing at its own cost, and if District reasonably determines that a conflict exists, that Tenant has failed to assume the defense promptly, or that the claim may materially affect

District beyond monetary damages covered by Tenant, District may assume its own defense and Tenant shall reimburse District for all reasonable attorneys' fees and related costs incurred.

11.5 Not Limited by Insurance. Tenant's obligations under this Section are independent of, and shall not be limited by, any insurance maintained by Tenant.

11.6 Survival. Tenant's obligations under this Section shall survive expiration, termination, assignment, transfer, surrender, or rejection of this Lease.

12. DISCLAIMER OF WARRANTIES; AS-IS; DISTRICT RESERVATION OF RIGHTS

12.1 No Representations or Warranties. Except as expressly set forth in this Lease, District has made and makes no representations or warranties of any kind, express or implied, with respect to the Premises, the Property, the well site, any existing improvements, access, utilities, the condition or suitability of the Premises for Tenant's intended use, the legality of any existing use or improvement, the availability, quantity, quality, potability, or adequacy of any water, or the ability of Tenant to obtain or maintain any permit, entitlement, or regulatory approval.

12.2 Express Disclaimer. District expressly disclaims any and all warranties, express or implied, including any implied warranty of merchantability, fitness for a particular purpose, habitability, suitability, quiet enjoyment except as expressly provided by law and this Lease, compliance with law, or noninterference, and any warranty arising by course of dealing, course of performance, or usage of trade.

12.3 As-Is, Where-Is, With All Faults. Tenant accepts the Premises in their present condition, AS IS, WHERE IS, and WITH ALL FAULTS, whether known or unknown, latent or patent, and subject to all matters affecting title, condition, suitability, access, and legal compliance. Tenant acknowledges that it has had the opportunity to inspect the Premises and to conduct such independent investigations as Tenant deems necessary.

12.4 No Liability for Unsuitability or Governmental Action. District shall have no liability to Tenant for any failure of the Premises to be suitable for Tenant's use, for any interruption or impairment of access or utilities, for any failure or inadequacy of the well site or any existing improvement, or for any governmental restriction, enforcement action, or change in law affecting Tenant's use of the Premises.

12.5 No Implied Approval. No review, consent, approval, inspection, acquiescence, acceptance of rent, or failure to object by District shall be deemed to create any representation or warranty by District or any responsibility of District for the design, installation, condition, legality, operation, maintenance, or regulatory compliance of Tenant's use, the Tenant Equipment, or any improvement on the Premises.

13. ASSIGNMENT; CHANGE OF CONTROL

Tenant shall not assign this Lease, sublease any portion of the Premises, transfer operational control, or undergo any change in control that materially affects responsibility for performance under this Lease, without District's prior written consent, which may be granted or withheld in District's sole discretion. Any attempted transfer in violation of this Section shall be void and shall constitute a material default.

14. ANNUAL DELIVERIES TO DISTRICT

On or before January 31 of each year, Tenant shall provide District: (a) updated contact information; (b) certification of active connections and parcels served; (c) current insurance certificates and endorsements if renewed; (d) copies of any material permits or renewals obtained during the prior year; and (e) copies of any notices of violation or enforcement communications received during the prior year.

15. INSPECTION; DISTRICT WORK; EMERGENCY RIGHTS

15.1 Entry and Inspection. District may enter the Premises at any reasonable time, and at any time in an emergency, to inspect the Premises, verify compliance, perform District work on nearby property or facilities, or protect public health, safety, or District property.

15.2 Protective Measures. If Tenant's use or equipment interferes with District operations or creates a risk to persons or property, District may require temporary shutdown, relocation, protective measures, or corrective action at Tenant's sole cost.

16. DEFAULT AND REMEDIES

16.1 Defaults. The following shall constitute defaults: failure to pay rent or other amounts when due; failure to maintain insurance; unauthorized transfer; violation of law; failure to maintain required permits or entitlements; material breach of any covenant; abandonment; or insolvency, dissolution, or cessation of operations by Tenant.

16.2 Cure Periods. Except for monetary defaults, insurance defaults, or defaults that threaten immediate harm, District shall give written notice of default and fifteen (15) days to cure, or such longer period as District may approve in writing if cure is commenced promptly and diligently pursued. Monetary defaults shall be cured within five (5) days after notice. Insurance defaults and defaults presenting immediate risk may be addressed by District immediately without prior cure opportunity.

16.3 Remedies. Upon default, District may terminate this Lease, recover possession, perform Tenant's obligations and recover costs, seek injunctive relief, recover damages, and exercise any other rights available at law or in equity.

16.4 District Self Help. If Tenant fails to perform any obligation under this Lease within the applicable notice and cure period, or immediately in the case of an emergency or where expressly permitted by this Lease, District may, but shall not be obligated to, perform such obligation on Tenant's behalf. Tenant shall reimburse District within ten (10) days after written demand for all costs and expenses incurred by District, including administrative costs, consultant fees, attorneys' fees, and reasonable overhead, and such amounts shall be deemed additional rent.

17. TERMINATION FOR DISTRICT NECESSITY; PUBLIC NEED; CASUALTY

17.1 District Need. District may terminate this Lease upon one hundred eighty (180) days' prior written notice if District determines, in its sole discretion, that all or any portion of the Premises is needed for District purposes, public works, regulatory compliance, public health and safety, or other governmental necessity. Upon such termination, Tenant shall remove Tenant Equipment and restore the Premises as required by this Lease.

17.2 Casualty. If the Premises or access thereto are damaged or impaired by fire, flood, storm, earthquake, landslide, vandalism, or other casualty so that the Premises can no longer

reasonably be used for the Permitted Use, District may elect, in its sole discretion, by written notice to Tenant, either: (a) to terminate this Lease; or (b) to allow Tenant to continue subject to such conditions as District may require. District shall have no obligation to repair, restore, or reconstruct the Premises or any improvements. Tenant shall remain responsible for repair, removal, stabilization, and restoration to the extent the casualty affects the Tenant Equipment or is otherwise Tenant's responsibility under this Lease.

18. SURRENDER; REMOVAL; RESTORATION; SECURITY FOR RESTORATION

18.1 Vacate and Remove. Upon expiration or earlier termination, Tenant shall immediately vacate the Premises and, at District's election, either remove all or any portion of the Tenant Equipment or leave specified items in place.

18.2 Restoration Standard. Tenant shall, at its sole cost, repair all damage caused by removal and restore the Premises to a clean, safe, stable, and secure condition reasonably satisfactory to District, including grading, debris removal, trench repair, surface restoration, repair of access damage, removal of foundations or pads if required by District, and such environmental investigation or remediation as District reasonably requires based on Tenant's use.

18.3 Security. If requested by District at any time during the term, Tenant shall, within fifteen (15) days after written demand, provide security reasonably acceptable to District to secure Tenant's removal and restoration obligations, which security may consist of a cash deposit, letter of credit, bond, guaranty, or other credit support in an amount reasonably determined by District based on estimated removal, restoration, and remediation costs. Failure to provide required security shall constitute a material default.

18.4 Abandoned Property. Any property not removed within thirty (30) days after District's written demand shall be deemed abandoned and may be removed, stored, disposed of, or retained by District, at Tenant's sole cost and without liability to District.

18.5 District Self-Help. If Tenant fails to timely perform any removal, restoration, repair, cleanup, or stabilization work required by this Lease, District may, but shall not be obligated to, perform such work on Tenant's behalf, and Tenant shall reimburse District within ten (10) days after demand for all costs incurred, including administrative costs, consultant costs, attorneys' fees, and a reasonable overhead charge.

19. GUARANTY OR OTHER SECURITY

District may require, as a condition precedent to effectiveness of this Lease, one or more of the following in a form approved by District: a personal guaranty, a limited guaranty, a security deposit, or other credit support. If no guaranty or separate security instrument is attached at execution, none shall be required unless later agreed in writing.

20. NOTICES

All notices shall be in writing and delivered personally, by nationally recognized overnight courier, or by certified mail, return receipt requested, to the notice addresses set forth below, or to such other address as either party may designate by notice.

If to Lessor:

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 Seventh Street, P.O. Box 95
Eureka, CA 95502
Attn: General Manager

If to Lessee:

RUTH MUTUAL WATER COMPANY, INC.
Attn: Linda Engel Stewart, Chief Executive Officer; James Martin Stewart, Secretary/Chief
Financial Officer
18100 Mad River Road
Mad River, CA 95552

21. ATTORNEYS' FEES

In any action or proceeding arising out of this Lease, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs.

22. GENERAL PROVISIONS

22.1 Entire Agreement. This Lease, including all exhibits and any attached guaranty or security instrument, constitutes the entire agreement between the Parties and supersedes all prior negotiations and understandings concerning the Premises.

22.2 Amendment. This Lease may be amended only by a written instrument approved and executed by both Parties.

22.3 Governing Law; Venue. This Lease shall be governed by California law. Venue shall lie exclusively in the Superior Court of California, County of Trinity [or other proper venue to be confirmed].

22.4 No Third-Party Beneficiaries. This Lease is solely for the benefit of the Parties and does not create rights in any customer, parcel owner, or other person.

22.5 Authority. Each person executing this Lease represents that he or she is duly authorized to bind the party on whose behalf the person signs.

22.6 Counterparts; Electronic Signatures. This Lease may be executed in counterparts and by electronic signatures.

22.7 Prior Lease; Supersession; No Ratification. Effective as of the Effective Date, this Lease supersedes and replaces the Prior Lease in its entirety as to all rights and obligations arising from and after the Effective Date with respect to the Premises; provided, however, that nothing in this Lease shall be construed to waive, release, or impair any claim, liability, breach, default, indemnity obligation, or other matter arising under the Prior Lease before the Effective Date. District's execution of this Lease shall not be construed as a determination that any prior assignment, transfer, ownership change, use, improvement, service connection, permit status, or regulatory condition was authorized or compliant, nor as a waiver or ratification of any matter not expressly approved in this Lease.

22.8 No Partnership; No Dedication; No Utility Obligation. Nothing in this Lease shall be deemed to create a partnership, joint venture, agency, franchise, public utility dedication, or other special relationship between District and Tenant. District is not undertaking to provide water

service, utility service, operational support, or regulatory compliance assistance to Tenant, and Tenant shall not represent otherwise.

22.9 Successors and Assigns. Subject to the restrictions on assignment and transfer set forth in this Lease, this Lease shall bind and inure to the benefit of the Parties and their respective permitted successors and assigns.

22.10 No Recording. Tenant shall not record this Lease or any memorandum, notice, or short form of this Lease without District's prior written consent, which may be withheld in District's sole discretion.

SIGNATURES

IN WITNESS WHEREOF, the Parties have executed this Lease as of the Effective Date.

HUMBOLDT BAY MUNICIPAL WATER
DISTRICT, a local public agency

RUTH MUTUAL WATER COMPANY, INC.,
a California nonprofit corporation

By: _____

By: _____

Name: _____

Name: Linda Engel Stewart

Title: _____

Title: Chief Executive Officer

Date: _____

Date: _____

EXHIBIT A

Legal description.

Said well to be located within the properties of the grantor in the Southeast quarter of the Northwest quarter of the North west quarter of Section 30, Township 2 South, Range 8 East, Humboldt Base and Meridian;

said location also being within that portion of the lands of grantor known as the buffer zone and being further located as approximately 371 feet north and 504 feet West of the Southeast corner of the Southeast quarter of the Northwest quarter of the Northwest quarter of said Section 30.

Together with the right to construct and maintain a water line from said well site to the lands of the lessee;

The right to construct and maintain an underground electrical service to the well site;

All such water lines and electrical services to be constructed in conformance with applicable state safety requirements as well as being buried no less than 40 inches below the surface of the existing ground.

EXHIBIT B

Parcels and active connections served as of the Effective Date. Service under this Lease is limited to the following parcels and the nine (9) active connections associated with them, and Tenant shall not serve any additional parcel or connection without District's prior written consent.

- Parcel 020-140-10-00
- Parcel 020-360-18-00
- Parcel 020-360-19-00
- Parcel 020-360-01-00
- Parcel 020-360-17-00
- Parcel 020-360-15-00
- Parcel 020-360-16-00
- Parcel 020-360-11-00

EXHIBIT C

Only the items specifically listed below shall be deemed Tenant Equipment for purposes of this Lease unless otherwise approved in writing by District.

- well pump and motor
- pressure tank(s)
- control panels and electrical components
- treatment apparatus, if any
- on-site piping, valves, and appurtenances claimed by Tenant
- telemetry or monitoring devices
- fencing, small structures, or well house components, if Tenant-owned

EXHIBIT D

Tenant shall maintain, at its sole cost, insurance covering its use of the Premises and the Tenant Equipment throughout the Term of this Lease.

1. Required Coverage

Tenant shall maintain the following insurance:

(a) Commercial General Liability insurance, written on an occurrence basis, with limits of not less than \$1,000,000 per occurrence and \$3,000,000 general aggregate; provided, however, that Tenant shall increase the general aggregate limit to \$10,000,000 effective September 1, 2026, and maintain such levels during the remaining term of the Lease.

(b) Workers' Compensation insurance as required by California law, together with Employer's Liability insurance with limits of not less than \$1,000,000, if Tenant has employees.

(c) Automobile liability insurance with a limit of not less than \$1,000,000 per accident if vehicles are used in connection with the Premises.

(d) Pollution liability insurance, if required by District based on the nature of Tenant's operations or materials used at the site.

2. Additional Insured

District, and its directors, officers, employees, agents, and volunteers, shall be named as additional insureds on Tenant's Commercial General Liability policy.

3. Primary Coverage

Tenant's insurance shall be primary, and any insurance maintained by District shall be excess and non-contributing.

4. Waiver of Subrogation

Tenant shall cause its insurers to waive all rights of subrogation against District, and its directors, officers, employees, agents, and volunteers. Tenant shall also obtain a waiver of subrogation under its workers' compensation coverage if applicable.

5. Acceptability of Insurers

All insurance shall be placed with insurers admitted in California and having an A.M. Best rating of not less than A:VII, unless otherwise approved by District.

6. Proof of Insurance

Before entry onto the Premises, and thereafter upon renewal of coverage, Tenant shall provide District with certificates of insurance and all endorsements reasonably required by District to confirm compliance with this Exhibit. Upon request, Tenant shall provide copies of the applicable policies.

7. Contractor Coverage

Tenant shall require any contractor performing work on the Premises to carry insurance appropriate to the work being performed.

8. No Limitation of Liability

These insurance requirements do not limit Tenant's liability under this Lease.

9. District Right to Require Additional Coverage

If District reasonably determines that additional insurance is necessary because of the nature of the operations, work performed, or risks presented at the Premises, Tenant shall obtain such additional coverage as District reasonably requires.

BOARD STAFF REPORT

Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	3.5
Agenda Item	Federal Energy Regulatory Commission (FERC) Inspection and Risk Assessment Workshop
Presented By	Michiko M. Mares, General Manager
Type of Item	INFORMATIONAL
Type of Action	NONE -Receive and File
Applicable Board Policy	18 CFR Part 12, Subpart D – Review, Inspection, and Assessment by Independent Consultant

RECOMMENDATION

No action recommended to the Board of Directors at this time regarding this item.

BACKGROUND

FERC Part 12, Division D establishes mandatory inspection and risk assessment requirements for certain hydroelectric projects. The purpose of Part 12D is to ensure the safety, reliability, and operational compliance of hydroelectric facilities and associated infrastructure. These inspections and assessments evaluate the physical condition of structures, operational procedures, emergency preparedness, dam safety protocols, and organizational capacity to manage project operations consistent with federal regulations and the public interest.

FERC directed the District to complete a Part 12D Comprehensive Assessment on October 17, 2024. Staff have worked with the Part 12D Facilitator to prepare the inspection and workshop over the last year.

DISCUSSION

District staff successfully hosted and supported the required inspection and Session 1 assessment activities during the week of June 22, 2026. The work comprised the following key components:

1. *On-site FERC Part 12 D Inspection (2 days)*: FERC, DSOD, relevant Subject Matter Expert (SME), and Independent Consultant (IC) representatives conducted comprehensive

physical and operational inspections of project facilities, including infrastructure tours, site reviews, and documentation assessment.

2. *Potential Failure Modes Analysis (2 days)*: A facilitated workshop where possible flaws and initiating conditions that could lead to a potential failure are postulated. In this analysis, each potential failure mode encompasses the full sequence of events from initiation (cause) through ultimate failure effect to physical, operational, and managerial systems. Potential failure modes that are deemed credible are then carried forward into a semi-quantitative risk assessment.
3. *Level 2 Risk Assessment (1 day)*: A semi-quantitative assessment to estimate the likelihood or probability of failure of each potential failure mode. Only one day of the Level 2 Risk Assessment (L2RA) was performed in person. The L2RA will continue remotely in two additional week-long sessions.

Staff Effort and Operational Support

Hosting these activities required substantial organizational effort across all levels of staff. The District provided accommodations including lodging at the Ruth Cabin, meals, boardroom facilities, equipment access, site tours, and administrative support. Staff coordinated schedules, prepared documentation, and participated actively in all inspection and assessment activities. The comprehensive nature of Part 12D review demanded significant time commitment and preparation, reflecting the District's commitment to thorough compliance and transparency with federal oversight.

Next Steps

1. *Level 2 Risk Assessment (2-weeks)*: Staff will participate remotely for additional two weeks of Level 2 Risk Assessment the weeks of July 6 and July 13.
2. *Draft Comprehensive Assessment Report*: The independent consultant team will prepare a comprehensive draft Comprehensive Assessment Report (CAR) that identifies and defines all recommendations arising from the inspection, potential failure mode analysis, Level 2 risk assessment, and field observations. The CAR will categorize recommendations by type, urgency, and implementation pathway. Each recommendation will include a clear statement of the risk driver it addresses, the technical basis supporting the recommendation, and the anticipated timeline for implementation or completion. Recommendation types include the following:
 - a. **Capital Work Recommendations** — Physical improvements, rehabilitations, or infrastructure modifications requiring design, permitting, construction, and testing (e.g., gate rehabilitation, spillway repair, intake modification, instrumentation upgrades).
 - b. **Study and Investigation Recommendations** — Additional engineering studies, monitoring program enhancements, hydrologic analyses, geotechnical investigations, or design basis reviews that inform future capital decisions or reduce uncertainty regarding specific failure mode mechanisms (e.g., seismic analysis, foundation evaluation, erosion potential study).

- c. **Operational and Procedural Recommendations** — Modifications to operational protocols, dam safety program elements, emergency response procedures, or monitoring frequency that do not require capital expenditure but enhance safety or compliance posture.
3. *Owner Commitment*: Upon receipt of the draft CA report, the District will have the opportunity to review the consultant's recommendations and propose its own corrective action plan in response. Under 18 CFR § 12.41(a)(1), the District must submit to the FERC Regional Engineer a plan and schedule for addressing the independent consultant recommendations within 60 days of the final report filing.

STRATEGIC PLAN ALIGNMENT

This item advances the FY2027-FY2030 Strategic Plan Goals: Infrastructure & Assets which prioritizes the identification, prioritization, and management of capital facilities. The Comprehensive Assessment provides an independent, federally endorsed evaluation framework that informs the District’s capital planning priorities and creates a risk-informed foundation for both short-term corrective measures and long-term infrastructure investment decisions.

FISCAL IMPACT

There is no fiscal impact associated with this action. The completion of the Comprehensive Assessment will inform future funding strategies.

ENVIRONMENTAL AND LEGAL REVIEW

Not applicable.

ALTERNATIVES

No alternatives.

ATTACHMENTS

- 1. None

BOARD STAFF REPORT

Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	5.1
Agenda Item	Status Update regarding Former McNamara and Peepe Mill Site Cleanup with the Department of Toxic Substances Control (DTSC) [Case #12240115] as Lead Agency and North Coast Regional Water Quality Control Board (NCRWQCB) [Case #1NHU527]
Presented By	Michiko Mares, General Manager
Type of Item	INFORMATIONAL
Type of Action	NONE
Applicable Board Policy	Not Applicable

RECOMMENDATION

Staff recommend continued efforts to elevate this threat to public health, safety and the environment.

BACKGROUND

The former McNamara and Peepe Mill Site is undergoing environmental investigation and remediation under the oversight of the California Department of Toxic Substances Control (DTSC), with the North Coast Regional Water Quality Control Board (NCRWQCB) serving as a participating regulatory agency. Humboldt Bay Municipal Water District continues to coordinate with DTSC and project stakeholders to support cleanup efforts, protect public health and the environment, and monitor project progress. Staff provides periodic status updates to the Board regarding ongoing investigation, remediation activities, regulatory review, funding, and planned next steps.

DISCUSSION

Actions during this calendar period (April–May 2026):

- A virtual quarterly update meeting was held on April 16, 2026, with the Department of Toxic Substances Control (DTSC), Humboldt Bay Municipal Water District (HBMWD), and Humboldt Waterkeeper.

- Groundwater sampling activities were conducted by SHN Consulting Engineers and Geologists on April 15–16, 2026.
- DTSC reviewed the November 2025 Stormwater Sampling Results Report and provided comments to SHN for incorporation into the final report.
- DTSC reviewed the First Half 2025 Groundwater Monitoring Report and provided comments to SHN for incorporation into the final report.
- The February 2026 Stormwater Sampling Report was received by DTSC and remains under review.
- DTSC issued a comment letter on the Data Gap Investigation Report of Findings to SHN on June 2, 2026, requesting revisions prior to finalization.
- DTSC continues its review of the Health and Human Health Risk Assessment (HHRA), which was submitted by SHN in August 2025.

Planned Activities:

- SHN is expected to submit a revised Data Gap Investigation Report of Findings addressing DTSC comments.
- DTSC is expected to complete its review and provide responses on the Health and Human Health Risk Assessment (HHRA) and the February 2026 Stormwater Sampling Report.

Funding Updates:

- The next Site Remediation Account (SRA) funding cycle is anticipated to begin in July 2026.

STRATEGIC PLAN ALIGNMENT

This item supports the District's Strategic Plan by advancing environmental stewardship, regulatory compliance, and responsible management of District assets. Continued coordination with regulatory agencies and project stakeholders helps protect water resources, safeguard public health and the environment, and supports the District's commitment to providing a resilient and sustainable water supply for present and future generations.

FISCAL IMPACT

There is no fiscal impact associated with this action.

ENVIRONMENTAL AND LEGAL REVIEW

Not applicable.

ALTERNATIVES

Not applicable.

ATTACHMENTS

Attachment 1 – April and May 2026 Monthly Summary Report

**Department of Toxic Substances Control
Former McNamara and Peepe Lumber Mill
Monthly Summary Report**

April and May 2026

This monthly report summarizes environmental site investigation and remediation activities conducted by the Department of Toxic Substances Control (DTSC) or by their contractor, SHN Consulting Engineers and Geologists, Inc. (SHN) at the former McNamara and Peepe Lumber Mill Site during April and May 2026.

a. Actions during April and May 2026.

- Virtual Quarterly Update Meeting: A virtual quarterly update meeting with DTSC, Humboldt Bay Municipal Water District (HBMWD), and Humboldt Waterkeeper was held on April 16, 2026.
- Groundwater Sampling: SHN conducted groundwater sampling from April 15-16, 2026.
- November 2025 Stormwater Sampling Results Report: DTSC reviewed report and provided comments to SHN for incorporation into final report.
- First Half 2025 Groundwater Monitoring Report: DTSC reviewed report and provided comments to SHN for incorporation into final report.
- February 2026 Stormwater Sampling Report: DTSC received the February 2026 stormwater sampling report; it is under DTSC review.
- Data Gap Investigation Report of Findings: A summary of activities and results for fieldwork completed in August 2024 was submitted by SHN in March 2025 . A DTSC comment letter was provided to SHN to finalize on June 2, 2026.
- Health and Human Risk Assessment (HHRA): The HHRA was submitted by SHN in August 2025 and is under DTSC review.

b. Planned activities for next month (June) and beyond.

- Revised Data Gaps Investigation Report of Findings anticipated to address DTSC comments sent to SHN on June 2, 2026.
- DTSC to respond to the HHRA and February 2026 Stormwater Sampling Report.

c. Funding Updates

- Next SRA funding cycle available to this project will begin in July 2026.

BOARD STAFF REPORT

Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	5.2
Agenda Item	Discuss and Consider Approval of Withdrawing from FEMA HMGP DR-4569-PA0538-008R, R.W. Matthews Dam Advance Assistance Project Grant
Presented By	Chris Harris, Director of Finance and Human Resources
Type of Item	ACTION
Type of Action	General Vote
Applicable Board Policy	Not applicable

RECOMMENDATION

Staff recommend that the Board of Directors discuss and consider approval to authorize the General Manager to formally notify Cal OES and FEMA of the District’s intent to withdraw from FEMA HMGP DR-4569-PA0538-008R (R.W. Matthews Dam Advance Assistance Project) and to terminate the Engineering Consultant Contract with GEI Consultants, Inc., effective at the end of the period of performance date, August 28, 2026. This action will allow for the de-obligation of Federal funds and protect the District from potential future FEMA audit findings related to non-compliant procurement or budget variances.

BACKGROUND

In 2021, Humboldt Bay Municipal Water District (HBMWD, District) applied for federal funding through the Hazard Mitigation Grant Program (HMGP) in response to the October 2020 California Wildfire Disaster. The District was awarded subaward DR-4569-PA0538-008R for the R.W. Matthews Dam Advance Assistance project in November 2024. The grant was intended to fund geotechnical investigative work and a seismic stability assessment of R.W. Matthews Dam, in compliance with requirements set by the Federal Energy Regulatory Commission (FERC) and the California Division of Safety of Dams (DSOD). GEI Consultants, Inc. was selected as the project engineer and completed a detailed analysis of the scope and required project outcomes.

The original period of performance for the grant was August 28, 2026. The original approved grant budget was **\$2,043,950** (Federal Share: \$1,532,962.50; Local Match: \$510,987.50, excluding awarded Subrecipient Management Costs (SRMC)). In April 2025, following GEI’s detailed analysis

of the grant scope and desired project outcome as well as their prior experience with dam seismic stability analysis projects of a similar nature, the District submitted a formal budget increase modification request to Cal OES seeking an additional \$2,600,000, bringing the total estimated project cost to \$4,735,324. A comprehensive Budget Narrative and supporting cost documentation were submitted to Cal OES in April 2025. As of the date of this report, the budget increase modification and a time extension remain unapproved by FEMA.

DISCUSSION

After careful consideration of the project's current status, the District has reluctantly determined that completing the awarded HMGP project is no longer achievable. The following constraints, each independently significant, have led to this conclusion:

1. Period of Performance Constraints

The District has not received a time extension for the current Period of Performance (POP) sufficient to complete the project scope under the approved or requested revised budget. Given the unapproved budget modification and the absence of a confirmed POP extension, the District does not have a viable path to project completion within the subaward's requirements. FERC and DSOD regulatory requirements impose additional procedural timelines that further constrain the District's ability to complete the scope within any currently available extension period.

2. Unapproved Budget Increase Request

In April 2025, the District submitted a formal budget increase modification request to Cal OES for HMGP #DR4569-PA0538, seeking an additional \$2,600,000 in project funding above the original grant budget of \$2,043,950 (excluding SRMC). This request was necessitated by GEI Consultants, Inc.'s detailed cost proposal for the scope of work required to complete the geotechnical investigative work and dam seismic stability assessment in compliance with FERC and DSOD regulatory requirements. A comprehensive Budget Narrative and supporting cost documentation were submitted to Cal OES in October 2025 in response to a June 18, 2025 request from Cal OES for additional information. As of the date of this report, FEMA has not approved the budget increase. Without this additional funding, the project cannot be completed as scoped.

3. Substantial Budget Shortfall

The original approved grant budget of \$2,043,950 is substantially insufficient to complete the full Advance Assistance scope of work as defined and required by FERC and DSOD. The current estimated project cost is \$4,735,324, representing a budget gap of approximately \$2.7M. Proceeding under the original budget would require the District to absorb all costs above the approved federal funding limit which poses a financial risk the District cannot assume without jeopardizing other obligations and programs. The table below summarizes the budget:

Budget Component	Original Budget	Requested Increase	Total (Requested)
Federal Share (75%)	\$1,532,962.50	\$1,950,000.00	\$3,482,962.50
Local Match (25%)	\$510,987.50	\$650,000.00	\$1,160,987.50
Additional Local Match (100%)			\$91,374.00
TOTAL (excl. SRMC)	\$2,043,950.00	\$2,600,000.00	\$4,735,324.00

Note: An additional \$34,065.83 was awarded for SRMC (100% Federal Share). Expenditures and final SRMC claims, if any, will be reported as part of closeout documentation.

4. Status of Activities to Date

The following activities were completed under this subaward prior to the effective withdrawal date:

1. Original Advance Assistance grant budget developed as part of the grant application completed in 2021.
2. GEI Consultants, Inc. selected as project engineer February 2025; completed detailed analysis of grant scope and required project outcomes.
3. GEI prepared a detailed scope of work and budget estimate for geotechnical investigative work to determine the basis for a seismic retrofit of R.W. Matthews Dam.
4. Budget increase modification request submitted to Cal OES on April 3, 2025.
5. On October 15, 2025, the District submitted a formal Request for Clarification to Cal OES regarding the eligibility of proposed geotechnical boring locations under the grant.
6. October 24 2025, the District provided all required supporting documentation and cost substantiation in response to a Cal OES June 18, 2025 request.
7. March 10, 2026, the District submitted a formal request to extend the Period of Performance (POP) to April 14, 2028. This date was provided to staff by Cal OES, which indicated it was requesting the same extension date for all projects submitted to FEMA.
8. Budget increase modification, request for clarification, and time extension remain unapproved by FEMA as of the date of this report.
9. Project activities completed to date included desktop studies, non-invasive field surveys, selected seismic analyses, submittal and DSOD approval of an embankment investigation drilling plan, and submittal and FERC and DSOD approval of a spillway investigation drilling plan. Spillway investigative work, and documentation of the studies and surveys performed to date will be completed by the POP.

5. Unanswered Request for Clarification on Boring Eligibility

On October 15, 2025, staff submitted a formal letter to Cal OES requesting clarification on a critical question of grant eligibility. Following GEI's detailed field planning and agency consultations, the proposed exploration plan identified that six of the geotechnical borings required to complete the Advance Assistance scope fall outside the project boundary polygons estimated in the original grant application. Four borings are outside the estimated boring location polygon, and two are outside the overall project boundary shown in the grant application.

The District's letter provided extensive supporting documentation, including:

1. A proposed exploration plan and project boundary map developed in coordination with FERC and DSOD, showing all boring locations relative to the dam footprint and the original grant boundary;
2. Written and verbal concurrences from state and federal resource agencies (USACE, RWQCB, NMFS, USFWS, CDFW, USFS, and Trinity County EHD) confirming the Project would result in no effect or de minimis environmental impacts; and
3. FEMA's own Record of Environmental Consideration (REC), which granted Categorical Exclusion A7 (minimally invasive data collection and surveys) to the Project and made No Effect determinations under the Endangered Species Act, Magnuson-Stevens Fishery Conservation and Management Act, and National Historic Preservation Act.

The District requested written confirmation from Cal OES on two specific points: (1) that geotechnical investigation within the FEMA Project Boundary is eligible for funding under the grant, and (2) that geotechnical investigation within the Dam Footprint but outside the FEMA Project Boundary that is funded by the District outside the grant may proceed. The District presented that the proposed borings are temporary, minimally invasive, located in previously disturbed areas, and consistent with FEMA's Categorical Exclusion A7, and that the exploration plan does not constitute a change in scope.

As of the date of this report, the District has received no response from Cal OES or FEMA to the October 15, 2025 clarification request. Without this clarification, the District cannot confirm whether all required embankment borings are eligible under the grant, cannot initiate any field activities outside of the approved boring location polygon, and has no viable path to completing the Advance Assistance scope.

6. Summary of Unanswered Requests

Taken together, the District has submitted three distinct formal requests to Cal OES and FEMA, none of which has received an official response. Each request represents a prerequisite to continued project implementation:

1. **Budget Increase Modification (April 3, 2025):** The District requested an additional \$2,600,000 in federal funding, supported by a comprehensive Budget Narrative submitted October 24, 2025. No approval has been received.
2. **Request for Clarification on Boring Eligibility (October 15, 2025):** The District requested written confirmation that the proposed geotechnical embankment boring locations outside of the approved boring polygon are eligible under the grant. No response has been received.

3. **Period of Performance Extension (March 10, 2026):** The District requested a time extension sufficient to complete the project scope. No extension adequate to accommodate the full project scope, including the unapproved budget modification, has been granted.

The absence of responses to all three requests has left the District without the approvals, funding confirmation, or scheduling framework necessary to advance the project. Staff have determined that continued pursuit of the grant under these circumstances is not feasible and does not represent responsible use of District resources.

STRATEGIC PLAN ALIGNMENT

This item advances the following FY2027–FY2030 Strategic Plan goals:

1. **Infrastructure & Assets** – Responsible management of capital projects and grant obligations, including timely withdrawal from an unachievable project to protect District resources.
2. **Regulatory Compliance** – Fulfilling federal closeout obligations under 2 CFR § 200.344 and avoiding audit findings from FEMA.
3. **Governance & Organization** – Sound fiscal stewardship and transparent Board decision-making regarding an unachievable grant commitment.

FISCAL IMPACT

Withdrawing now prevents the District from incurring unsupported or ineligible costs that FEMA would likely disallow during the final closeout audit. While the District will forgo the potential grant revenue associated with the \$2,043,950 subaward, it avoids a projected unfunded liability of approximately \$2,691,374 (the gap between the current estimated project cost of \$4,735,324 and the original approved budget).

The District is obligated under 2 CFR § 200.344 to submit all required financial, performance, and closeout reports to CalOES within 90 calendar days of the effective withdrawal date. To the extent any federal funds have been drawn down and not yet fully accounted for, the District will work cooperatively with CalOES to resolve any financial balances. An additional \$34,065.83 was awarded for SRMC (100% Federal Share); final SRMC claims, if any, will be resolved during closeout.

ENVIRONMENTAL AND LEGAL REVIEW

CEQA review is not required for this administrative action. The withdrawal is governed by federal grant regulations (2 CFR § 200.340 and § 200.344).

ALTERNATIVES

The Board may choose not to approve the withdrawal recommendation and instead direct staff to continue the R.W. Matthews Dam Advance Assistance Project. However, this alternative carries significant financial risk: without an approved budget increase modification, a viable Period of

Performance extension, or a response to the District's October 15, 2025 clarification request regarding boring eligibility, all costs incurred above the original approved federal funding limit would be subject to FEMA audit and would likely become the sole financial obligation of the District, representing an unfunded liability of approximately \$2.7M. Staff do not recommend this alternative.

ATTACHMENTS

None

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
STATEMENT OF FUND BALANCES - PAGE 1 OF 2



<u>BANK ACCOUNT BALANCES AT MONTH-END</u>	June 30, 2026	June 30, 2025
GENERAL ACCOUNTS		
1. US Bank - General Account	855,589.81	1,812,785.08
2. US Bank - Xpress BillPay/Electronic Payments Account	6,819.84	139,713.60
<i>Subtotal</i>	862,409.65	1,952,498.68
INVESTMENT & INTEREST BEARING ACCOUNTS		
3. US Bank - PARS Investment Account	918,627.55	912,896.48
<i>Contributions = \$800,000 Disbursements = \$251,619</i>		
4. L. A. I. F Account - MSRA Reserve Account	512,695.11	491,592.59
5. CalTRUST - Restricted Inv. Account (Medium Term)	1,941,794.44	1,888,119.93
6. CalTRUST - General Reserve Account (Short-Term)	4,045,108.43	4,431,874.41
Total CalTRUST Accounts	5,986,902.87	6,319,994.34
7. California CLASS - DWFP Reserve Account	285,859.45	274,811.65
8. California CLASS - ReMat Reserve Account	1,540,042.48	1,675,080.00
9. California CLASS - General Reserve Account	2,834,660.94	2,733,388.20
Total California CLASS Accounts	4,660,562.87	4,683,279.85
10. Humboldt County - SRF Loan Payment Account	1,539,437.84	985,101.58
11. Humboldt County - 1% Tax Account	98,759.33	670,386.25
<i>Subtotal</i>	13,716,985.57	14,063,251.09
OTHER ACCOUNTS		
12. ReMat Deposit - Mellon Bank	27,000.00	27,000.00
13. Cash on Hand	700.00	700.00
<i>Subtotal</i>	27,700.00	27,700.00
TOTAL CASH	14,607,095.22	16,043,449.77

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
STATEMENT OF FUND BALANCES - PAGE 2 OF 2



<u>FUND BALANCES AT MONTH-END</u>	June 30, 2026	June 30, 2025
RESTRICTED FUNDS - ENCUMBERED		
1. Prior-Year Price Factor 2 Rebate	0.03	-
2. Prior-Year Restricted AP Encumbrances	(967,947.00)	-
3. Prior-Year Reallocated Funds to FY27 Project Budget	(534,500.00)	-
4. Advanced Charges - 3x Tank Seismic Retrofit	(2,007,687.39)	(1,139,193.85)
5. Advanced Charges - Cathodic Protection Project	-	(124,999.96)
6. Advanced Charges - On-Site Generation of Chlorine	-	(92,977.40)
7. Advanced Charges - Redundant Pipeline	-	(463,531.77)
8. Advanced Charges - TRF Emergency Generator	(118,645.62)	(284,020.47)
9. 3AC Collected Funds - TRF Emergency Generator	(312,858.62)	(312,858.62)
10. Advanced Funding - August Complex-Ruth Paving	-	(112,456.22)
11. Advanced Charges - Assist. Spillway Seismic Grant	(1,430,072.20)	(371,576.44)
12. Advanced Funding - Eureka Cyber Security	-	(19,489.22)
13. Advanced Charges - Essex Facility Expansion	(105,400.00)	(105,400.00)
14. Advanced Charges - Ruth Storage Barn	(209,166.63)	(209,166.63)
15. Advanced Charges - Capital Financing/Debt Service	(90,844.12)	(1,014,382.89)
<i>Subtotal</i>	(5,777,121.55)	(4,250,053.47)
RESTRICTED FUNDS - OTHER		
16. 1% Tax Credit to Muni's	(98,759.33)	(765,549.77)
17. Pension Trust Reserves	(918,627.55)	(891,100.55)
18. ReMat Deposit	(27,000.00)	(27,000.00)
19. HB Retail Capital Replacement Reserves	(211,663.80)	(165,060.49)
<i>Subtotal</i>	(1,256,050.68)	(1,848,710.81)
BOARD RESTRICTED		
20. MSRA Reserves	(512,695.11)	(491,592.59)
21. DWFP Reserves	(285,859.45)	(274,811.65)
22. ReMat Reserves	(1,540,042.48)	(1,675,080.00)
23. Northern Mainline Extension Study Prepayment	(510.31)	(6,091.14)
24. Blue Lake Rancheria Extension Study Prepayment	-	(238.23)
<i>Subtotal</i>	(2,339,107.35)	(2,447,575.38)
UNRESTRICTED RESERVES		
30. General Fund Reserves	(5,234,815.64)	(7,502,742.55)
<i>Subtotal</i>	(5,234,815.64)	(7,497,110.11)
TOTAL NET POSITION	(14,607,095.22)	(16,043,449.77)

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

REVENUE REPORT

June 30, 2026

100%

Of Budget Year



A. REVENUE RETURNED TO CUSTOMERS VIA PF2

	MTD RECEIPTS	YTD RECEIPTS	PRIOR YEAR	BUDGET	% OF BUDGET
1. Humboldt Bay Retail Water Revenue	30,517	390,556	381,447	360,000	108%
General Revenue					
Power Sales (Net ReMat)	7,375	101,749	147,527	125,000	81%
Tax Receipts (1% Taxes)	0	701,311	1,326,888	1,450,000	48%
Interest - Muni PF2 Retained	4,975	42,822	77,232	30,000	143%
2. Miscellaneous Revenue*	4,802	6,129	8,855	50,000	12%
<i>*Detail on following page</i>					
TOTAL PF2 REVENUE CREDITS	47,669	1,242,567	1,941,949	2,015,000	62%

B. DISTRICT REVENUE

	MTD RECEIPTS	YTD RECEIPTS	PRIOR YEAR	BUDGET	% OF BUDGET
3. Industrial Water Revenue					
Harbor District	0	0	0	0	0
<i>Subtotal Industrial Water Revenue</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
4. Municipal Water Revenue					
City of Arcata	142,064	1,680,549	1,588,946	1,701,895	99%
City of Blue Lake	19,566	233,014	207,868	235,198	99%
City of Eureka	330,669	3,937,677	3,625,134	3,946,856	100%
Fieldbrook CSD	17,784	204,202	202,297	224,020	91%
Humboldt CSD	100,601	1,199,429	1,145,481	1,218,937	98%
Manila CSD	16,006	100,065	92,800	100,714	99%
McKinleyville CSD	111,262	1,333,344	1,293,816	1,333,276	100%
<i>Subtotal Municipal Water Revenue</i>	<i>737,951</i>	<i>8,688,279</i>	<i>8,156,343</i>	<i>8,760,896</i>	<i>99%</i>
TOTAL INDUSTRIAL & WHOLESALE REVENUE	737,951	8,688,279	8,156,343	8,760,896	99%
5. Power Sales					
Power Sales (ReMat Revenue)	12,035	209,800	302,516	300,000	70%
Interest (ReMat Revenue)	0	0	0	0	
TOTAL REMAT REVENUE	12,035	209,800	302,516	300,000	70%
6. Other Revenue and Grant Reimbursement					
HB Retail Capital Replacement Rev.	3,984	46,783	49,398		
FCSD Contract	33,709	321,491	330,452		
FEMA/CalOES Grant Revenue	0	3,665,133	1,158,331		
SWRCB In-Stream Flow Grant Revenue	0	0	0		
Quagga Grant Revenue	0	0	0		
Misc. Grant Revenue	5,078	6,675	16,881		
Interest Earned	0	0	0		
Net Increase/(Decrease) Investment Accounts	29,833	411,365	616,086		
TOTAL OTHER/GRANT REVENUE	72,604	4,451,447	2,171,149		
GRAND TOTAL REVENUE	870,259	14,592,094	12,571,957	11,075,896	132%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
 MISCELLANEOUS REVENUE - DETAIL REPORT
 June 30, 2026



B. MISCELLANEOUS RECEIPTS (RETURNED TO CUSTOMERS VIA PF2)

	MTD RECEIPTS	YTD RECEIPTS
<u>Miscellaneous Revenue</u>		
Dividend - Principal Life	-	-
Fees - Park Use	-	-
Refund - Diesel Fuel Tax	-	188
Refunds - Miscellaneous	-	-
Sale - Surplus Material/Equipment	-	283
Reimb. - Copies & Postage	1	68
Reimb. - Gas	-	-
Reimb. - Misc. Employee	-	-
Reimb. - Telephone	-	-
UB - Water Processing Fees	2,751	3,141
UB - Hydrant Rental Deposit/Use	-	-
UB - PF2 Rebate, Fairhaven Techite Balance	-	-
Sale of Scrap Metal/Gravel	-	400
<u>Ruth Area</u>		
Lease - Ruth Mutual Water Company	-	-
Ruth Annual Lessee Water Fees	2,050	2,050
TOTAL MISCELLANEOUS REVENUE	4,802	6,129

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
 MONTHLY EXPENDITURE REPORT - PAGE 1 OF 3
 June 30, 2026



SALARY AND EMPLOYEE BENEFIT EXPENDITURES (S. E. B.)

	Month-to-Date	Year-to-Date	Prior Year	Budget	% of Budget
Compensation					
1. Wages - Regular	228341.37	2,579,518.10	2,423,688.50	2,974,302	97%
2. Wages - Sick	6,497.54	83,377.66	108,354.92		
3. Wages - Vacation	13,815.52	214,704.04	200,631.49		
<i>Subtotal</i>	248,654.43	2,877,599.80	2,732,674.91	2,974,302	97%
4. Wages - Overtime	2,567.43	87,117.39	11,836.43	17,400	
5. Wages - Holiday (Worked)	1,025.46	12,909.92	12,747.57	17,587	
<i>Subtotal</i>	3,592.89	100,027.31	24,584.00	34,987	286%
6. Wages - Part-Time	12,342.01	59,212.30	60,619.76	103,224	57%
7. Wages - Shift Differential	1,126.80	12,989.15	12,128.83	12,342	105%
8. Wages - Standby	9,706.35	121,616.33	109,559.60	112,560	108%
9. Director Compensation	2,990.00	35,933.00	38,140.00	40,300	89%
10. Secretarial Fees	212.00	1,749.00	2,400.25	3,150	56%
11. Payroll Tax Expenses	21,018.04	243,862.15	226,559.07	261,094	93%
<i>Subtotal</i>	47,395.20	475,361.93	449,407.51	532,670	89%
Employee Benefits					
12. Health, Life, & LTD Ins.	53,673.77	687,967.75	647,738.62	706,282	97%
13. Air Medical Insurance	-	2,607.00	2,923.00	2,212	118%
14. Retiree Medical Insurance	16,357.52	189,062.76	157,568.55	106,500	142%
14a. Retiree Medical Reimb.	-	(37,581.90)	(49,454.06)		
15. Employee Dental Insurance	4,641.54	44,340.67	29,914.52	36,766	121%
15a. HBMWD Reserve Funding	(2,373.11)	(16,611.77)	-		
16. Employee Vision Insurance	581.30	6,806.69	6,937.84	7,350	93%
17. Employee EAP	77.67	906.97	924.42	1,226	74%
18. Fitness Stipend	4,148.60	4,834.43	3,814.74	15,120	32%
19. 457b District Contribution	3,912.50	45,225.00	46,325.00	43,200	105%
20. CalPERS Expenses	11,017.77	712,555.80	631,059.08	652,398	109%
21. Workers Comp Insurance	-	76,096.65	78,983.10	119,736	64%
<i>Subtotal</i>	92,037.56	1,716,210.05	1,556,734.81	1,690,790	102%
TOTAL S.E.B	391,680.08	5,169,199.09	4,763,401.23	5,232,749	99%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
MONTHLY EXPENDITURE REPORT - PAGE 2 OF 3
June 30, 2026



SERVICE & SUPPLY EXPENDITURES (S & S)

	Month-to-Date	Year-to-Date	Prior Year	Budget	% of Budget
Operations & Maintenance					
1. Auto Maintenance	2,463.55	45,629.06	53,729.36	50,000	91%
2. Engineering	6,630.32	59,303.33	34,269.41	75,000	79%
3. Lab Expenses	3,214.00	15,000.00	23,129.00	18,000	83%
4. Maintenance & Repairs					
General	5,187.63	65,727.92	47,693.15	48,000	137%
TRF	0	34,337.26	8,097.01	17,000	202%
<i>Subtotal</i>	<i>5,187.63</i>	<i>100,065.18</i>	<i>55,790.16</i>	<i>65,000</i>	<i>154%</i>
5. Materials & Supplies					
General	1,486.35	63,894.71	86,973.80	45,000	142%
TRF	24,380.34	158,679.47	99,881.49	44,000	361%
<i>Subtotal</i>	<i>25,866.69</i>	<i>222,574.18</i>	<i>186,855.29</i>	<i>89,000</i>	<i>250%</i>
6. Radio Maintenance	265.23	6,935.71	10,785.04	8,500	82%
7. Ruth Lake License	-	1,500.00	1,500.00	1,500	100%
8. Safety Equip./Training					
General	1,165.89	21,707.21	30,500.35	18,700	116%
TRF	-	415.24	2,295.98	2,000	21%
<i>Subtotal</i>	<i>1,165.89</i>	<i>22,122.45</i>	<i>32,796.33</i>	<i>20,700</i>	<i>107%</i>
9. Tools & Equipment	1,338.89	3,817.04	4,929.96	5,000	76%
10. USGS Meter Station	-	9,570.00	9,110.00	9,500	101%
<i>Operations Subtotal</i>	<i>46,132.20</i>	<i>486,516.95</i>	<i>412,894.55</i>	<i>342,200</i>	<i>142%</i>

General & Administration

11. Accounting Services	-	30,214.00	34,628.50	35,000	86%
12. Bad Debt Expense	-	(2,472.79)	-	-	0
13. Dues & Subscriptions	339.80	37,412.57	35,457.71	39,000	96%
14. IT & Software Maintenance	5,273.30	123,645.16	109,062.87	124,000	100%
15. Insurance	-	176,911.34	192,471.70	146,000	121%
16. Internet	939.66	10,437.33	10,532.29	11,150	94%
17. Legal Services	110.00	62,567.00	22,643.50	35,000	179%
18. Miscellaneous	502.48	9,709.93	10,360.14	10,000	97%
19. Office Building Maint.	1,417.69	22,748.54	24,028.46	19,000	120%
20. Office Expense	6,211.24	44,037.75	43,011.52	39,600	111%
21. Professional Services	-	137,984.07	10,462.75	20,000	690%
22. Property Tax	-	-	2,764.00	3,000	0%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
MONTHLY EXPENDITURE REPORT - PAGE 3 OF 3
June 30, 2026



SERVICE & SUPPLY EXPENDITURES (con't)

	Month-to-Date	Year-to-Date	Prior Year	Budget	% of Budget
23. Regulatory Agency Fees	-	215,113.81	232,671.38	216,000	100%
24. Ruth Lake Programs	-	500.00	1,425.00	5,000	10%
25. Safety Apparel	1,493.05	7,247.83	10,711.99	10,050	72%
26. Technical Training	-	533.00	-	14,000	4%
27. Telephone	484.52	13,488.21	13,354.98	15,000	90%
28. Travel & Conference	100.00	13,592.03	23,105.20	22,000	62%
<i>Gen. & Admin. Subtotal</i>	<i>16,871.74</i>	<i>903,669.78</i>	<i>776,691.99</i>	<i>763,801</i>	<i>118%</i>
TOTAL SERVICE & SUPPLY	63,003.94	1,390,186.73	1,189,586.54	1,106,000.92	126%

Power

29. Essex - PG & E	67,218.09	910,466.17	902,500.55		
30. 2Mw Generator Fuel	-	-	-		
<i>Subtotal Essex Pumping</i>	<i>67,218.09</i>	<i>910,466.17</i>	<i>902,500.55</i>	<i>937,000</i>	
31. All other PG & E	16,027.22	198,919.41	196,479.66	199,000	
<i>Subtotal All Power</i>	<i>83,245.31</i>	<i>1,109,385.58</i>	<i>1,098,980.21</i>	<i>1,136,000</i>	<i>98%</i>

Total Service and Supplies incl.

Power	146,249.25	2,499,572.31	2,288,566.75	2,242,001	111%
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GRAND TOTAL EXPENSES	537,929.33	7,668,771.40	7,051,967.98	7,474,749.92	103%
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OTHER EXPENSES

32. ReMat Consultant Exp.	1,371.98	18,709.18	28,137.08		
33. Capital Replacement Exp.	-	-	-		

TOTAL EXPENSES WITH OTHER EXPENSES

	539,301.31	7,687,480.58	7,080,105.06		
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HUMBOLDT BAY MUNICIPAL WATER DISTRICT

SUPPLEMENTAL - FIELDBROOK-GLENDALE CSD CONTRACT SERVICES

MONTHLY BILLING/EXPENSE REPORT

June 30, 2026



	Month-to-Date	Year-to-Date
<i>Contract Services Billing</i>		
Administrative	1,261.23	15,134.76
Indirect/Overhead	999.28	11,991.36
Maintenance/Operations/Supplies	31,505.10	320,663.14
Total FB-GCSD Billing	33,765.61	347,789.26
<i>Contract Services Expenses</i>		
Employee Wages	15,336.22	162,731.08
Employee Benefits	7,146.62	77,928.16
Operations & Maintenance Expenses	2,289.78	26,838.88
General & Administrative Expenses	3,149.23	22,786.34
Total FB-GCSD Expenses	27,921.85	290,284.46
<i>NET Fieldbrook Contract Services</i>	5,843.76	57,504.80

HUMBOLDT BAY MUNICIPAL WATER DISTRICT PROJECT PROGRESS REPORT

June 30, 2026

100% Of Budget Year



A. CAPITAL PROJECTS

GRANT FUNDED PROJECTS	MTD	YTD	BUDGET	% OF
	EXPENSES	TOTAL		BUDGET
1 Grant - TRF Generator <i>(Treatment Facility Project, \$1.9M - FEMA, Approved)</i>	0	661,499	1,731,813	38%
2 Grant - Collector Mainline Redundancy Pipeline <i>(Treatment/Base Facility Project, \$3.2M - FEMA, Approved)</i>	0	1,415	3,200,000	0%
3 Grant - 2x Tank Seismic Retro	0	4,436,499	3,174,488	140%
3A Grant - 1x Tank (Industrial) Seismic Retrofit <i>(\$5.7M - FEMA Approved, Pending Add'l Funding)</i>	0	(1,453,918)		
4 Adv. Assistance Spillway Seismic Grant <i>(\$1.5M - FEMA Approved, Pending Add'l Funding)</i>	0	575,756	1,487,567	39%
TOTAL GRANT FUNDED CAPITAL PROJECTS	0	4,221,251	9,593,868	44%

NON-GRANT FUNDED CAPITAL PROJECTS

5 FY26 Mainline Valve Replacement Program	0	0	100,000	0%
6 Collector 4 Transformer & Switchboard Replacement	0	86	99,000	0%
7 Collector 4 Electrical Sub-Panel Replacements	0	0	14,250	0%
8 Roof Replacement & Modifications to OSG Bldg.	267	31,822	44,250	72%
9 Modular Training Room and EOC Building	0	0	260,000	0%
TOTAL NON-GRANT FUNDED CAPITAL PROJECTS	267	31,908	517,500	6%

B. EQUIPMENT AND FIXED ASSET PROJECTS

	MTD	YTD	BUDGET	% OF
	EXPENSES	TOTAL		BUDGET
10 FY26 Replace ESSEX Administrative Computers	985	4,758	6,500	73%
11 FY26 Replace Control Computers	0	3,428	5,250	65%
12 Traffic Control Equipment Upgrades	0	1,784	1,750	102%
13 Hyster Forklift Fork Extensions	0	1,456	2,000	73%
14 Replace Unit 7	0	33,544	76,000	44%
15 Replace Control Servers Essex	0	0	37,750	0%
17 Control Laptops for Electrical Dept	0	4,576	6,250	73%
18 Replace 35kW Generator	1,753	1,753	57,750	3%
19 Replace Chipper	0	57,294	67,500	85%
20 Replace Unit 12	0	74,222	88,250	84%
21 Replace Control Servers - TRF	0	0	37,750	0%

(Treatment Facility Project)

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

PROJECT PROGRESS REPORT - PAGE 2 OF 5

June 30, 2026

100% *Of Budget Year*



B. EQUIPMENT AND FIXED ASSET PROJECTS (con't)

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
22 TRF Chlorine Analyzer Replacement Phase 2 of 2 <i>(Treatment Facility Project)</i>	0	22,938	22,500	102%
23 Purchase Spare Turbidimeter <i>(Treatment Facility Project)</i>	0	8,737	8,750	100%
24 FY26 Replace EUREKA Administrative Computers	882	1,323	6,000	22%
25 AC Units for Headquarters, Bunkhouse & Hydro Plant	0	0	10,750	0%
26 Ruth Slide Gate Rm Electl Upgrade & Hyd. Pump Rplt	0	11,215	10,250	109%
27 Ruth Hydro Weir Vault Modifications & Add Pump Cap	0	4,642	7,400	63%
28 Unit #6 AED Defibrillator	0	2,069	2,500	83%
29 Ruth Spillway Davit	150	4,524	5,750	79%
30 Ruth Hydro Emergency and Portable Lighting	0	1,547	2,000	77%
31 Ruth Hydro Sump Pump Replacement	0	6,254	6,500	96%
32 Replace 35kW Standby Generator	0	45,581	54,000	84%
33 Ruth Lake Decontamination Station	0	0	40,000	0%
33A Board Room Chairs & Tables	0	8,920	0	0%
33B Eureka Office Fence	772	71,779	0	0
33C Emergency Work at RW Matthews Dam	10,989	394,535	0	0%
TOTAL EQUIPMENT & FIXED ASSET PROJECTS	15,531	766,881	563,150	136%

C. MAINTENANCE PROJECTS

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
34A FY26 Pipeline Maintenance	1,574	6,955	14,000	50%
35 FY26 Main Line Meter Flow Calibration	345	596	16,000	4%
36 FY26 Technical Support and Software Updates	0	245	24,000	1%
37 FY26 Generator Services	0	2,695	3,600	75%
38 FY26 Hazard & Diseased Tree Removal	0	1,200	8,000	15%
39 FY26 Cathodic Protection	0	0	1,500	0%
40 FY26 Maintenance Emergency Repairs	0	220,934	50,000	442%
41 FY26 Fleet Paint Repairs	0	0	5,000	0%
42 FY26 12kV Electric System General Maintenance	0	5,490	10,500	52%
43 FY26 Voice and SCADA Radio Maintenance	0	0	3,000	0%
44 FY26 Safety Certification of Electrical Tools	0	341	2,500	14%
45 FY26 Collector Lube Oil System Maintenance	0	0	4,500	0%
46 FY26 Fleet Vehicle ALL DATA Software Subscrptn	1,100	1,100	3,750	29%
47 FY26 Unit Compliance Testing	110	220	5,000	4%
48 FY26 SB198 Safety Committee Funding	0	5,398	5,000	108%



June 30, 2026

C. MAINTENANCE PROJECTS (con't)

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
48A Collector 4 Investigation & Repairs	4,804	8,950	0	0
49 Production Flow Meter Calibrations	0	0	9,500	0%
50 Line Shed 4 Roof Replacement	0	12,011	57,750	0%
51 Maintenance Shop Roof Replacement	0	0	57,750	0
52 FY26 Pipeline R-O-W Maintenance	0	4,543	20,000	23%
53 Equipment Storage Building Roof Replacement	0	4,543	6,500	1%
54 Unit 2 and Unit 13 Engine Oil Leak Repairs	0	52	6,750	1%
55 FY26 TRF Generator Service	0	52	500	0%
<i>(Treatment Facility Project)</i>				
56 FY26 TRF Limitorque Valve Retrofit Supplies	0	0	15,000	0%
<i>(Treatment Facility Project)</i>				
57 TRF Valve Network Upgrade (Phase 2)	0	206	55,000	0%
<i>(Treatment Facility Project)</i>				
58 FY26 Brush Abatement Ruth Hydro	0	0	22,000	0%
59 FY26 LTO Insurance	0	0	6,000	0%
60 FY26 Spillway Repairs	0	1,565	10,000	16%
61 FY26 Howell Bungler Valve Inspection	0	0	1,500	0%
62 FY26 Log Boom Inspection	0	0	1,500	0%
63 Ruth Hydro Maintenance and Improvements	932	11,520	10,250	112%
64 FY26 Eureka Office Generator Service	0	340	500	68%
65 Main Office Paint/Repairs/Fencing	0	80	8,000	1%
TOTAL MAINTENANCE PROJECTS	8,864	289,038	444,850	65%

D. PROFESSIONAL & CONSULTING SERVICES

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
66 FY26 Crane Testing/Certification	0	12,693	12,000	106%
67 FY26 On-Site Sodium Hypochlorite System Maintenance	592	20,111	20,750	97%
68 FY26 Hydro Plant Annual Electrical & Maint Inspect	0	3,116	4,000	78%
69 FY26 Cyber Security Maintenance	0	0	5,500	0%
70 FY26 Essex Mad River Cross-Sectional Survey	0	7,200	7,200	100%
71 FY26 GHD Review & Report of Essex MR CrossSection	0	990	6,000	17%
72 Mitigation Funds, Samoa Dunes EIR	0	0	50,000	0%
73 Litigation Assessment	0	0	20,000	0%
74 FY26 Technical Training	0	2,134	20,000	11%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
PROJECT PROGRESS REPORT - PAGE 4 OF 5

June 30, 2026

100% *Of Budget Year*



D. PROFESSIONAL & CONSULTING SERVICES (CONT)

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
75 FY26 O & M Training	0	1,672	24,500	7%
76 FY26 Cross Connection Control Certification	0	695	3,000	23%
76A GM Performance Appraisal Process	8,633	8,633	0	0
76B GHD - GIS Project	3,132	16,922	0	0
77 FY26 Public Education Funds	0	699	5,000	14%
78 FY26 Mad River Regulatory Compliance Assistance	3,480	21,900	50,000	44%
79 FY26 Grant Applications Assistance	0	11,998	20,000	60%
80 Construction Contract Documents Development Assistance - GHD	0	0	10,000	0%
81 FY26 Asst w/401/404 Permits;LTSAA;Other-Stillwater	0	193,484	50,000	387%
82 Cathodic Protection Close-Interval Potential Surv.	0	0	25,400	0%
83 FY26 Dam Spillway Wall Monument Survey-Points West	0	10,000	10,000	100%
84 FY26 Matthews Dam Spillway Wingwall & Floor Survey	0	62	7,000	1%
85 Vertical Monument Monitoring - Points West	0	5,800	5,800	100%
86 Vertical Monument Monitoring - Data Review (GHD)	0	0	5,000	0%
87 West (Left) Abutment Slide Monitoring -Points West	0	8,700	8,700	100%
88 West (Left) Abutment Monitoring -Data Review (GHD)	0	0	4,000	0%
89 FY26 FERC Dam Safety Surveillance and Monitoring Report	1,850	1,974	11,518	17%
90 FY26 FERC Chief Dam Safety Engineer	0	13,974	16,804	83%
91 GEI - Task 2-Part 12D; PFMA	0	0	0	0
92 GRANT-Adv. Asst Spillway Seism Out of Scope Boring	0	100,069	100,000	REALLOC.
93 Left/Right Abutment Assessment - SHN	0	0	10,000	0%
TOTAL PROF/CONSULTING SERVICES	17,686	442,827	512,172	86%

E. INDUSTRIAL SYSTEM PROJECTS

94 Maintain Water Supply to Indust. Pump Station 6	0	0	13,250	0%
95 Repairs to I/W Reservoir Fence	0	8,100	10,000	81%
96 Grant - 1x Tank (Industrial) Seismic Retrofit	0	1,453,918	1,303,743	112%
TOTAL INDUSTRIAL SYSTEM PROJECTS	0	1,462,018	1,326,993	110%

G. ADVANCED CHARGES & DEBIT SERVICE FUNDS COLLECTED

97 Prof. Services for New Capital Debt	13,517	162,200	162,200	100%
98 Grant - 3x Tank Seismic Retrofit	18,988	227,859	227,859	100%
TOTAL ADVANCED CHARGES COLLECTED	32,505	390,059	390,059	100%

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

PROJECT PROGRESS REPORT - PAGE 5 OF 5

June 30, 2026

100% Of Budget Year



H. PROJECTS NOT CHARGED TO MUNICIPAL CUSTOMERS

	MTD EXPENSES	YTD TOTAL	BUDGET	% OF BUDGET
On-Site Generation of Chlorine <i>(\$1.4M - FY25, Treatment Facility Project)</i>	0	56,657	179,313	32%
Humboldt Bay Radio Read Meters <i>(Capital Replacement Funds)</i>	0	9,516	9,500	100%
HQ and Dam Road Paving (FY23) <i>(August Complex Wildfire Funds Collected, ReMat Funds)</i>	0	145,825	112,000	130%
North Mainline Extension Study	0	21,585	0	0
BL Rancheria Water	0	178	0	0
Grant - Ruth Lake Decontamination Station	2,277	166,687	40,000	417%
TOTAL NOT CHARGED TO CUSTOMERS	2,277	400,447	340,813	117%

PROJECT PROGRESS REPORT SUMMARY OF ALL ACTIVITY

CUSTOMER PF2 CHARGES	MTD	YTD	BUDGET	% BUDGET
TOTAL NON-GRANT FUNDED CAPITAL PROJECTS	267	31,908	517,500	6%
<i>Treatment Facility Portion</i>	0	0	0	
TOTAL EQUIPMENT & FIXED ASSET PROJECTS	15,531	766,881	563,150	136%
<i>Treatment Facility Portion</i>	0	31,675	69,000	
TOTAL MAINTENANCE PROJECTS	8,864	289,038	444,850	65%
<i>Treatment Facility Portion</i>	0	257	70,500	
TOTAL PROF/CONSULTING SERVICES	17,686	442,827	512,172	86%
<i>Treatment Facility Portion</i>	0	0	0	
TOTAL INDUSTRIAL SYSTEM PROJECTS	0	0	13,250	0%
<i>Treatment Facility Portion</i>	0	0	0	
TOTAL ADVANCED CHARGES/DEBIT SERVICE	32,505	390,059	390,059	100%
<i>Treatment Facility Portion</i>	\$0	\$0	\$0	
TOTAL CUSTOMER CHARGES	\$74,854	\$1,920,713	\$2,440,981	79%

NON-CUSTOMER CHARGES (CURRENT FY)	MTD	YTD	BUDGET	% BUDGET
TOTAL GRANT FUNDED CAPITAL PROJECTS	0	5,675,169	10,897,611	52%
TOTAL NON-CUSTOMER CHARGES	2,277	400,447	340,813	117%
TOTAL USE OF ENCUMBERED FUNDS	32,425	649,313	1,617,260	40%
TOTAL NON-CUSTOMER CHARGES	\$34,701	\$6,724,929	\$12,855,684	52%

GRAND TOTAL PROJECT BUDGET ACTIVITY	\$109,556	\$8,645,642	\$15,296,665	57%
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**HUMBOLDT BAY MUNICIPAL WATER DISTRICT
ENCUMBERED FUNDS RECONCILIATION REPORT**

June 30, 2026



	MTD EXPENSES	YTD TOTAL	AMOUNT ENCUMBERED	REMAINING
A. CAPITAL PROJECTS				
1E Mainline Valve Replacement Program	0	0	55,173	55,173
2E Retaining Wall for Valve Access	0	0	70,000	70,000
3E Replace Pump 2-2 (Pre-Approved 04/2024)	0	27,938	26,713	(1,225)
4E Peninsula Communications Options	0	0	42,000	42,000
5E Mainline Valve Replacement Program	0	923	50,000	49,077
6E Purchase Collector 4 Transformer	0	0	48,325	48,325
7E Purchase Switchboard for Collector 4	0	35,167	41,589	6,422
8E Resize Chemical Feed System	0	0	6,304	6,304
9E Storage Barn at Headquarters	0	0	218,108	218,108
B. EQUIPMENT & FIXED ASSET PROJECTS				
10E FY25 Replace ESSEX Administrative Computers	0	2,978	2,978	0
11E Telemetry Radio and Antenna Replacement	0	0	14,000	14,000
12E District Lighting Upgrades	0	6,108	11,950	5,842
13E Construction Tooling	0	0	1,473	1,473
14E TRF Filter Gallery Heaters and Air Circulation	0	9,290	9,000	(290)
15E Air Actuated Chemical Pump	0	2,392	2,000	(392)
16E FY25 Replace EUREKA Administrative Computers	0	5,201	5,086	(115)
C. MAINTENANCE PROJECTS				
17E FY25 Main Line Meter Flow Calibration	0	1,690	15,900	14,210
18E FY25 Technical Support and Software Updates	0	710	6,442	5,732
19E FY25 Hazard & Diseased Tree Removal	0	3,550	8,000	4,450
20E FY25 Fleet Paint Repairs	0	4,603	5,000	397
21E TRF Valve Network Upgrade (Phase 2)	0	16,646	51,500	34,854
22E FY25 Howell Bungler Valve Inspection	0	1,631	1,500	(131)
23E Replace Hydro Plant PLC's	0	37,683	88,750	51,067
24E FY25 Maintenance Emergency Repairs	0	4,627	5,000	373
D. PROFESSIONAL & CONSULTING SERVICES				
25E Caselle A/R Module	0	0	5,000	5,000
26E CIP 10-yr Financial Revision and Project Review	0	5,905	22,960	17,055
27E Retail Rate Study	0	0	12,000	12,000
28E 404 Permit Assistance	0	21,860	9,131	(12,729)
29E Technical Dam/Spillway Support	0	189,909	189,909	REALLOC.
30E FY25 Cyber Security Maintenance	4,154	4,154	5,250	1,096
31E Microsoft 360 Email	0	12,404	7,274	(5,130)
32E Professional Consulting Services for FERC Comprehensive Analysis	23,329	156,599	504,865	348,266
33E Shatz Energy Research - Tesla Battery/Generator	0	14,294	14,296	2
34E Samoa Peninsula Coastal Development Permit (Change of Scope)	4,942	63,251	40,295	(22,956)
35E Eureka Cyber Security	0	19,800	19,489	(311)
ENCUMBERED FUNDS TOTAL	32,425	649,313	1,617,260	967,947

Vendor Name	Date Paid	Description	Amount Paid
101 NETLINK			
101 NETLINK	06/04/2026	<i>Ruth Data Link/Internet</i>	340.00
Total 101 NETLINK:			340.00
Acme Rigging & Supply Company			
Acme Rigging & Supply Company	06/11/2026	<i>Slings for Collector #4 investigations and repairs</i>	1,351.89
Total Acme Rigging & Supply Company:			1,351.89
ACWA/JPIA			
ACWA/JPIA	06/18/2026	<i>COBRA Dental</i>	354.98
ACWA/JPIA	06/18/2026	<i>COBRA Vision</i>	55.68
ACWA/JPIA	06/18/2026	<i>RETIREE MEDICAL</i>	15,946.86
Total ACWA/JPIA:			16,357.52
AirGas NCN			
AirGas NCN	06/11/2026	<i>Safety supplies for shop inventory</i>	127.59
Total AirGas NCN:			127.59
Almquist Lumber			
Almquist Lumber	06/11/2026	<i>Paint for Ruth Hydro electrical metering building</i>	283.47
Almquist Lumber	06/11/2026	<i>Paint for buildings</i>	306.86
Almquist Lumber	06/11/2026	<i>Paint brushes</i>	20.19
Total Almquist Lumber:			610.52
Amazon Capital Services			
Amazon Capital Services	06/11/2026	<i>Ethernet cable tester</i>	31.42
Amazon Capital Services	06/11/2026	<i>Ruth vegetation management supplies</i>	114.15
Amazon Capital Services	06/04/2026	<i>Fitting and cap for salt storage tank</i>	45.49
Amazon Capital Services	06/04/2026	<i>New Board Room Set Up</i>	2,817.14
Amazon Capital Services	06/04/2026	<i>Dell Monitors</i>	984.70
Amazon Capital Services	06/04/2026	<i>Lock box for notary supplies</i>	19.64
Amazon Capital Services	06/11/2026	<i>Digital caliper</i>	21.74
Amazon Capital Services	06/04/2026	<i>Vents for metering shed at Ruth Hydro</i>	80.46
Total Amazon Capital Services:			4,114.74
ATS Communications			
ATS Communications	06/08/2026	<i>Replace main office router</i>	4,153.61
ATS Communications	06/08/2026	<i>IT and software maintenance subscriptions and support</i>	2,403.46
ATS Communications	06/11/2026	<i>IT and software maintenance subscriptions and support</i>	5,185.33
Total ATS Communications:			11,742.40
Chris Merz			
Chris Merz	06/15/2026	<i>Fitness Stipend Reimb 1/26-6/26</i>	270.00
Total Chris Merz:			270.00
Christian Jorgensen			
Christian Jorgensen	06/04/2026	<i>Per Diem for Travel to Ruth for Maintenance</i>	75.00

Vendor Name	Date Paid	Description	Amount Paid
Total Christian Jorgensen:			75.00
City of Eureka			
City of Eureka	06/11/2026	<i>Eureka office water/sewer</i>	153.06
Total City of Eureka:			153.06
Cole Ayala			
Cole Ayala	06/04/2026	<i>Per Diem for Travel to Ruth for Maintenance</i>	75.00
Total Cole Ayala:			75.00
CPS HR Consulting			
CPS HR Consulting	06/11/2026	<i>GM Performance Appraisal Contract #26-1258</i>	8,632.50
Total CPS HR Consulting:			8,632.50
Denco Controls, Inc			
Denco Controls, Inc	06/11/2026	<i>Collector oiler and repair kits</i>	962.96
Total Denco Controls, Inc:			962.96
Downey Brand Attorneys LLP			
Downey Brand Attorneys LLP	06/11/2026	<i>Legal Fees April 2026 - Instream Flow Investigation</i>	110.00
Total Downey Brand Attorneys LLP:			110.00
Englund Marine Supply			
Englund Marine Supply	06/11/2026	<i>Life ring and air horn for Ruth workboat</i>	187.26
Total Englund Marine Supply:			187.26
Eureka Oxygen			
Eureka Oxygen	06/11/2026	<i>cylinder rental</i>	137.20
Total Eureka Oxygen:			137.20
Eureka-Humboldt Fire Ext.,Co, Inc			
Eureka-Humboldt Fire Ext.,Co, Inc	06/11/2026	<i>Eureka office fire extinguisher maintenance</i>	89.00
Total Eureka-Humboldt Fire Ext.,Co, Inc:			89.00
Freshwater Environmental Services			
Freshwater Environmental Services	06/11/2026	<i>Urban Water Managemenet Plan Assistance #26-1008</i>	1,950.00
Freshwater Environmental Services	06/22/2026	<i>Urban Water Managemenet Plan Assistance #26-1008</i>	1,529.50
Total Freshwater Environmental Services:			3,479.50
GEI Consultants, Inc			
GEI Consultants, Inc	06/11/2026	<i>CDSE Consultant Services #26-0131</i>	1,850.00
Total GEI Consultants, Inc:			1,850.00
GFT Infrastructure, Inc.			
GFT Infrastructure, Inc.	06/11/2026	<i>R.W. Matthews Dam Part 12D Comprehensive Assessment</i>	23,329.37

Vendor Name	Date Paid	Description	Amount Paid
Total GFT Infrastructure, Inc.:			23,329.37
GHD			
GHD	06/11/2026	General Engineering	6,630.32
GHD	06/11/2026	Samoa Peninsula ROW EIR #23-0625	4,941.58
GHD	06/11/2026	GIS Project #26-1098	3,131.74
Total GHD:			14,703.64
Health Equity Inc			
Health Equity Inc	06/08/2026	HSA Admin Fee June 2026 - 19 employees	56.05
Health Equity Inc	06/08/2026	HSA Admin Fee June 2026 - 6 employees	17.70
Total Health Equity Inc:			73.75
Hensel Hardware			
Hensel Hardware	06/11/2026	PVC valves	29.73
Total Hensel Hardware:			29.73
Henwood Associates, Inc			
Henwood Associates, Inc	06/04/2026	Consultant Services Agreement- April 2026	685.99
Total Henwood Associates, Inc:			685.99
Humboldt County Treasurer			
Humboldt County Treasurer	06/22/2026	Capital Financing Project	45,611.43
Total Humboldt County Treasurer:			45,611.43
Humboldt Waste Management Authority			
Humboldt Waste Management Authority	06/04/2026	dump fee	243.92
Humboldt Waste Management Authority	06/11/2026	Dump Fee - Ruth Hydro Maintenance	198.06
Total Humboldt Waste Management Authority:			441.98
JTN Energy, LLC			
JTN Energy, LLC	06/04/2026	Consultant Services Agreement - April 2026	685.99
Total JTN Energy, LLC:			685.99
Keenan Supply			
Keenan Supply	06/11/2026	Repair Whittier Ln	1,654.06
Keenan Supply	06/11/2026	Park bathroom repairs	257.02
Keenan Supply	06/22/2026	Dewatering connection and piping supplies	3,451.90
Total Keenan Supply:			5,362.98
Miller Farms Nursery			
Miller Farms Nursery	06/11/2026	Weed eater supplies	43.49
Total Miller Farms Nursery:			43.49
Mission Linen			
Mission Linen	06/11/2026	maintenance supplies & uniform rentals	61.40
Mission Linen	06/11/2026	maintenance supplies & uniform rentals	91.81

Vendor Name	Date Paid	Description	Amount Paid
Mission Linen	06/11/2026	<i>maintenance supplies & uniform rentals</i>	13.48
Mission Linen	06/11/2026	<i>maintenance supplies & uniform rentals</i>	76.25
Mission Linen	06/11/2026	<i>maintenance supplies & uniform rentals</i>	61.40
Mission Linen	06/11/2026	<i>maintenance supplies & uniform rentals</i>	13.48
Mission Linen	06/11/2026	<i>maintenance supplies & uniform rentals</i>	93.09
Mission Linen	06/11/2026	<i>maintenance supplies & uniform rentals</i>	77.97
Total Mission Linen:			488.88
Northern California Safety Consortium			
Northern California Safety Consortium	06/11/2026	<i>HAZWOPER Refresher training -6 employees</i>	600.00
Total Northern California Safety Consortium:			600.00
Oil Spill Response Trust Fund/CDFW			
Oil Spill Response Trust Fund/CDFW	06/11/2026	<i>CDFW Emergency Response</i>	10,989.38
Total Oil Spill Response Trust Fund/CDFW:			10,989.38
Optimum			
Optimum	06/02/2026	<i>Essex internet</i>	279.92
Optimum	06/02/2026	<i>Essex Phones</i>	87.30
Optimum	06/02/2026	<i>Eureka Internet</i>	210.95
Optimum	06/02/2026	<i>Fieldbrook-Glendale CSD Internet</i>	408.93
Optimum	06/02/2026	<i>TRF Internet</i>	36.27
Optimum	06/02/2026	<i>TRF Internet - Blue Lake SCADA Monitoring</i>	72.52
Optimum	06/02/2026	<i>TRF Internet - Fieldbrook-Glendale CSD</i>	72.52
Total Optimum:			1,168.41
Owen Rau			
Owen Rau	06/04/2026	<i>Per Diem for Travel to Ruth for Maintenance</i>	75.00
Total Owen Rau:			75.00
Pacific Gas & Electric Co.			
Pacific Gas & Electric Co.	06/11/2026	<i>Eureka Office</i>	593.05
Pacific Gas & Electric Co.	06/11/2026	<i>Jackson Ranch Rd Rectifier</i>	19.53
Pacific Gas & Electric Co.	06/11/2026	<i>HWY 299 Rectifier</i>	45.61
Pacific Gas & Electric Co.	06/11/2026	<i>West End Road Rectifier</i>	31.31
Pacific Gas & Electric Co.	06/11/2026	<i>TRF</i>	11,666.06
Pacific Gas & Electric Co.	06/11/2026	<i>Ruth Hydro Valve Control</i>	46.30
Pacific Gas & Electric Co.	06/11/2026	<i>Ruth Hydro</i>	26.46
Pacific Gas & Electric Co.	06/11/2026	<i>Samoa Booster Pump Station</i>	1,319.84
Pacific Gas & Electric Co.	06/11/2026	<i>Samoa Dial Station</i>	74.84
Pacific Gas & Electric Co.	06/11/2026	<i>Essex Pumping May 2026</i>	2,121.89
Pacific Gas & Electric Co.	06/11/2026	<i>Essex Pumping May 2026</i>	1,573.46
Pacific Gas & Electric Co.	06/11/2026	<i>Essex Pumping May 2026</i>	65,726.96
Total Pacific Gas & Electric Co.:			83,245.31
Pacific Lift and Equipment Co, Inc			
Pacific Lift and Equipment Co, Inc	06/11/2026	<i>Annual Vehicle Lift Inspection #26-1539</i>	992.45
Total Pacific Lift and Equipment Co, Inc:			992.45

Vendor Name	Date Paid	Description	Amount Paid
Peterson			
Peterson	06/22/2026	Cat 322 bucket curl cylinder seal replacement	1,979.72
Total Peterson:			1,979.72
Pitney Bowes Global Financial Services			
Pitney Bowes Global Financial Services	06/12/2026	postage meter lease - Apr 20 - Jul 19 2026	209.72
Total Pitney Bowes Global Financial Services:			209.72
Platt Electric Supply			
Platt Electric Supply	06/08/2026	Materials for 35kv generator replacement at Essex	416.12
Platt Electric Supply	06/11/2026	Electrical connection for Ruth decontamination station	537.49
Platt Electric Supply	06/11/2026	Ruth Annual Maintenance	262.99
Platt Electric Supply	06/11/2026	Line shed #6 security siren	28.29
Platt Electric Supply	06/08/2026	Materials for 35kv generator replacement at Essex	334.30
Platt Electric Supply	06/11/2026	Electrical connection for Ruth decontamination station	305.07
Platt Electric Supply	06/11/2026	Electrical connection for Ruth decontamination station	1,272.73
Platt Electric Supply	06/11/2026	Ruth Annual Maintenance	62.89
Platt Electric Supply	06/11/2026	Electrical connection for Ruth decontamination station	161.40
Platt Electric Supply	06/11/2026	Ruth Annual Maintenance	132.57
Total Platt Electric Supply:			3,513.85
PPG Architectural Coatings			
PPG Architectural Coatings	06/22/2026	Painting supplies for OSHG Building	47.04
Total PPG Architectural Coatings:			47.04
Purchase Power			
Purchase Power	06/12/2026	Postage Refill	1,009.75
Total Purchase Power:			1,009.75
Recology Arcata			
Recology Arcata	06/11/2026	Essex Garbage/Recycling Service - May 2026	866.17
Total Recology Arcata:			866.17
Recology Humboldt County			
Recology Humboldt County	06/11/2026	Eureka office garbage/recycling service - May 2026	120.46
Total Recology Humboldt County:			120.46
Rexel USA, Inc			
Rexel USA, Inc	06/11/2026	OSHG Power Monitor Install	263.87
Rexel USA, Inc	06/11/2026	OSHG Power Monitor Install	110.36
Total Rexel USA, Inc:			374.23
Safe and Sound Security			
Safe and Sound Security	06/08/2026	Monthly help desk/tech support for Dam cameras	67.97
Total Safe and Sound Security:			67.97
Salisbury Online			
Salisbury Online	06/22/2026	Class 2 electrical gloves	347.73

Vendor Name	Date Paid	Description	Amount Paid
Total Salisbury Online:			347.73
Shafer's Ace Hardware			
Shafer's Ace Hardware	06/22/2026	<i>Eureka office audio/video setup</i>	10.87
Shafer's Ace Hardware	06/22/2026	<i>Eureka office audio/video setup</i>	8.86
Total Shafer's Ace Hardware:			19.73
Solo Sports			
Solo Sports	06/08/2026	<i>Safety Apparel</i>	1,443.05
Total Solo Sports:			1,443.05
TechnoFlo Systems			
TechnoFlo Systems	06/11/2026	<i>Manila meter flow testing and calibration</i>	344.77
Total TechnoFlo Systems:			344.77
Thatcher Company, Inc			
Thatcher Company, Inc	06/11/2026	<i>TRF chemicals</i>	24,380.34
Total Thatcher Company, Inc:			24,380.34
The Mill Yard			
The Mill Yard	06/11/2026	<i>OSG Building Modifications</i>	220.15
The Mill Yard	06/11/2026	<i>Soffit vents for Ruth PG&E metering shed repair</i>	65.29
The Mill Yard	06/11/2026	<i>Chalk line</i>	7.71
The Mill Yard	06/11/2026	<i>Lumber to build crate to ship Ruth Hydro Breaker #1 for refurbis</i>	37.08
The Mill Yard	06/22/2026	<i>Concrete mix for Ruth Hydro</i>	33.03
The Mill Yard	06/11/2026	<i>Building materials for Ruth Hydro PG&E metering shed</i>	304.68
Total The Mill Yard:			667.94
The Times-Standard			
The Times-Standard	06/11/2026	<i>Public Meeting Legal Notice - Ordinance 17</i>	135.30
The Times-Standard	06/11/2026	<i>Public Meeting Legal Notice - UWMP</i>	367.18
Total The Times-Standard:			502.48
Thrifty Supply			
Thrifty Supply	06/08/2026	<i>Meter box supplies</i>	1,573.75
Total Thrifty Supply:			1,573.75
Trinity County General Services			
Trinity County General Services	06/22/2026	<i>Pickett Peak site lease - July 2026</i>	265.23
Total Trinity County General Services:			265.23
Trinity Diesel, Inc			
Trinity Diesel, Inc	06/11/2026	<i>Quarterly OBD2 Testing Unit 5</i>	110.00
Total Trinity Diesel, Inc:			110.00
U.S. Bank Corporate Payment System			
U.S. Bank Corporate Payment System	06/04/2026	<i>Samoa roof hatch latch hardware</i>	140.28

Vendor Name	Date Paid	Description	Amount Paid
U.S. Bank Corporate Payment System	06/04/2026	Rubber parking bumpers	772.07
U.S. Bank Corporate Payment System	06/04/2026	Dust bag for brine tank vent	142.89
U.S. Bank Corporate Payment System	06/04/2026	Unit 13 repairs	519.80
U.S. Bank Corporate Payment System	06/04/2026	Mini transfer pump	99.21
U.S. Bank Corporate Payment System	06/04/2026	Backflow calibration	150.50
U.S. Bank Corporate Payment System	06/04/2026	Essex office supplies	178.41
U.S. Bank Corporate Payment System	06/04/2026	Spendwise Monthly Subscription	90.00
U.S. Bank Corporate Payment System	06/04/2026	Annual Zoom Subscription	339.80
U.S. Bank Corporate Payment System	06/04/2026	Dell Pro Smart Dock	881.98
U.S. Bank Corporate Payment System	06/04/2026	Fans for Board Room	147.68
U.S. Bank Corporate Payment System	06/04/2026	HB Retail Billing Postcards	124.93
U.S. Bank Corporate Payment System	06/04/2026	FB Billing Postcards	250.66
U.S. Bank Corporate Payment System	06/04/2026	Sales Tax Owed	27.88-
U.S. Bank Corporate Payment System	06/04/2026	New stove for Ruth Cabin	1,197.28
U.S. Bank Corporate Payment System	06/04/2026	Notary supplies	69.00
U.S. Bank Corporate Payment System	06/04/2026	New Board Room Setup	99.99
U.S. Bank Corporate Payment System	06/04/2026	Digital surface water thermometer	199.95
U.S. Bank Corporate Payment System	06/04/2026	Training with Blue Lake Rancheria	100.00
U.S. Bank Corporate Payment System	06/04/2026	Claude Pro 1 Month Subscription	20.00
U.S. Bank Corporate Payment System	06/04/2026	Return computer mouse	77.16-
U.S. Bank Corporate Payment System	06/04/2026	CANDO software annual renewal	1,100.00
U.S. Bank Corporate Payment System	06/04/2026	Lift Bucket for Ruth Spillway Davit Crane	150.06
U.S. Bank Corporate Payment System	06/04/2026	Replace 35kV generator at Essex	1,002.57
U.S. Bank Corporate Payment System	06/04/2026	Safety supply cabinet for Ruth Hydro	162.04
Total U.S. Bank Corporate Payment System:			7,834.06
USA Blue Book			
USA Blue Book	06/11/2026	Customer service truck materials	164.62
USA Blue Book	06/11/2026	Customer service truck materials	179.12
Total USA Blue Book:			343.74
Valley Pacific Petroleum Serv. Inc			
Valley Pacific Petroleum Serv. Inc	06/08/2026	Ruth Hydrolic System	1,133.83
Valley Pacific Petroleum Serv. Inc	06/08/2026	Cardlock-Pumping & Control	617.06
Valley Pacific Petroleum Serv. Inc	06/08/2026	Cardlock-Water Quality	617.06
Valley Pacific Petroleum Serv. Inc	06/08/2026	Cardlock-Maintenance	617.06
Valley Pacific Petroleum Serv. Inc	06/08/2026	Cardlock-HB Retail	160.44
Valley Pacific Petroleum Serv. Inc	06/08/2026	Cardlock-FBGCS	456.60
Total Valley Pacific Petroleum Serv. Inc:			3,602.05
Watt's Cleaning Services			
Watt's Cleaning Services	06/11/2026	Eureka Office Cleaning 5/6 & 5/20/26	278.00
Total Watt's Cleaning Services:			278.00
Grand Totals:			289,095.70

Memo to: HBMWD Board of Directors
From: Dale Davidsen, Director of Operations and Maintenance
Date: June 30, 2026
Subject: Essex/Ruth June 2026 Operational Report

Upper Mad River, Ruth Lake, and Hydro Plant

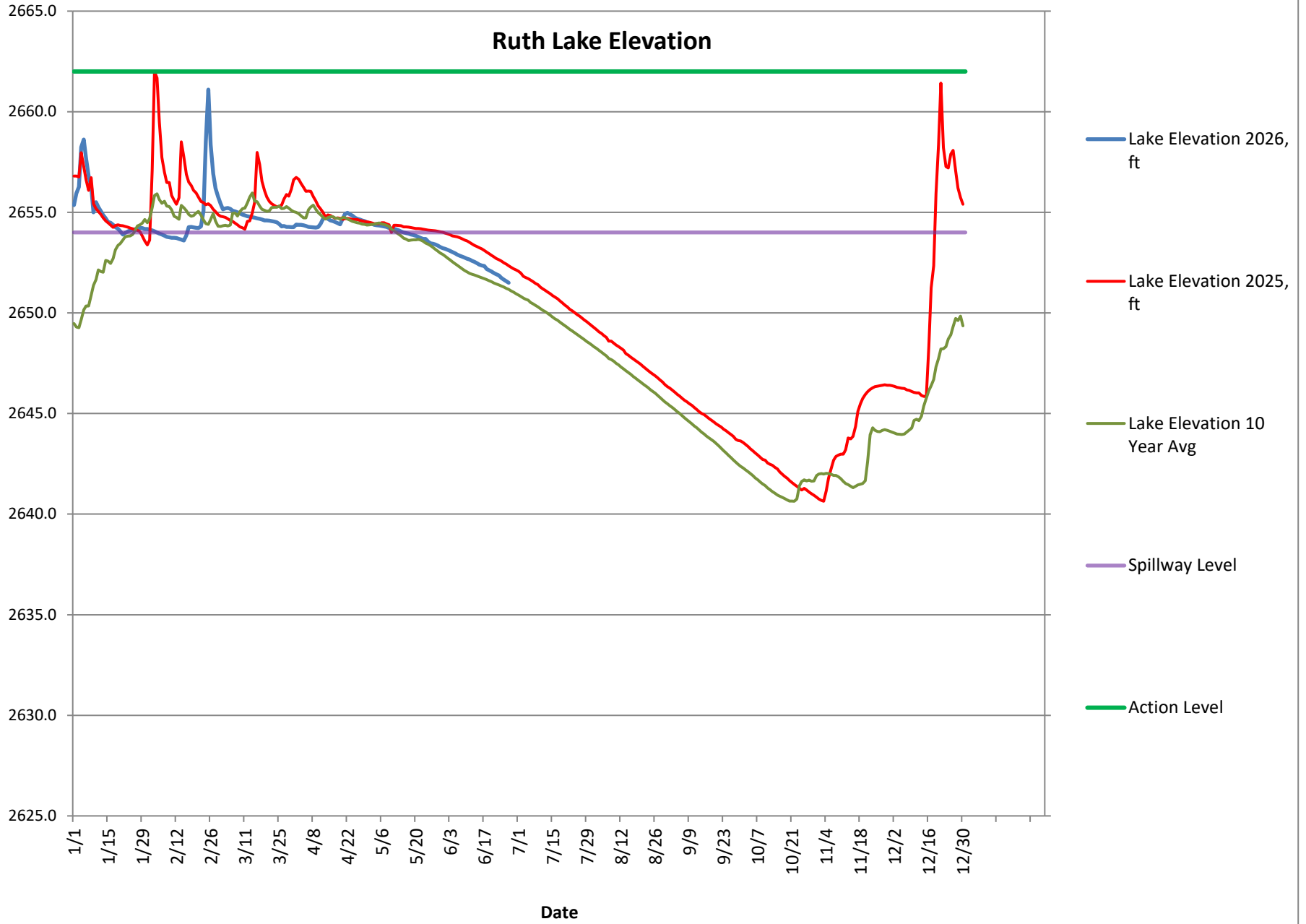
1. Average flow at Mad River above Ruth Reservoir (Zenia Bridge) in June was 13.23 cfs.
2. The conditions at Ruth Lake for June were as follows:
The lake level on June 29th was 2651.5 feet, which is:
 - 1.78 feet lower than May 31st, 2026.
 - 0.84 feet lower than June 29th, 2025.
 - 0.33 feet higher than the ten-year average.
 - 2.5 feet below the spillway.
3. Ruth Headquarters recorded 0.11 inches of rainfall in June.
4. Ruth Hydro generated 129600 kWh in June. We had 2 outages causing 17,666 KWh lost production. One for Annual Electrical maintenance and one PG&E power outage.
5. The lake discharged an average of 40 CFS with a high of 53 CFS on June 1st.

Lower Mad River, Winzler Control, and TRF

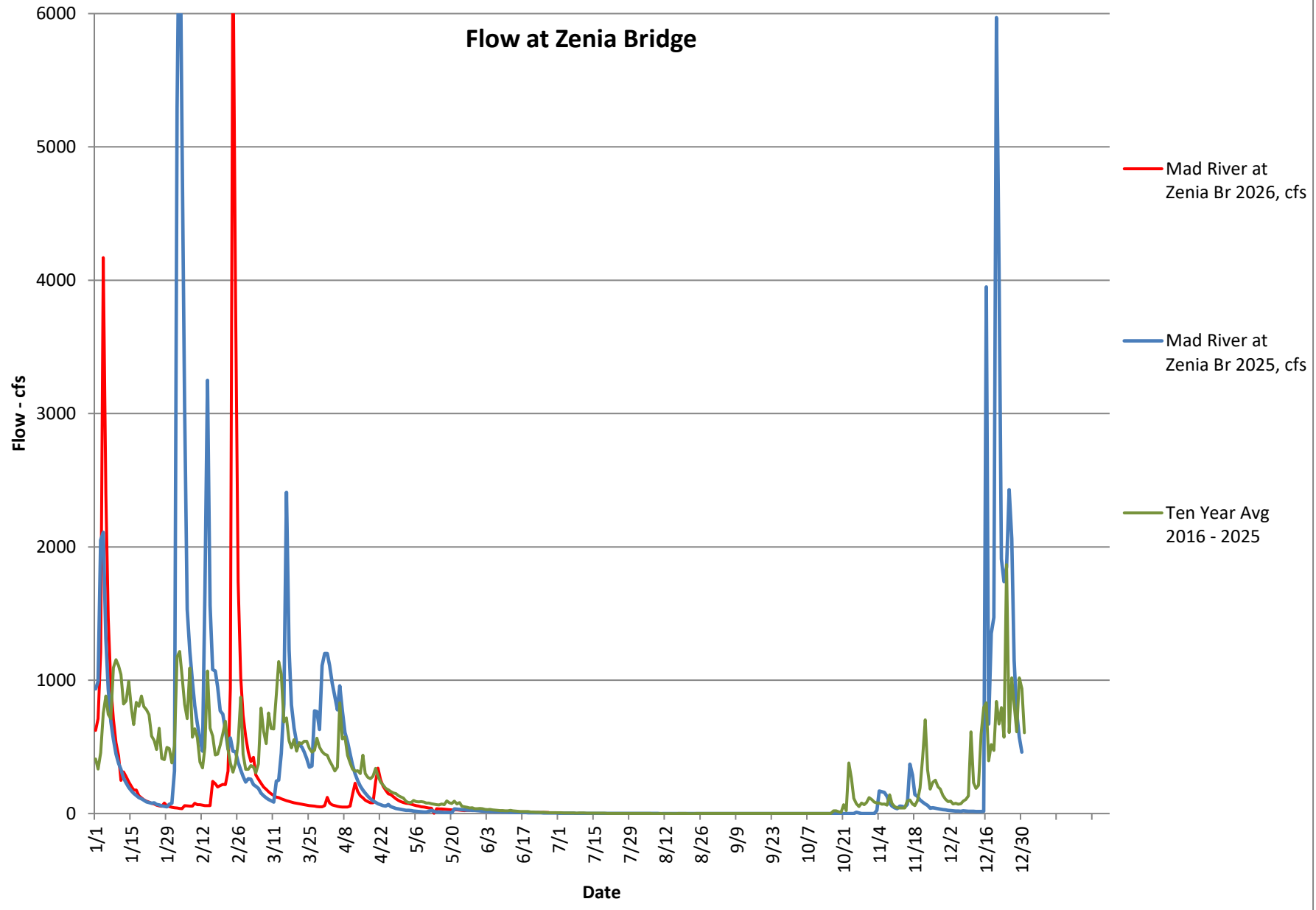
6. The river at Winzler Control Center in June had an average flow of 88.4 CFS. The river reached a high flow of 126 CFS on June 1st.
7. The domestic water conditions were as follows:
 - a. The domestic water turbidity average was 0.15 NTU, which meets Public Health Secondary Standards.
 - b. As of June 29th, we pumped 246.971 MG at an average of 8.232 MGD.
 - c. The maximum metered daily municipal use was 9.977 MG on June 16th.
8. The TRF went **offline** on June 10th:
 - a. Average monthly source water turbidity was 0.15 NTU.
 - b. Average monthly filtered water turbidity was 0.15 NTU.
 - c. The number of monthly filter backwashes was 13.
9. June 1st
 - a. Supervisors and I met GRS and Project manager and Cla-Val Rep at Fieldbrook tank to go over altitude valve operation and setup and project punch list. Project complete.
 - b. Old FB tank and Morris tank inspections.

10. June 1st – 3Rd
 - a. Electrical Staff went to Ruth for Annual Hydro plant electrical maintenance.
 - b. (2) Maintenance staff went to Ruth to re-side power meter building and replace stairway treads.
11. June 4th – Wahlund Construction took delivery of 750 kW generator at TRF.
12. June 5th
 - a. I went to Ruth to meet with RLCSD and contractor for the de-contamination station site prep.
 - b. DOT required 90 day truck inspections
13. June 8th – Pacific Lift on-site for annual inspection / certification of vehicle lift.
14. June 9th – Essex staff had required LTSAA permit training
15. June 10th – 11th – Maintenance staff went to Ruth for vegetation management at hydro and dam and installation of bollard and replace batteries on tiltmeters on spillway walls.
16. June 11th – Installed Manila meter. It was out for planned calibration
17. June 15th - Kernon Const set up the 110-ton crane in Park 4 for Collector 4 dive work this week
18. June 16-18 – AUS divers on-site for installation of blind flanges on Collector 4. Kernon broke down 110-ton crane.
19. June 22nd & 23rd – Met GFT, FERC and HB Staff at the dam to start Part 12D CA, 2 day inspection
20. June 24th – 26th – Part 12D CA, PFM meetings.
21. Current and Ongoing Projects
 - a. I attended several meetings and correspondence with the engineers and contractors on multiple projects.
 - i. Samoa tank paint deficiencies
 - ii. TRF generator project.
 - iii. FB reservoir replacement project. – Project Complete
 - iv. RLCSD De-con station. – Site-prep in progress
 - v. Collector 4 dive work and concrete inspection.
 - b. Installation of new Essex 45 KVA Standby generator.
 - c. Prep work for dewatering Col 4, for concrete inspection
 - d. Vegetation management in Parks and R-o-W's & Fieldbrook
 - e. Work on OSHG building upgrades.
 - f. Worked on installation of AV equipment in Board Room.
 - g. Routine annual equipment maintenance and services.

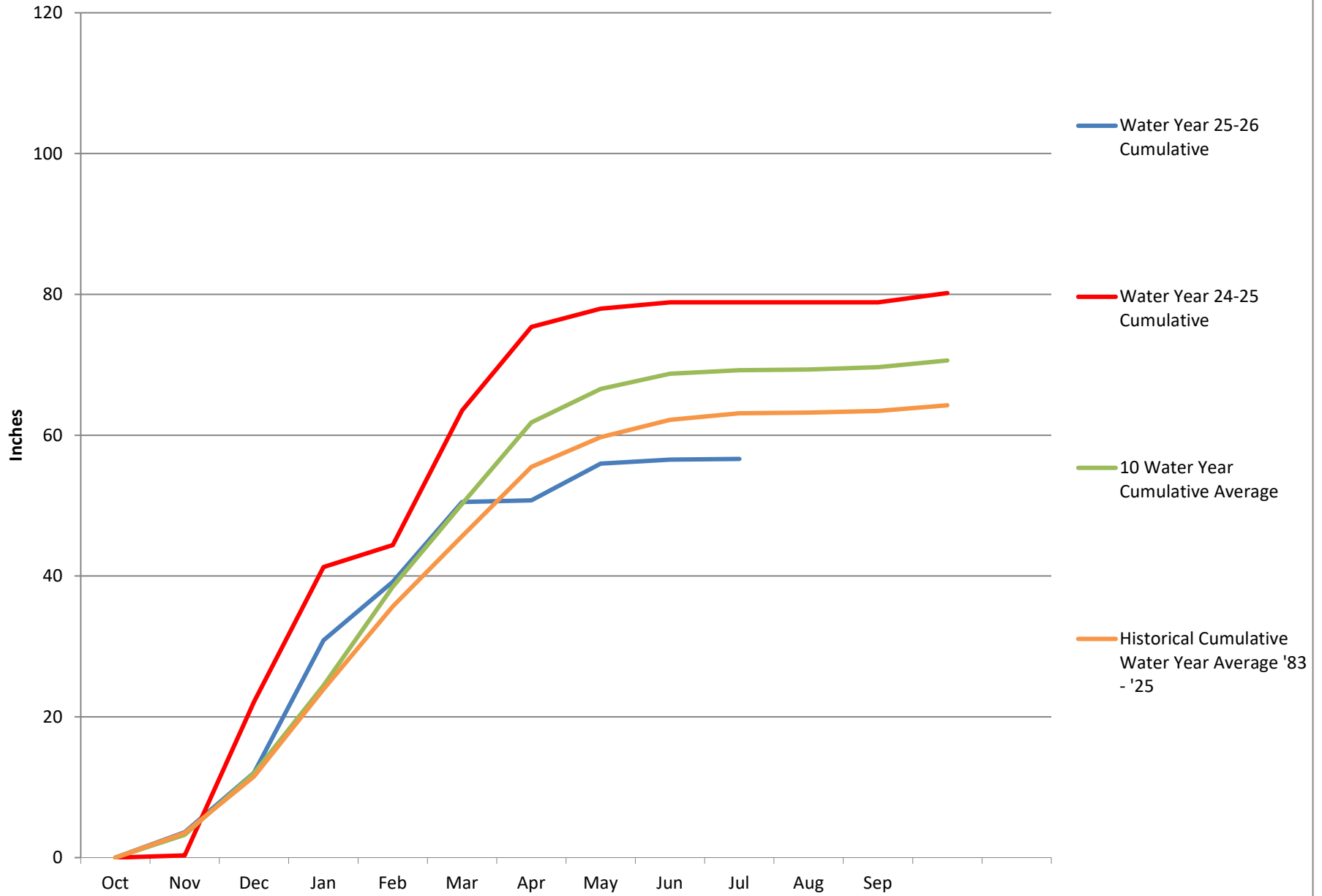
Ruth Lake Elevation

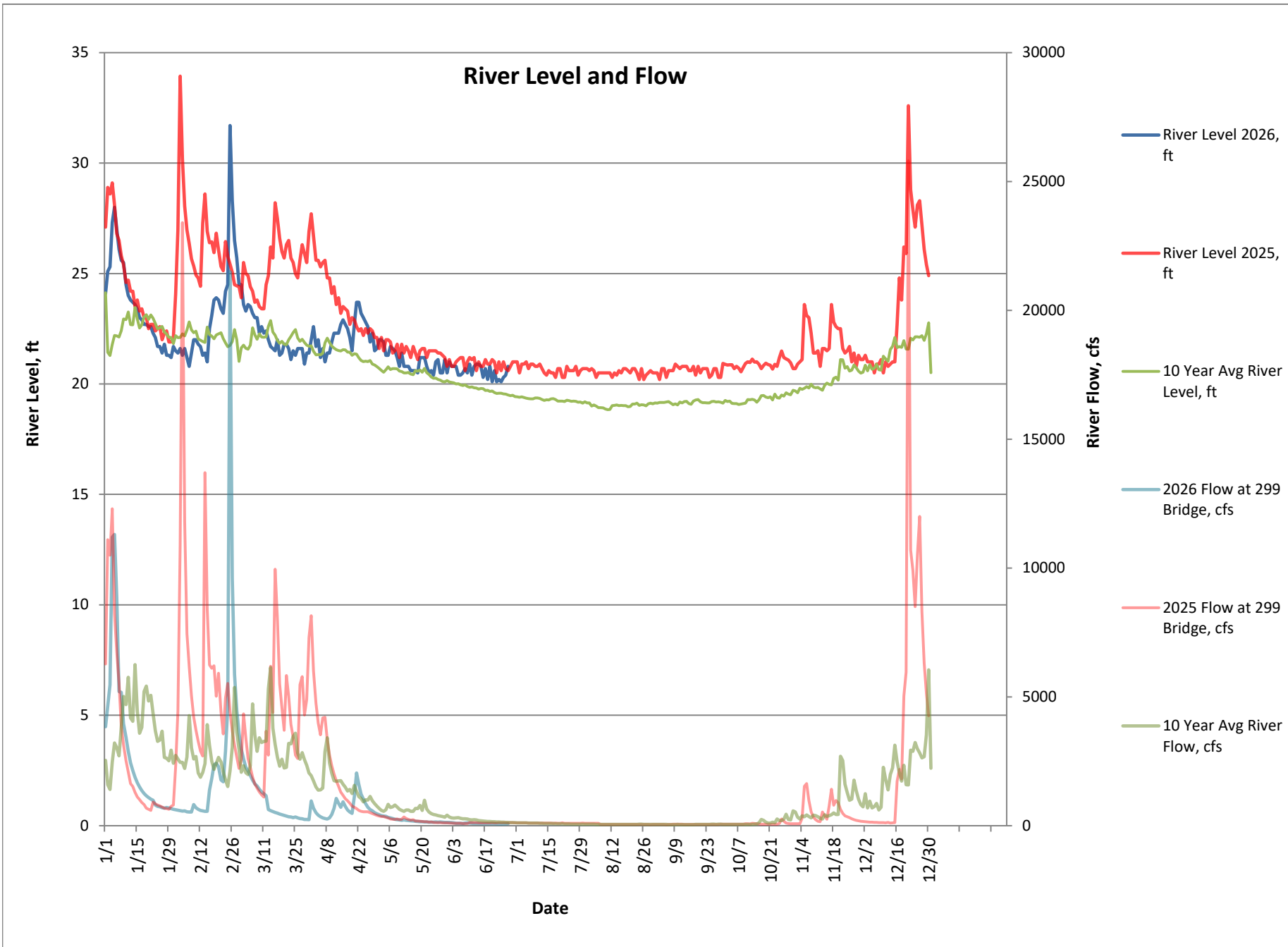


Flow at Zenia Bridge

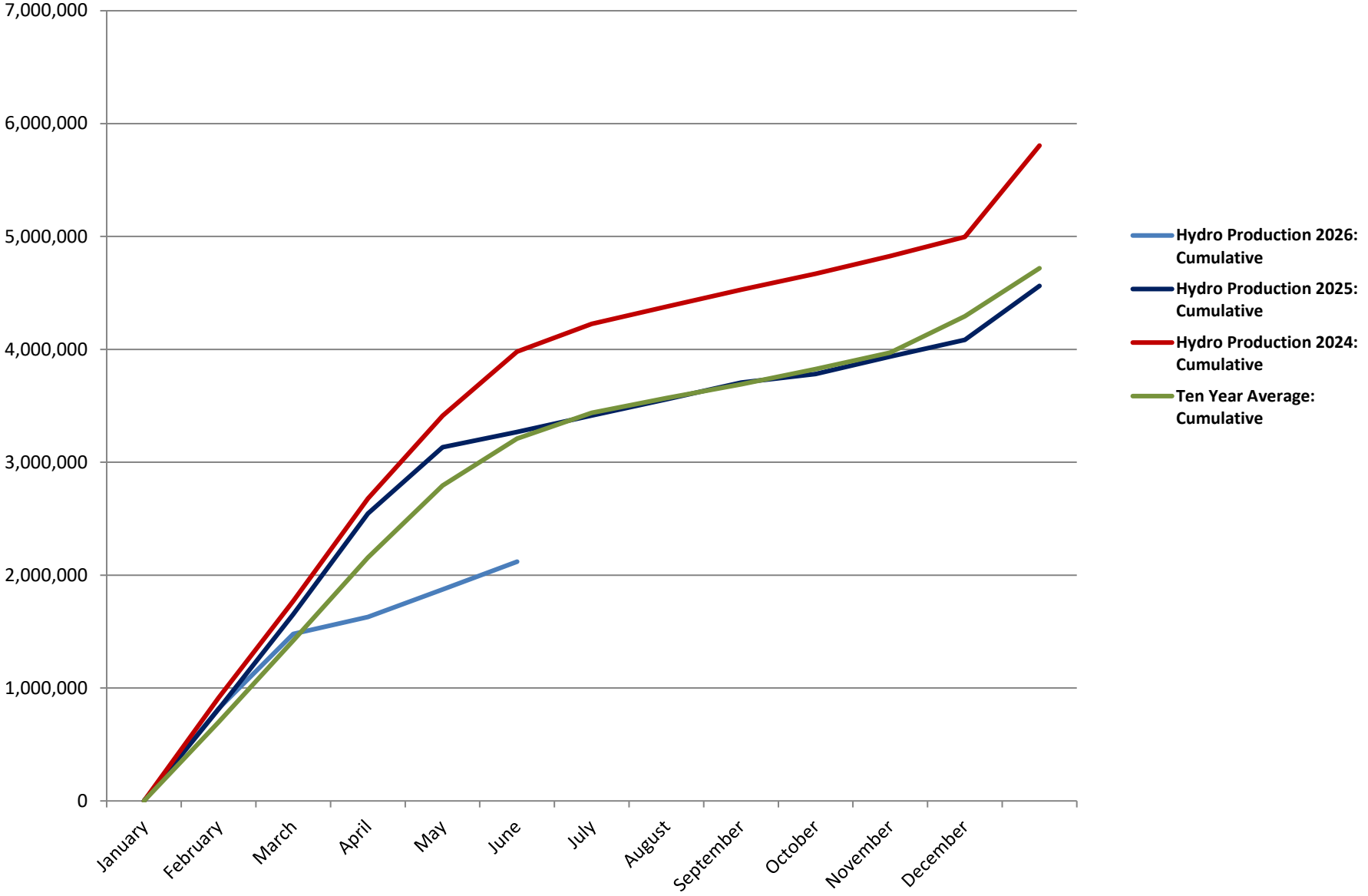


Ruth Rainfall - Water Year 2024-2025





Ruth Hydro Production: Cumulative kWh



Board Meeting Date	July 9, 2026
Type of Meeting	Regular Business Session
Agenda Item No.	6.1.b
Agenda Item	General Manager’s Monthly Report
Presented By	Michiko Mares, P.E., General Manager
Type of Item	INFORMATIONAL
Type of Action	NONE - Receive and File
Purpose	This report provides the Board with informational updates on District activities at a management level.

PART I – CORE OPERATIONAL RESPONSIBILITIES

Goal O-1: Water Service Delivery – Keeping the Water Flowing

Reliable Water Service Delivery. Delivered water reliably to wholesale and retail customers with no unplanned outages.

Drinking Water Quality Compliance. Maintained compliance with all state and federal drinking water regulations during the reporting period.

Permitting.

FERC. FERC is still completing their review of the revised Drilling Program Plan for the embankment investigation that was submitted in May.

DSOD. DSOD completed their review and provided approval of the revised Drilling Program Plan for the embankment investigation that was submitted in May.

Reporting.

FERC. Submitted updated Emergency Action Plan (EAP) with revised Notification Flowcharts in response to 3/16/26 compliance directive. On June 27, 2026, a drowning occurred at Ruth Lake. The District notified FERC in accordance with 18 CFR § 12.10(b) reporting requirements.

DWR. Staff worked with consultant to finalize and submit the 2025 Urban Water Management Plan and the Annual Water Supply Demand Assessment following Board approval and resolution at June board meeting.

CDFW. Staff worked with consultant to complete the environmental training required as part of the District's Long-Term Stream Bed Alteration Agreement.

EPA. Staff completed and certified the 5-year update of the District's Emergency Response Plan (per AWIA Section 2013).

SWRCB. Staff submitted District responses to DDW's compliance directives stemming from their July 2025 inspection.

Goal O-3: Workforce and Human Resources Management

Staffing. Recruitment underway for Assistant Maintenance Supervisor.

Safety Performance. No reportable injuries during the reporting period.

Annual Employee Recognition. The District hosted the annual employee recognition BBQ at Park 1.

Goal O-6: Wholesale Customer and Stakeholder Relationships

Trinity County Sheriff. The District and RLCSD requested the Sheriff consider an auxiliary patrol for Ruth Lake.

PART II – STRATEGIC PLAN GOALS (FY27-FY30)

Goal A: Infrastructure and Assets

Infrastructure Reliability.

Dunes Maintenance Right-of-Way EIR. Updated EIR schedule received. Biological surveys in Fairhaven to be complete late July or early August. DEIR circulation anticipated August through September 2026. The public meeting will be scheduled the first week of September and EIR Board certification anticipated October 2026.

Korblex Tank Seismic Upgrade. Project accepted as complete June 5, 2026 with final payment and release of retention anticipated in the month of July.

Samoa Tank Seismic Upgrade. Coatings and caulking issues at the Samoa tank have delayed project completion. Repair work anticipated August 2026.

Collector #4. Underwater divers mobilized on June 16, 2026 and installed blind flanges on the collector inlets within the Collector #4 caisson. Structural engineers

to enter caisson beginning July 7 to investigate the cause of the leak and to propose repair methods.

Capital Improvement Plan.

Contract Status Update. Refer to Attachment 1, Contract Status Report, for a detailed summary of current contracts.

EcoGreen Solutions Team. PGE has approved moving forward with assessing lighting upgrades to improve lighting efficiency at Essex and TRF facilities.

Dam Safety and Climate Resilience (DSCR) Grant Opportunity. Staff attended DSCR Workshop #2: Disadvantaged and Vulnerable Communities Tools. <https://water.ca.gov/work-With-Us/Grants-And-Loans/Dam-Safety-and-Enhancements-Program>

Goal B: Watershed and Environmental Stewardship

Baduwa't Watershed Resilience Coalition. Staff continue to preposition for the upcoming DWR Watershed Resilience Implementation Grant Program. A pilot project has been completed and provides a roadmap for grant application: [Sacramento Region](#)

Ruth Lake Decontamination Station. Site work has commenced and equipment delivery is anticipated this summer. A tour of the station will be scheduled during the Joint Board Meeting.

Aquatic Invasive Species. Staff completed interview regarding the threat of aquatic invasive species at Ruth Lake: [Microscopic Threat to Humboldt's Water Supply is Changing the Rules at Ruth Lake](#). Golden mussels confirmed in the Port of West Sacramento and City of Stockton declares emergency due to threat to water supply.

Goal C: Regulatory Compliance

Emergency Preparedness. The Emergency Response Plan as certified on June 30, 2026 provides the initial Incident Command System (ICS) framework to be further developed and coordinated with local emergency services.

Local Hazard Mitigation Steering Committee. Staff attended the quarterly local hazard mitigation steering committee meeting.

Mitigations Related to Janes Creek. CDFW and NFMS have requested the District to present options to mitigate impacts caused by the Curtis Heights discharge of chlorinated water.

Goal D: Water Supply & Reliability

Instream Flow Dedication. Staff worked with consultant to complete unimpaired flow analysis and to develop operational testing criteria for fall pulse and spring recession matching.

ATTACHMENTS

1. Contract Status Report

Active Large Contract Progress Report

Project Description	Progress / Status Update	Funding Source / Budget	Active Contracts and Financial Status ¹	Schedule Tracking
<p>Samoa Peninsula Waterline Right-of-Way Maintenance EIR and CDP</p> <p>Studies, EIR, and Permit applications for maintaining District infrastructure on the peninsula. Permit applications include: CDP, Section 404 (not required), 401, CESA, ESA</p> <p>Phase: EIR in progress</p>	<p><u>Project status:</u> The Biological Resources Report and Draft EIR are being updated to reflect the expanded project area. Biological surveys are being conducted within the expanded project area.</p> <p><u>Progress over the last month:</u> Finalizing EIR and conducting biological surveys within the expanded project area.</p>	<p>HBMWD FY 25/26 Budget (100%): \$40,295</p>	<p><u>Consulting (GHD)</u></p> <p>Original Contract Amount: \$337,050 Amendments to Date: \$108,725 Amendments Percent Increase/Decrease: 32% Current Contract Amount: \$445,775 Total Invoiced to Date: \$391,730 Percent Invoiced to Date: 88%</p>	<p>Contract Award Date: 1/20/2023 Amendment 3 Date: 5/6/2025 Current Contract Completion: 12/31/2026 Draft EIR Estimated Completion: 8/10/2026 Public Meeting: 9/3/2026 Permit App Estimated Submission: 10/1/2026 Percent Schedule Elapsed: 87%</p>
<p>Collector Mainline Redundancy DR4407-PJ0701</p> <p>The District's source water from the collectors comes together in one common pipeline that conveys water to the TRF via Pipeline Road. This project will analyze a redundant pipeline to the TRF via an alternate route. This project will also re-route the pipe that currently runs under the Essex Control Building.</p> <p>Phase: Project withdrawn from grant.</p>	<p>No change from last month. Grant close out documents submitted to Cal OES and FEMA.</p>	<p><u>HMGP Phase One Grant (Current)</u> Cal OES / FEMA (75% Current Share): \$339,255 HBMWD (25% Current Match): \$113,085 Total Current Project Budget: \$452,340</p> <p><u>HMGP Phase One Grant Total Request (Response Pending)</u> Cal OES / FEMA (75% Requested Share): \$1,040,085 HBMWD (25% Proposed Match): \$346,695 Total Requested Project Budget: \$1,386,780</p>	<p><u>Phase One Consulting (GEI)</u></p> <p>Original Contract Amount: \$422,103 Amendments to Date: \$0 Amendments Percent Increase/Decrease: 0% Current Contract Amount: \$422,103 Total Invoiced to Date: \$166,568 Percent Invoiced to Date: 39% Anticipated Contract Amount (if SOW revision approved): \$1,346,590</p>	<p>Contract Award Date: 3/9/2023 Original Contract Completion: 3/1/2024 Extended Calendar Days: 0 Current Contract Completion: 3/1/2024 Estimated Completion: N/A Percent Schedule Elapsed: N/A Grant SOW Completion: 7/7/2026 Grant Period of Performance: 12/4/2026</p>
<p>Matthews Dam Seismic Stability DR4569-PA0538</p> <p>Geotechnical and seismic studies to determine the response of Matthews Dam to the Cascadia seismic event and whether retrofits are required. Also includes 65% design and CEQA if retrofits are required.</p> <p>Phase: Studies being performed</p>	<p>Budget increase request sent to Cal OES in April 2025 - no response received to date. The Period of Performance (POP) of the grant ends on 8/28/2026. Time extension request sent to Cal OES to modify the grant POP date to 4/14/2028. No response received to date. Because no responses have been received, District staff will be recommending that this project get withdrawn from the grant.</p> <p><u>Project status:</u> The spillway investigation has been scheduled for the week of July 20, which is after Northern Spotted Owl (NSO) nesting season concludes after 7/9/2026</p> <p><u>Progress over the last month:</u> DSOD accepted the Embankment Investigation Drilling Program Plan (DPP). The DPP is still under review by FERC. Continued compiling drilling subcontractor quotes.</p> <p><u>Highlights / milestones / challenges:</u> Needed to cancel exploration subcontractors due to the project getting withdrawn from the grant.</p>	<p><u>HMGP Advance Assistance Grant (Current)</u> Cal OES / FEMA (75% Share): \$1,532,963 HBMWD (25% Match): \$510,988 Total Current Project Budget: \$2,043,950</p> <p><u>HMGP Adv. Assist. Grant Total Request (Response Pending)</u> Cal OES / FEMA (75% Requested Share): \$3,482,963 HBMWD (25% Proposed Match): \$1,160,988 HBMWD (100% Self-Fund): \$91,374 Total Requested Project Budget: \$4,735,325</p>	<p><u>Consulting (GEI)</u></p> <p>Original Contract Amount: \$2,945,139 Amendments to Date: \$152,197 Amendments Percent Increase/Decrease: 5% Current Contract Amount: \$3,097,336 Total Invoiced to Date (pending): \$564,105 Percent Invoiced to Date: 18% Anticipated Contract Amount (if SOW revision approved): \$4,730,407</p>	<p>Contract Award Date: 5/29/2025 Original Contract Completion: 12/31/2027 Extended Calendar Days: 0 Current Contract Completion: 12/31/2027 Estimated Completion: 11/18/2027 Percent Schedule Elapsed: 42% Grant SOW Completion: 5/30/2026 Grant Period of Performance: 8/28/2026</p>
<p>Matthews Dam Part 12D Comprehensive Assessment</p> <p>FERC requirement to evaluate Matthews Dam's current integrity and long-term safety</p> <p>Phase: Studies being performed</p>	<p>Continued development of the hydrologic hazard and consequence assessments and documentation review. Conduct inspection on 6/22-6/23. Began PFMA and L2RA workshop on 6/24.</p>	<p>HBMWD FY 25/26 Budget (100%): \$504,865</p>	<p>Original Contract Amount: \$538,621 Amendments to Date: \$0 Amendments Percent Increase/Decrease: 0% Current Contract Amount: \$538,621 Total Invoiced to Date: \$249,146 Percent Invoiced to Date: 46%</p> <p>(NO UPDATE)</p>	<p>Contract Award Date: 11/25/2024 Original Contract Completion: 1/31/2027 Extended Calendar Days: 0 Current Contract Completion: 1/31/2027 Estimated Completion: 1/31/2027 Percent Schedule Elapsed: 73%</p>

¹This report summarizes the statuses of current contracts and may not correlate with current financial statements.

Active Large Contract Progress Report

Project Description	Progress / Status Update	Funding Source / Budget	Active Contracts and Financial Status ¹	Schedule Tracking
<p>Turbidity Reduction Facility Generator DR4558-PJ0389</p> <p>The existing 100 kW generator at the TRF only powers the chemical pumps. The project includes installation of a new 750 kW generator to power backwash pumps and other critical components.</p> <p>Phase: Construction</p>	<p><u>Project status:</u> The project is still under construction with the generator delivered, stairs and platform being installed, and conductors being installed.</p> <p><u>Progress over the last month:</u> The generator was delivered at the beginning of June with PACE, the District, and Wahlund in attendance to witness the generator being set. The generator has been anchored to the concrete pad, and substantial progress has been made installing the generator stairs, platforms, and conductor installation. Operational Readiness Testing (ORT) is scheduled to occur in July, with Functional Acceptance Testing (FAT) scheduled for August.</p> <p><u>Highlights / milestones / challenges:</u> After several delays, the generator has finally been delivered and is currently being installed. Now that the generator is on-site, the District, PACE, and Wahlund can commit to a startup and testing schedule that will allow for the completion of the project in the coming months.</p>	<p><u>HMGP Phase Two Grant (Current)</u> Cal OES / FEMA (75% Share): \$1,303,876 HBMWD (25% Match): \$434,625 Total Phase Two Project Budget: \$1,738,501</p> <p><u>HBMWD Match Budget</u> HBMWD (25% Match): \$434,625 Contingency: \$162,254 Total HBMWD Match Budget: \$596,879</p>	<p><u>Construction (Wahlund)</u> Original Contract Amount: \$1,193,600 Change Orders to Date: \$829 Change Order Percent Increase/Decrease: 0% Current Contract Amount: \$1,194,429 Total Invoiced to Date: \$742,426 Percent Invoiced to Date: 62%</p> <p><u>Engineering and Construction Management (PACE)</u> Original Contract Amount: \$432,000 Amendments to Date: \$0 Amendments Percent Increase/Decrease: 0% Current Contract Amount: \$432,000 Total Invoiced to Date: \$214,264 Percent Invoiced to Date: 50%</p> <p>Total Current Phase Two Contract Amount: \$1,626,429</p>	<p>Notice of Award: 3/14/2025 Notice to Proceed: 4/11/2025 Original Contract Calendar Days: 361 Original Contract Completion: 4/7/2026 Extended Calendar Days: 143 Current Contract Completion: 8/28/2026 Estimated Completion: 10/21/2026 Percent Schedule Elapsed: 88% Grant SOW Completion: 2/10/2027 Grant Period of Performance: 7/10/2027</p>
<p>Reservoirs Seismic Retrofit DR4344-PJ0040</p> <p>Seismic retrofit of the District's three tanks to meet current California Building Code seismic requirements.</p> <p>Phase: Construction</p>	<p><u>Samoa Construction</u> There is rust forming at the bottom of the Samoa tank. The contractor is waiting for the site to be as dry as possible, hoping to complete the work in August. The work will be rework so there won't be any cost to the District.</p> <p><u>Korblex Construction</u> Completed. Just waiting for the closeout forms to come back from Paso Robles Tank.</p> <p><u>CM</u> Albat is at contract limit and intends to request an amendment for ~\$37k.</p>	<p><u>HMGP Phase Two Grant (Current)</u> Cal OES / FEMA (75% share up to \$4,058,768): \$4,058,768 HBMWD (25% Match + Remainder): \$3,529,741 Total Current Phase Two Project Budget: \$7,588,509</p> <p><u>HMGP Phase Two Grant Total Request (Response Pending)</u> Cal OES / FEMA (75% Requested Share): \$5,187,864 HBMWD (25% Match + Remainder): \$2,400,645 Total Requested Phase Two Project Budget: \$7,588,509</p> <p><u>HBMWD Match Budget</u> HBMWD Match Requirement: \$3,529,741 Contingency: \$ (1,017,037) Total HBMWD Match Budget: \$2,512,704</p>	<p><u>Samoa Construction (Paso Robles Tank)</u> Original Contract Amount: \$2,357,200 Change Orders to Date: \$24,187 Change Order Percent Increase/Decrease: 1% Current Contract Amount: \$2,381,387 Total Invoiced to Date: \$2,381,387 Percent Invoiced to Date: 100%</p> <p><u>Korblex Construction (Paso Robles Tank)</u> Original Contract Amount: \$3,992,008 Change Orders to Date: \$128,634 Change Order Percent Increase/Decrease: 3% Current Contract Amount: \$4,120,642 Total Invoiced to Date: \$4,079,878 Percent Invoiced to Date: 99%</p> <p><u>Construction Management (Albat)</u> Original Contract Amount: \$336,642 Amendments to Date: \$347,920 Amendments Percent Increase/Decrease: 103% Current Contract Amount: \$684,562 Total Invoiced to Date: \$624,924 Percent Invoiced to Date: 91%</p> <p><u>Design and Engineering Services during Construction (GHD)</u> Original Contract Amount: \$263,148 Amendments to Date: \$0 Amendments Percent Increase/Decrease: 0% Current Contract Amount: \$263,148 Total Invoiced to Date: \$255,975 Percent Invoiced to Date: 97%</p> <p>Total Current Phase Two Contract Amount: \$7,449,739</p>	<p><u>Samoa Construction</u> Notice of Award: July 2024 Notice to Proceed: 8/13/2024 Original Contract Calendar Days: 280 Original Contract Completion: 5/20/2025 Extended Calendar Days: 133 Current Contract Completion: 9/30/2025 Estimated Completion: 2/10/2026 Percent Schedule Elapsed: 166%</p> <p><u>Korblex Construction</u> Notice of Award: July 2024 Notice to Proceed: 8/13/2024 Original Contract Calendar Days: 521 Original Contract Completion: 1/16/2026 Extended Calendar Days: 144 Current Contract Completion: 6/9/2026 Estimated Completion: 10/31/2026 Percent Schedule Elapsed: 103%</p> <p><u>Grant Deadlines</u> Grant SOW Completion: 7/2/2026 Grant Period of Performance: 9/30/2026</p>

¹This report summarizes the statuses of current contracts and may not correlate with current financial statements.





NO ATTACHMENT FOR THIS ITEM

- General Manager Evaluation Committee met 6/17.

Directors Report

ACWA-ACWA/JPIA