

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

Board of Directors Meeting

May 2018



MINUTES



Minutes for Meeting of Board of Directors
April 12, 2018

A. **ROLL CALL**

President Woo called the meeting to order at 9:01 am. Director Rupp conducted the roll call. Directors Fuller, Hecathorn, Latt, Rupp and Woo were present. General Manager John Friedenbach, Business Manager Chris Harris and Board Secretary Sherrie Sobol were present. Pat Kaspari of GHD was present for a portion of the meeting.

B. **FLAG SALUTE**

President Woo led the flag salute.

C. **ACCEPT AGENDA**

Under the Ralph M. Brown Act, a legitimate immediate need can be acted upon even though it is not on the posted agenda. The Board must determine that there is an immediate need to take action and the need arose after the agenda was posted. Under the Ralph M. Brown Act, in order to add a qualified item to the agenda, it must be publicly identified so that interested members of the public can monitor or participate in the consideration of the item in question. Also, the Board must agree by consensus to discuss the item.

Mr. Friedenbach stated he would like the Board to consider an addition to the agenda. Late yesterday afternoon the District received notice that Pioneer Law Group could no longer represent the District. The District needs legal representation in order to move forward with the Planning Commission appeal. Staff recommends adding an Item 6 under New Business: Thomas Law Group Fee/Retainer Agreement-discuss and possibly approve. The Board concurred there was need for immediate action and added it to the agenda. On motion by Director Hecathorn, seconded by Director Rupp, the Board voted 5-0 to accept the agenda with the addition of Item 6 under New Business.

D. **MINUTES**

Director Woo requested a change in wording, not substance on Page D3 under Cannabis Grows. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 to approve the minutes of the March 8, 2018 Regular Board Meeting as amended.

E. **PUBLIC COMMENT**

A member of the public inquired if time sets would be changed given the addition of the new item to the agenda. Mr. Friedenbach stated the time sets are not affected by the addition of the New Business item.

F. **CONSENT AGENDA**

President Woo pulled Item 3 page 25, The Mad River Union April 1st article: Town divided, accusations fly over controversial Plaza monument.

On motion by Director Fuller, seconded by Director Rupp, the Board voted 5-0 to accept the Consent Agenda, less Item F3.

President Woo said she had a good laugh reading the Mad River Union April 1st article: Town divided, accusations fly over controversial Plaza monument, especially the third paragraph "...bowing down to the Humboldt Bay Municipal Water District and their liquid oppression. Who made them God?" The article was part of the Mad River Union's April Fool's edition. On motion by Director Fuller, seconded by Director Hecathorn the Board voted 5-0 to accept Consent Item F3.



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G. **CORRESPONDENCE**

Letter from District re: WCB Grant

Mr. Friedenbach shared the thank you letters sent out to those who provided a letter of support for the District's 2017 Wildlife Conservation Board grant application.

Letter from District to Humboldt County OES re: participation in Local Hazard Mitigation Plan

Mr. Friedenbach shared the letter sent to Humboldt County OES committing the District as a Participating Jurisdiction in the Humboldt County Multi-Jurisdictional Local Hazard Mitigation Plan (LHMP). Mr. Friedenbach stated the County has until March 2019 to update their Local Hazard Mitigation Plan. CalOES also sent the District a notice regarding the March 2019 deadline for the County. In order for the District and all other County agencies to receive Hazard Mitigation Grant funds, the County must have an approved LHMP and the District must be a participant. Given the importance of having a current approved LHMP, the Board directed staff to send a letter to the Board of Supervisors to ensure they are aware of the deadline.

H. **CONTINUING BUSINESS**

Water Resource Planning

Instream Flow Option

- a) Resolution 2018-03 Approving the Application for Grant Funds from the Wildlife Conservation Board for the Mad River Stream Flow Enhancement Project

The District received a grant for the Mad River Stream Flow Enhancement Project from the Wildlife Conservation Board. One of the requirements prior to receiving funding is a Board approved resolution. Director Rupp read Resolution 2018-03 Approving the Application for Grant Funds from the Wildlife Conservation Board for the Mad River Stream Flow Enhancement Project. The Board voted 5-0 by roll call vote to approve Resolution 2018-03.

- b) News articles re: grant from WCB

Mr. Friedenbach shared a few news articles regarding the grant funding the District received from the Wildlife Conservation Board.

Transport Option

The Transport Committee will be participating in a call next week with Mr. Tavares who is interested in water transport. Director Rupp stated he and Director Latt will review the term sheet previously approved by the Board prior to the call.

Cannabis Grows

Mr. Friedenbach stated he did not have any new updates. Last month, he reported out that one option proposed by CDFW was to help fund overtime for their enforcement staff on the Mad River. If the Board is interested in pursuing this option, there is budget money available. Director Latt requested the item be on the agenda for consideration next month.

Planning Commission Appeal

- a) Status report and discussion

President Woo stated the Board will discuss the topic first, then accept public comment. Director Latt recused himself and left the room prior to Board discussion. Mr. Friedenbach stated previous legal counsel, Ms. Matarazzo of Pioneer Law Group disagreed with the supposed conflict, however rather than cloud the issue, she terminated services. The Board will later discuss the possible approval of a fee/retainer agreement with Thomas Law Group. Ms. Walker of the Thomas Law Group will be participating in the open session as well as closed session discussion. He noted that as General Manager, it is within his authority to hire



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legal counsel on a short-term basis in situations such as this one. Ms. Walker participated in the discussion via phone. No representatives from MCMP were identified as being present. Mr. Friedenbach reviewed the chronology of events/correspondence that transpired since the last Board meeting regarding the MCMP LLC permit appeal. Based on the delay and content of correspondence that transpired the past week by MCMP regarding the withdrawal of their permit application at the Glendale property, staff recommends the District immediately demand the Board of Supervisors hear our appeal to the Glendale property permit. Additionally, staff recommends no further meetings occur with MCMP representatives unless District legal counsel is present. Director Rupp stated we met in good faith and thought there was progress. Given the initial lack of communication from MCMP and the subsequent content of communications this week, he supports staff recommendation. After additional discussion, the Board concurred the District should move forward with the appeal to the Board of Supervisors at this point. They also concurred that no private meetings with any of the Board of Supervisors should occur, all will be done in a public setting. President Woo invited public comments.

Ms. Lynch stated she was speaking as an individual and noted that transparency seems to be an issue. She agreed that any meetings between the District and the Board of Supervisors should be done in a public forum. Mr. Kaspari spoke as individual member of the public and stated this needs to remain in the public and not die down. Mr. Latt returned and spoke as a member of the public and expressed concern regarding the elapsed time from when District filed their appeal and the now adversarial tone from MCMP. He supports the District moving forward to have the Board of Supervisors hear the appeal as soon as possible. He left the premises after his public comment. Ms. Weinreb stated she believed the Board of Supervisors had 30 days to the hear the appeal from the date filed and inquired how they could get away with not having the issue on their agenda. President Woo thanked the public for their input.

The Board continued their discussion and Director Rupp inquired who requested the initial meeting with MCMP. Mr. Friedenbach stated the District requested the meeting and it was preferenced with MCMP pulling the permit and agreeing to a covenant on the property. If MCMP were to agree to this, a joint press release would have been issued. On motion by Director Rupp, seconded by Director Fuller, the Board voted 4-0 to move forward with the permit appeal and to send a letter to the Board of Supervisors.

b) CLOSED SESSION- to discuss potential litigation-pursuant to Section 54956.9 (c) of the Brown Act

At 10:30 am President Woo stated the Board was going into closed session to discuss potential litigation.

The Board returned to open session at 10:50 am. President Woo stated there was no reportable action. Director Latt returned around 10:53 am.

TRF Tour

Mr. Friedenbach stated over 60 invitations went out to the Municipal Customers elected boards/councils and their General Manager/Superintendents. Having received less than a dozen confirmed attendees, the tour was cancelled.

Lazzar Subdivision

Legal Counsel Paul Brisso participated in the discussion via phone. Mr. Friedenbach stated the District received an agency referral request from the City of Arcata for comments on the proposed



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Lazzar subdivision. He provided background information on the proposed Lazzar subdivision. The proposed development is over and near our main transmission lines for the industrial and domestic systems. There is also a valve access vault on the south side of the parcel. The District had various conversations with Mr. Lazzar during 2016 and 2017. Those discussions were ended abruptly by Mr. Lazzar when the District communicated that expenses related negotiating a modification to those rights would need to be borne by Mr. Lazzar as the District cannot gift public funds. Mr. Lazzar has proceeded with his proposed development without resolution of our easement rights conflicting with his proposed development plans over and adjacent to our existing pipelines and infrastructure on the property. Therefore, staff recommends that the District oppose the proposed project until such time as the property owner negotiates acceptable modifications to our existing floating easement rights that will protect the District's infrastructure and provide adequate access to maintain, replace, or modify our existing infrastructure. Director Latt asked legal counsel for recommendations on how to minimize our costs given the adversarial position taken by the developer. Mr. Brisso stated he agrees with Mr. Friedenbach's approach to opposing the project until the District has adequate easement protections. This is the least litigious and most cost-effective approach. The Board discussed easement rights and Mr. Brisso stated the law is clear regarding the District's floating easement. The District has a 40-foot easement corridor adjacent to the pipeline and rights to ingress/egress to maintain the pipeline over the entire property. Mr. Brisso stated if Mr. Lazzar were willing to comply with the prior land owners agreement of a 40-foot corridor and 5-foot buffer easement, there would be no issues and legal costs would be minimal. Director Latt stated the cover letter opposing the project should note the District's floating easement is a binding legal agreement and Mr. Lazzar's project as proposed with a thirty-foot easement does not comport to either a fixed or floating easement. After additional discussion, on motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 authorize the General Manager to file a letter with legal consultation, to the City of Arcata opposing the Lazzar subdivision as proposed given concerns regarding the District's easement interests.

I. **NEW BUSINESS**

Request from Mad River Alliance for financial support

Mr. Friedenbach stated the District received a request from Mad River Alliance (MRA) for Water Quality Monitoring support and shared the letter with the Board. He then introduced Dave Feral, Executive Director of Mad River Alliance. Mr. Feral thanked the Board for the opportunity to speak. He stated he did not have a PowerPoint presentation but is happy to answer any questions regarding the water sampling plan or the request for water quality monitoring support. The MRA is seeking financial support to develop a paid position to manage their water quality monitoring project. The work will include coordinating volunteer technicians, purchasing and maintaining field equipment, and managing data collection and report. MRA's goal is to raise \$35,600 to fund this staff position and is requesting support of \$5,000 from the District. Director Hecathorn asked if this project was being done by volunteers. Mr. Feral replied yes and listed several professionals in the field who are donating their time and one paid staff person is needed to manage and compile data provided by the volunteers. Director Latt stated he is supportive but requested a summary of findings so the District can work with MRA and help develop any plans necessary to protect the quality of the water. Mr. Feral stated the information received will be open source and shared. Director Rupp asked staff where funding would come from if the Board approves the request. Mr. Friedenbach stated the funds would come from the Mad River Watershed Regulatory Compliance budget. He suggested that funding be contingent upon receiving annual reports in a timely manner and the District be made aware of any abnormal or spike results in the monitoring process. Mr. Feral stated this would not be an issue. The Board was supportive of the project and concurred that protecting water quality is not only important, but also part of the District's Mission Statement. On motion by Director Latt, seconded by Director Hecathorn, the Board voted 4-0 to provide funding in the amount of \$5,000 to Mad River Alliance to support the Water Quality Monitoring Project and receive an annual summary



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of the results. President Woo stated she did not have a conflict but abstained to prevent any perceived conflict.

RCEA Public Agency Solar Program

Mr. Friedenbach discussed the RCEA's Public Agency Solar Program. He shared the services included in the first phase which is a no-cost solar energy and energy efficiency service review and analysis. Since the initial step is at no cost to the District, he submitted an application for the Public Agency Pilot Solar Program. RCEA staff will work our District to develop a scope of work and identify feasible and eligible projects. If we decide at that time to move forward with RCEA's recommendations we will need to enter a Participation Agreement with RCEA and that will come before the Board for approval. Mr. Friedenbach stated if the Board does not want to proceed with the no cost analysis, no work has been done by either the District or RCEA so no loss would occur. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 to proceed with the initial no-cost analysis.

District Facebook

Mr. Friedenbach inquired if the Board wanted to keep the District Facebook page. He noted that it has not been updated since former GM Paul Helliker left and it appears that there are two Facebook pages. The Board discussed options and decided to have the Website Social Media Ad-Hoc Committee meet to further discuss this. The ad-hoc committee is comprised of President Woo and Director Fuller and they will work with Business Manger Harris on this.

Joint Board Meeting with Ruth Lake CSD

Each year, the District holds a joint board meeting with Ruth Lake CSD to discuss issues of mutual interest in and around Ruth Lake. Given the road closures on Highway 36, Mr. Friedenbach suggested meeting on Friday since the road opens at 3 pm versus 5 pm for the return trip. After a brief discussion, the Board agreed to meet on June 8, 2018 if this works for the Ruth Lake CSD board as well.

Resolution 2018-04 Recognizing and Honoring the Outstanding Service of Carol McKibben

Carol McKibben was present in the Board room and Director Rupp stated it would be an honor to read her resolution. After Resolution 2018-04 was read, the Board voted 5-0 by roll call vote to adopt Resolution 2018-04 Recognizing and Honoring the Outstanding Service and Achievements of Carol McKibben. President Woo presented Ms. McKibben with a framed resolution and thanked her for her service with the District. Ms. McKibben stated it was a dream come true to work for the District. It is a great company and she had great co-workers.

J. REPORTS (from Staff)

1. Engineering

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

Mr. Kaspari stated Mercer Fraser was the low bidder and awarded the contract. They have signed the contract and additional paperwork, including the Notice to Proceed. Mr. Kaspari added that this project is grant funded and Mercer Fraser is aware of the grant expiration date. He is currently awaiting the project schedule from Mercer Fraser.

Surge Tower Replacement/12kV Replacement

Mr. Kaspari stated the CEQA documents for the Surge Tower Project will likely come to the Board next month. It will be a Negative Declaration and the project will probably start in 2019.



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There is no new information on the 12kV project. FEMA is working on it and we should know more in a few months.

Collector Mainline Redundancy Hazard Mitigation Grants
Nothing new to report.

Reservoir Structural Retrofit Hazard Mitigation Grant Application
Mr. Kaspari stated the full application is due by July 1st and the District is ahead of schedule.

Single Line Industrial Slough Crossing Hazard Mitigation Grant Notice of Interest
Nothing new to report.

Dam Spillway Analysis
Mr. Friedenbach stated in response to the Oroville incident, FERC is now requiring dam owners to conduct a Potential Failure Mode Analysis (PFMA) of their existing spillway. Given our location and costs involved to have all participants in the same room, the District conducted a webinar style meeting. This approach was well received and effective. Approximately twenty participants were involved representing the District, GHD (Eureka), GEI (Oakland), FERC (San Francisco) and DSOD (Sacramento). Several regulators commented that our dam is one of the best maintained dams and they were impressed that we have an on-site dam tender. The PFMA Spillway report along with a few other reports will be sent to FERC and DSOD by the end of the month.

2. **Financial**

Financial Report

Ms. Harris provided the March financial report. Director Rupp noted that the reserves are down due to large projects and hydro revenues are up due to the ReMAT agreement. Director Rupp reviewed the bills and there were no issues. On motion by Director Rupp, seconded by Director Latt, the Board voted 5-0 to approve the March 2018 financial report and vendor statement in the amount of \$295,852.58.

Project Budget 2018/19

Mr. Friedenbach inquired if the Board had any projects they would like to see included in the FY18/19 budget and if so, to please email Ms. Harris within the next week. The Project Budget meeting is scheduled for May 30th at 9 am at Essex. Director Rupp stated he would like to see a budget item for security. He expressed concerns regarding an invasion of the SCADA system as this topic has been in the news lately.

3. **Operations**

Mr. Friedenbach stated that Mr. Davidsen and Mr. Chairez are attending an Inspection and Assessment of Dams training hosted by the Association of State Dam Safety Officials. Mr. Friedenbach provided the March Operational report. Staff continued clean up at the TRF from the generator failure and started the process to get the TRF back on line, which they successfully did. A new maintenance worker was hired and is scheduled start on April 16th. Engineers inspected the CT Reservoir and the report will be shared at a future meeting. Training included cross connection control and backflow testing. Chlorine leak response training was also conducted in coordination with the Humboldt County HazMat team and the Arcata Fire District.



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Ruth Bunkhouse Remodel, Release Project for Bid

Mr. Friedenbach stated staff is requesting approval to release the proposed project to go out for bid. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 5-0 to release the project for bid. The Board briefly discussed potential names for the bunkhouse.

K. MANAGEMENT

CSDA

Mr. Friedenbach shared the "Take Action" alerts. He stated this is similar to the ACWA Alerts and is informational only. The CSDA requested letters of support be sent out regarding SB929 that would require all Special Districts to have and maintain a website by 2020. Mr. Friedenbach shared the District's letter of support. He noted the bill provides an exemption for small districts that cannot comply due to hardships such as no broadband access or the necessary finances or staff to start and maintain a website. Districts that cannot comply due to hardship will need to adopt a resolution declaring the exemption.

CUEMA Seminar

Mr. Friedenbach attended a training on "Emotional Intelligence" held at the JPIA and conducted by CUEMA. The training was useful and he learned some good tools. CUEMA is the California Utility Executive Management Association. This is a non-profit organization for water utility professionals, their supporters and associates working in California.

Form 700

The Form 700 is due annually and Mr. Friedenbach thanked the Board for submitting their Form 700 in a timely manner.

L. DIRECTOR REPORTS & DISCUSSION

1. General

No comments were received.

2. ACWA – JPIA

Director Rupp stated the JPIA newsletter Perspective is out and has some good information. The Employee Benefits Committee met on April 4. The health insurance rate increase range is 6-9% without subsidies. Pharmaceuticals is the largest cost growth. The Employee Benefits program is a \$90 million program and they have found ways to save money without reducing benefits to member agencies. The committee will meet again in July to set rates effective January 2019.

3. ACWA

Director Rupp stated he was not selected to serve on the ACWA Region 1 Board.

Mr. Friedenbach shared the Advisory and other ACWA articles related to SB623 the proposed drinking water tax. He noted that one of the supporters of this tax is the Rural County Representatives of California (RCRC) and County Supervisor Rex Bohn is the Chair of RCRC Executive Committee. The Board asked staff to send a letter to the RCRC expressing their concerns regarding SB623.



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4. Organizations on which HBMWD Serves: RCEA, RREDC

Director Latt stated RREDC did not meet since they did not have a quorum. President Woo reported out on the RCEA meeting. She stated that they chose a team for the offshore wind energy and will be entering into a lease.

ADJOURNMENT

The meeting adjourned at 3:16 pm.

Attest:

Sheri Woo, President

J. Bruce Rupp, Secretary/Treasurer



Minutes for Special Meeting of Board of Directors
April 20, 2018

A. **ROLL CALL**

President Woo called the meeting to order at 3:00 pm. Director Rupp conducted the roll call. Directors Hecathorn, Rupp and Woo were present. Director Fuller was absent and Director Latt previously recused himself from the meeting. Board Secretary Sherrie Sobol was also present. General Manager John Friedenbach and legal counsel Leslie Walker participated via phone.

B. **FLAG SALUTE**

President Woo led the flag salute.

C. **ACCEPT AGENDA**

On motion by Director Hecathorn, seconded by Director Rupp, the Board voted 3-0 to accept the agenda.

D. **PUBLIC COMMENT**

No public comment was received.

E. **CONTINUING BUSINESS**

1. **Planning Commission Appeal**

Mr. Friedenbach provided his staff report. He stated the District received a copy of the letter sent to Humboldt County Planning Department from MCMP, LLC and Mercer Fraser's attorney communicating their withdrawal of the permit and zoning change request at the Glendale property. This is good news. The content of the letter however, gives cause for concern to staff. The last paragraph on page two of the letter states twice "at this time" which implies the withdrawal is only temporary. He believes the District should provide a written response to address this and other mis-statements in their letter. The Board discussed the letter and Director Hecathorn concurred that the tone of the letter was dismaying especially given the "at this time" statements. President Woo inquired if there were any comments from the public. Ms. Weinreb stated she was attending the meeting as a private citizen and stated the District should address the issue prior to the election. She believed it would be harder to defeat the permit request and zoning change after the election. There was no additional public comment. Director Rupp stated he too is pleased that their letter states they are withdrawing their permit and zoning change request but did not like the fact that it is tempered with "at this time" either. He made it clear that he has concerns with maintaining the integrity of the entire Mad River basin as a water source, and it is not limited to Mercer Fraser. He supports staff recommendation to submit a letter and requested the letter come back to the Board for approval before being sent. On motion by Director Rupp, seconded by Director Hecathorn, the Board voted 3-0 to request staff draft a response letter and receive Board approval prior to issuing the letter.

2. **CLOSED SESSION-** to discuss potential litigation-pursuant to Section 54956.9 (c) of the Brown Act

At 3:11 pm President Woo announced the Board was going into Closed Session to discuss potential litigation.

The Board returned to Open Session at 3:51 pm. President Woo stated there was no reportable action.



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ADJOURNMENT

The meeting adjourned at 3:51 pm.

Attest:

Sheri Woo, President

J. Bruce Rupp, Secretary/Treasurer

CONSENT

John Friedenbach

State Coastal Conservancy
From: Daniel Edrich <daniel@reninet.com>
Sent: Sunday, April 22, 2018 8:22 PM
To: karyn gear; FRIEDENBACH
Cc: john ford; steve werner
Subject: Manila Dunes wetland loss

Dear Karyn, thanks for the call last week. I've visited the Humboldt County Recorder's Office where the A.P. Numbers for the area in control by Manila CSD.

I pulled all the property documents from the county's Recorder's Office for lands that Manila owns in "FEE SIMPLE." There are conditions and restrictive terms within the Deeds which allow property owner to use property only as long as the property is used as called-out.

If not used as set in the deed- the property reverts to the seller.

All the property's deeds include Agreement 90-103 which includes federal wetland delineations, a Negative Declaration to an Environmental Impact Report, adherence to the Local Coastal Plan, and our last Public Notice (CEQA) and for each deed, a signature by John Woolley.

The people you divvied money to have not been respectful of our obligations to wetlands and wildlife, as dictated is Agreement (Coastal Conservancy/ Manila CSD) 90-103, leading to the loss of four ponds, acres of marshes, a pre-frontal dune, a paleo-forest and wildlife, in the Rudd Property alone. The Celestre Property and the old Arcata School Districts properties are all highly damaged and horribly mismanaged.

We now need repair in the form of planting, sand-fencing, dune-crossovers and a recognition of the criminal loss of forest, stability, topography, wetlands and their functions.

Thanks again Karyn,
Dan Edrich
Manila Ca.

Regulatory Division
1455 Market Street, 16th Floor
San Francisco, CA 94103-1398



US Army Corps
of Engineers®
San Francisco District

SAN FRANCISCO DISTRICT

PUBLIC NOTICE

PROJECT: Schneider Dock Maintenance Dredging

PUBLIC NOTICE NUMBER: 2013-00102

PUBLIC NOTICE DATE: May 1, 2018

COMMENTS DUE DATE: May 30, 2018

PERMIT MANAGER: Jessica Vargas

TELEPHONE: 415-503-2936

E-MAIL: Jessica.M.Vargas@usace.army.mil

1. INTRODUCTION: Schneider Dock Industrial Park, 990 West Waterfront Drive (POC: Travis Schneider, Pacific Affiliates, 990 West Waterfront Drive, Eureka, CA 95501) has applied to the U.S. Army Corps of Engineers (Corps), San Francisco District, for a 10-year Department of the Army Permit to conduct maintenance dredging of accumulated sediment, with ocean disposal at the Humboldt Open Ocean Disposal Site (HOODS), in the area immediately surrounding the Schneider Dock (formerly Dock A) in Eureka, Humboldt County, California. The purpose of the proposed dredging is to return the Schneider Dock to its originally permitted depth to allow safe navigational depths for commercial vessels. This Department of the Army Permit application is being processed pursuant to the provisions of Section 10 of the Rivers and Harbors Act of 1899, as amended (33 U.S.C. § 403 *et seq.*), and Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972, as amended (33 U.S.C. § 1413 *et seq.*).

2. PROPOSED PROJECT:

Project Site Location: As Shown on Figure 1 of the attached drawings, the Schneider Dock is located on the eastern shore of the North Humboldt Bay Channel, in the City of Eureka, Humboldt County, California. It is located at latitude 40°48'4.2006" North and longitude -124°10'58.5048" West.

The dredged sediment would be placed at the Humboldt Open Ocean Disposal Site (HOODS) which is located offshore of Humboldt Bay in the Pacific

Ocean at latitude 40°48' North and longitude -124°17' West.

Project Site Description: Schneider Dock (formerly Dock A) was rebuilt in 1994, and is used in conjunction with the 16-acre Intermodal Facility for the storage, import and export of various types of cargo. The dock is regularly used by domestic and international vessels up to 700 feet in length with draft depths up to 35 feet. The project area is bordered by an industrial complex to the south and a marina to the north.

Project Description: As shown in the attached drawings, the applicant plans to remove up to 10,000 cubic yards (cys) of sediment from the 0.9-acre (approximately) area surrounding the Schneider Dock over the 10-year life of the permit. Dredging extents include from the eastern edge of the dock to 81 feet westerly from the face of the dock and extending 100 feet northerly from the north end and 100 feet southerly from the south end of the dock. The area immediately 100 feet north and south of the dock will only be sloped back from the dredged area; it will not be dredged to full depth. The design depth for the Schneider Dock is -37 feet mean lower low water (MLLW) plus an additional 2-foot overdredge allowance. The material would be removed mechanically (excavator, crane, or clamshell dredge) and transported by barge to the HOODS.

Prior to each dredging episode, representatives from the U.S. Environmental Protection Agency, California Coastal Commission, North Coast Regional

Water Quality Control Board (RWQCB), and Corps will review sampling and analysis plans in conformity with testing manuals, and from the sediment testing results determine if the sediment to be dredged is suitable for placement at HOODS.

Basic Project Purpose: The basic project purpose comprises the fundamental, essential, or irreducible purpose of the project, and is used by the Corps to determine whether the project is water dependent. Although the purpose of the project, as stated above, is for safe navigational depths, for consideration in Section 404(b)(1) (Clean Water Act), the basic purpose of the project is the disposal of dredged material.

Overall Project Purpose: The overall project purpose serves as the basis for the Section 404(b)(1) alternatives analysis, and is determined by further defining the basic project purpose in a manner that more specifically describes the applicant's goals for the project, while allowing a reasonable range of alternatives to be analyzed. The overall project purpose is the disposal of dredged material from maintenance dredging from a 0.9-acre area surrounding the Schneider Dock.

Project Impacts: The detrimental effects on erosion/sedimentation rates, substrate, water quality, fish habitat, air quality, and noise are all expected to be minor and short term. No permanent negative effects such as undesired substrate alteration, decreased water quality, loss of fish habitat, decrease air quality, and noise pollution are anticipated. The beneficial effects on economics, employment, safety and navigation, and of the removal of contaminants, are major and long term.

Proposed Mitigation: Compensatory mitigation for this project is not needed and none is proposed.

3. STATE AND LOCAL APPROVALS:

Water Quality Certification: State water quality certification or a waiver is a prerequisite for the issuance of a Department of the Army Permit to

conduct any activity which may result in a fill or pollutant discharge into waters of the United States, pursuant to Section 401 of the Clean Water Act of 1972, as amended (33 U.S.C. § 1341 *et seq.*). The applicant has recently submitted an application to the California Regional Water Quality Control Board (RWQCB) to obtain water quality certification for the project. No Department of the Army Permit will be issued until the applicant obtains the required certification or a waiver of certification. A waiver can be explicit, or it may be presumed if the RWQCB fails or refuses to act on a complete application for water quality certification within 60 days of receipt, unless the District Engineer determines a shorter or longer period is a reasonable time for the RWQCB to act.

Water quality issues should be directed to the Executive Officer, California Regional Water Quality Control Board, North Coast Region, 5550 Skylane Boulevard, Suite A, Santa Rosa, California 95403, by the close of the comment period.

Coastal Zone Management: Section 307(c) of the Coastal Zone Management Act of 1972, as amended (16 U.S.C. § 1456(c) *et seq.*), requires a non-federal applicant seeking a federal license or permit to conduct any activity occurring in or affecting the coastal zone to obtain a Consistency Certification that indicates the activity conforms with the state's coastal zone management program. Generally, no federal license or permit will be granted until the appropriate state agency has issued a Consistency Certification or has waived its right to do so.

Coastal zone management issues should be directed to the District Manager, California Coastal Commission, North Coast District Office, 710 E Street, Suite 200, Eureka, California 95501, by the close of the comment period.

Other Local Approvals: The Humboldt Bay Harbor, Recreation & Conservation District regulates dredging in Humboldt Bay and will be the California Environmental Quality Act (CEQA) lead agency under its permitting authority.

4. COMPLIANCE WITH VARIOUS FEDERAL LAWS:

National Environmental Policy Act (NEPA): Upon review of the Department of the Army Permit application and other supporting documentation, the Corps has made a *preliminary* determination that the project neither qualifies for a Categorical Exclusion nor requires the preparation of an Environmental Impact Statement for the purposes of NEPA. At the conclusion of the public comment period, the Corps will assess the environmental impacts of the project in accordance with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. §§ 4321-4347), the Council on Environmental Quality's Regulations at 40 C.F.R. Parts 1500-1508, and the Corps Regulations at 33 C.F.R. Part 325. The final NEPA analysis will normally address the direct, indirect, and cumulative impacts that result from regulated activities within the jurisdiction of the Corps and other non-regulated activities the Corps determines to be within its purview of federal control and responsibility to justify an expanded scope of analysis for NEPA purposes. The final NEPA analysis will be incorporated in the decision documentation that provides the rationale for issuing or denying a Department of the Army Permit for the project. The final NEPA analysis and supporting documentation will be on file with the San Francisco District, Regulatory Division.

Endangered Species Act (ESA): Section 7(a)(2) of the ESA of 1973, as amended (16 U.S.C. § 1531 *et seq.*), requires federal agencies to consult with either the U.S. Fish and Wildlife Service (USFWS) or the National Marine Fisheries Service (NMFS) to insure actions authorized, funded, or undertaken by the agency are not likely to jeopardize the continued existence of any federally-listed species or result in the adverse modification of designated critical habitat. Based on this review, the Corps has made a preliminary determination that the following federally-listed species and designated critical habitat: California coast Chinook salmon (*Oncorhynchus tshawytscha*), north coast steelhead trout (*Oncorhynchus mykiss*), southern Oregon northern

California coast Coho salmon (*Oncorhynchus kisutch*), North American green sturgeon (*Acipenser medirostris*), eulachon (*thaleichthys pacificus*), and tidewater goby (*Eucyclogobius newberryi*) may be affected, but are not likely to be adversely affected by the proposed dredging.

Magnuson-Stevens Fishery Conservation and Management Act (MSFCMA): Section 305(b)(2) of the MSFCMA of 1966, as amended (16 U.S.C. § 1801 *et seq.*), requires federal agencies to consult with the National Marine Fisheries Service (NMFS) on all proposed actions authorized, funded, or undertaken by the agency that may adversely affect essential fish habitat (EFH). EFH is defined as those waters and substrate necessary to fish for spawning, breeding, feeding, or growth to maturity. EFH is designated only for those species managed under a Federal Fisheries Management Plan (FMP), such as the *Pacific Groundfish FMP*, the *Coastal Pelagics FMP*, and the *Pacific Coast Salmon FMP*.

As the federal lead agency for this project, the Corps has conducted a review of digital maps prepared by NMFS depicting EFH to determine the presence or absence of EFH in the project area. Based on this review, the Corps has made a preliminary determination that EFH is present at the project location or in its vicinity, and that the critical elements of EFH may be adversely affected by project implementation. The proposed project is located within an area managed under the Pacific Groundfish, the Coastal Pelagic and/or the Pacific Coast Salmon FMPs. Our initial determination is that the proposed action would not have a substantial adverse impact on EFH or federally managed fisheries in California waters.

The determination is based on the fact that the area immediately surrounding the Schneider Dock has been dredged in the past, the disposal site has been used several times for the disposal of dredged sediments and, therefore, both sites are considered to be previously disturbed and the proposed activity would result in no new impacts to EFH. The recently-deposited bottom sediments to be dredged during

maintenance dredge activities are composed mainly (approximately 48%) of fine sands and silts. It is presumed that fish species utilizing the area would be using it for feeding during a period of growth. When dredging occurs, the fish should be able to find ample and suitable foraging areas in and along the North Humboldt Bay Channel. As the infaunal community recovers in the dredged area, fish species will return to feed. Therefore, the proposed dredging is expected to have only short-term, minor adverse effects on EFH.

Marine Protection, Research, and Sanctuaries Act (MPRSA): Section 302 of the MPRSA of 1972, as amended (16 U.S.C. § 1432 *et seq.*), authorizes the Secretary of Commerce, in part, to designate areas of ocean waters, such as the Cordell Bank, Gulf of the Farallones, and Monterey Bay, as National Marine Sanctuaries for the purpose of preserving or restoring such areas for their conservation, recreational, ecological, or aesthetic values. After such designation, activities in sanctuary waters authorized under other authorities are valid only if the Secretary of Commerce certifies that the activities are consistent with Title III of the MPRSA. No Department of the Army Permit will be issued until the applicant obtains the required certification or permit. The project does not occur in sanctuary waters, and a *preliminary* review by the Corps indicates the project would not likely affect sanctuary resources. This presumption of effect, however, remains subject to a final determination by the Secretary of Commerce, or his designee, by the close of the comment period.

National Historic Preservation Act (NHPA): Section 106 of the NHPA of 1966, as amended (16 U.S.C. § 470 *et seq.*), requires federal agencies to consult with the appropriate State Historic Preservation Officer to take into account the effects of their undertakings on historic properties listed in or eligible for listing in the *National Register of Historic Places*. Section 106 of the NHPA further requires federal agencies to consult with the appropriate Tribal Historic Preservation Officer or any Indian tribe to take into account the effects of their undertakings on historic properties, including traditional cultural properties, trust resources, and sacred sites, to which

Indian tribes attach historic, religious, and cultural significance.

Because the area immediately adjacent to the Schneider Dock has been previously dredged, historic or archeological resources are not expected to occur in the project vicinity. However, the Corps will consult with local tribes prior to making a permit decision. If unrecorded archeological resources are discovered during project implementation, those operations affecting such resources will be temporarily suspended until the Corps concludes Section 106 consultation with the State Historic Preservation Officer or the Tribal Historic Preservation Officer to take into account any project related impacts to those resources.

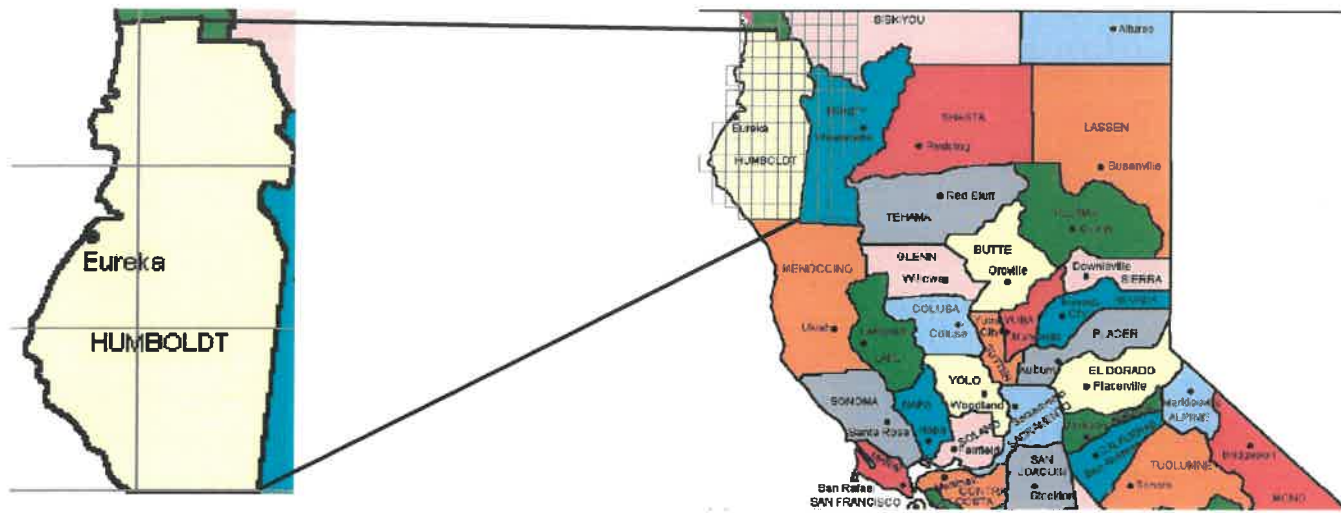
5. PUBLIC INTEREST EVALUATION: The decision on whether to issue a Department of the Army Permit will be based on an evaluation of the probable impacts, including cumulative impacts, of the project and its intended use on the public interest. Evaluation of the probable impacts requires a careful weighing of the public interest factors relevant in each particular case. The benefits that may accrue from the project must be balanced against any reasonably foreseeable detriments of project implementation. The decision on permit issuance will, therefore, reflect the national concern for both protection and utilization of important resources. Public interest factors which may be relevant to the decision process include conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people.

6. CONSIDERATION OF COMMENTS: The Corps is soliciting comments from the public; federal, state and local agencies and officials; Native American Nations or other tribal governments; and other interested parties in order to consider and evaluate the

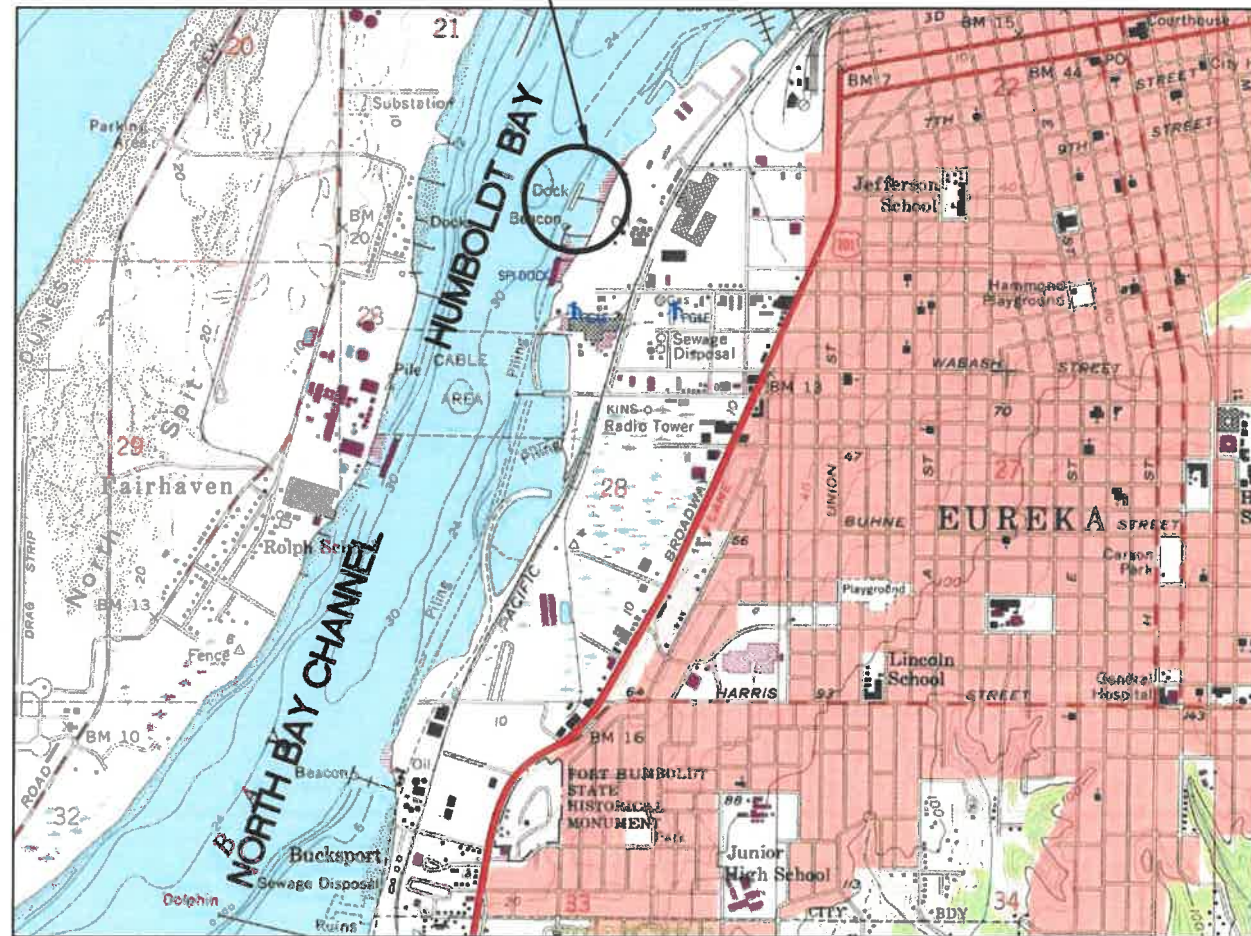
impacts of the project. All comments received by the Corps will be considered in the decision on whether to issue, modify, condition, or deny a Department of the Army Permit for the project. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, and other environmental or public interest factors addressed in a final environmental assessment or environmental impact statement. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the project.

7. SUBMITTING COMMENTS: During the specified comment period, interested parties may submit written comments to Jessica Vargas, San Francisco District, Operations and Readiness Division, 1455 Market Street, 16th Floor, San Francisco, California 94103-1398; comment letters should cite the project name, applicant name, and public notice number to facilitate review by the Permit Manager. Comments may include a request for a public hearing on the project prior to a determination on the Department of the Army permit application; such requests shall state, with particularity, the reasons for holding a public hearing. All substantive comments will be forwarded to the applicant for resolution or rebuttal. Additional project information or details on any subsequent project modifications of a minor nature may be obtained from the applicant and/or agent, or by contacting the Permit Manager by telephone or e-mail cited in the public notice letterhead. An electronic version of this public notice may be viewed under the *Current Public Notices* tab on the US Army Corps of Engineers, S. F. District website:

<http://www.spn.usace.army.mil/Missions/Regulatory>.



SCHNEIDER DOCK



SCALE: 1"=2,400'
0 600 1,200 2,400

SCHNEIDER DOCK
INDUSTRIAL PARK
1206 WEST 14TH STREET
Eureka, California

VICINITY MAP
FIGURE 1

 **PACIFIC AFFILIATES**
CONSULTING ENGINEERS
800 W. WATERFRONT DRIVE, EUREKA, CA 96501
TEL (707) 445-3001 FAX (707) 445-3093

SAMPLING NOTES

● SAMPLING LOCATION
 CONTINUOUS CORE SAMPLES OBTAINED AT FOUR LOCATIONS ON AUGUST 23, 2013 BY PACIFIC AFFILIATES, INC.

VIBECORE-D CORING DEVICE USED TO OBTAIN SAMPLES

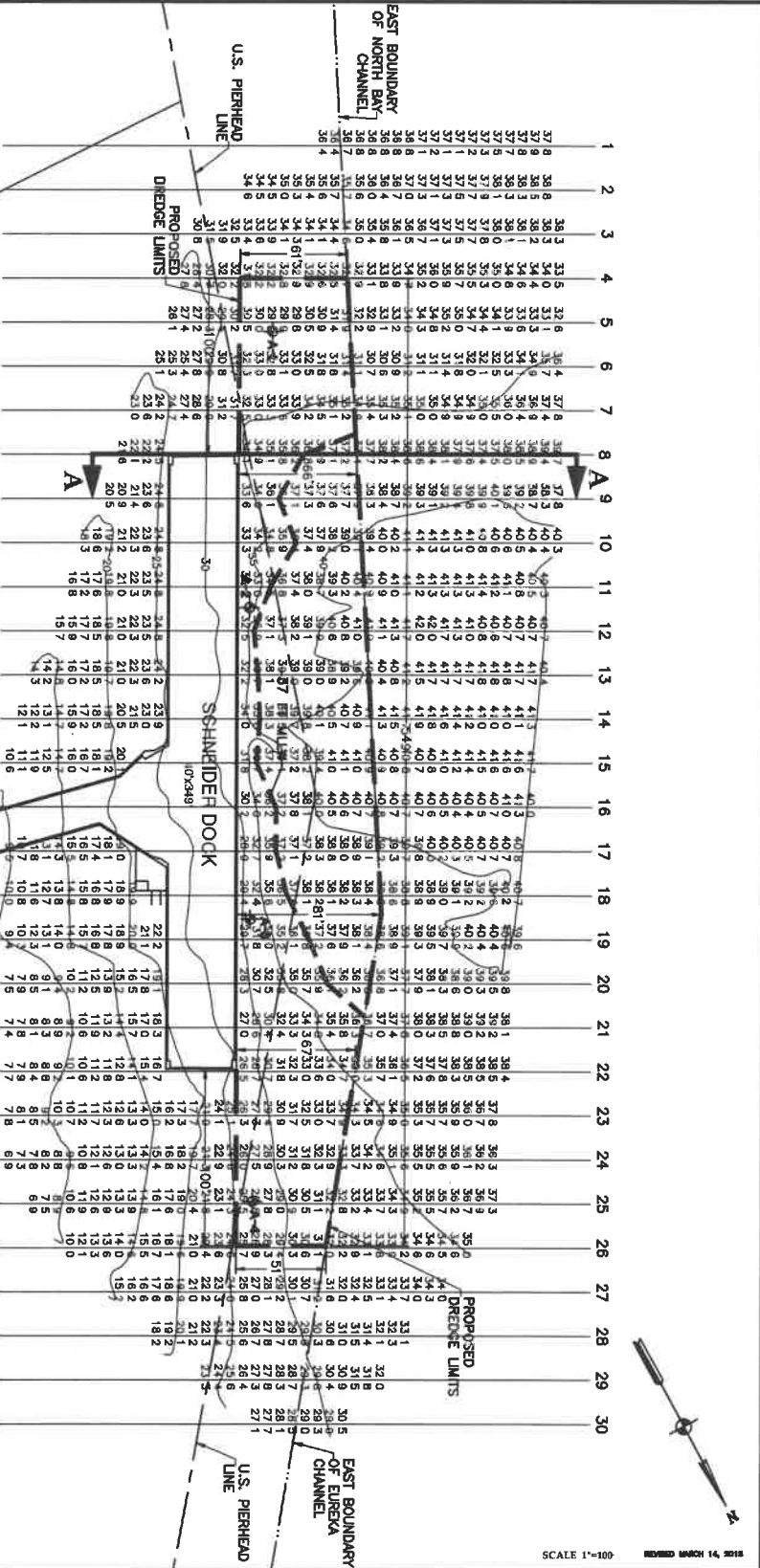
SAMPLE	CORE LENGTH	WATER DEPTH	TIME
A-1	8.5 FT	37.5 FT	14:25
A-2	6.5 FT	37.0 FT	11:45
A-3	7.0 FT	35.5 FT	11:15
A-4	13.0 FT	32.5 FT	13:45

DREDGE NOTES

- DESIGN DREDGE DEPTH IS -37 FT MLLW PLUS 2 FT OVERDREDGE
- EDGES OF PROPOSED DREDGE AREA WILL BE BOX CUT
- NORTH BAY AND EUREKA CHANNELS ARE DREDGED BY U.S. ARMY CORPS OF ENGINEERS TO -38 FT MLLW. CHANNEL EDGES ARE BOX CUT

SURVEY NOTES

SURVEYED BY PACIFIC AFFILIATES CONSULTING ENGINEERS FEBRUARY 18, 2018
 SOUNDINGS ARE REFERENCE TO THE DATUM OF MEAN LOWER LOW WATER USING PACIFIC AFFILIATES TIDAL BOUND, TIED BY SURVEY TO USGS BRASS DISK "1940" LOCATED IN THE CONCRETE SEA WALL, USCG STATION HUMBOLDT BAY, ELEVATION 14.28' MLLW
 VERTICAL DATUM UTILIZED - MEAN LOWER LOW WATER (MLLW), HORIZON CONTROL REFERENCED TO NAD27, CALIF. ZONE 1, LAMBERT CONFORMAL PROJECTION.
 SURVEY REPRESENTS THE CONDITIONS ON THE DATE SURVEYED (FEBRUARY 18, 2018)



SCHNEIDER DOCK
 990 W. WATERFRONT DR.
 EUREKA, CA 95519
 APN 003-062-026

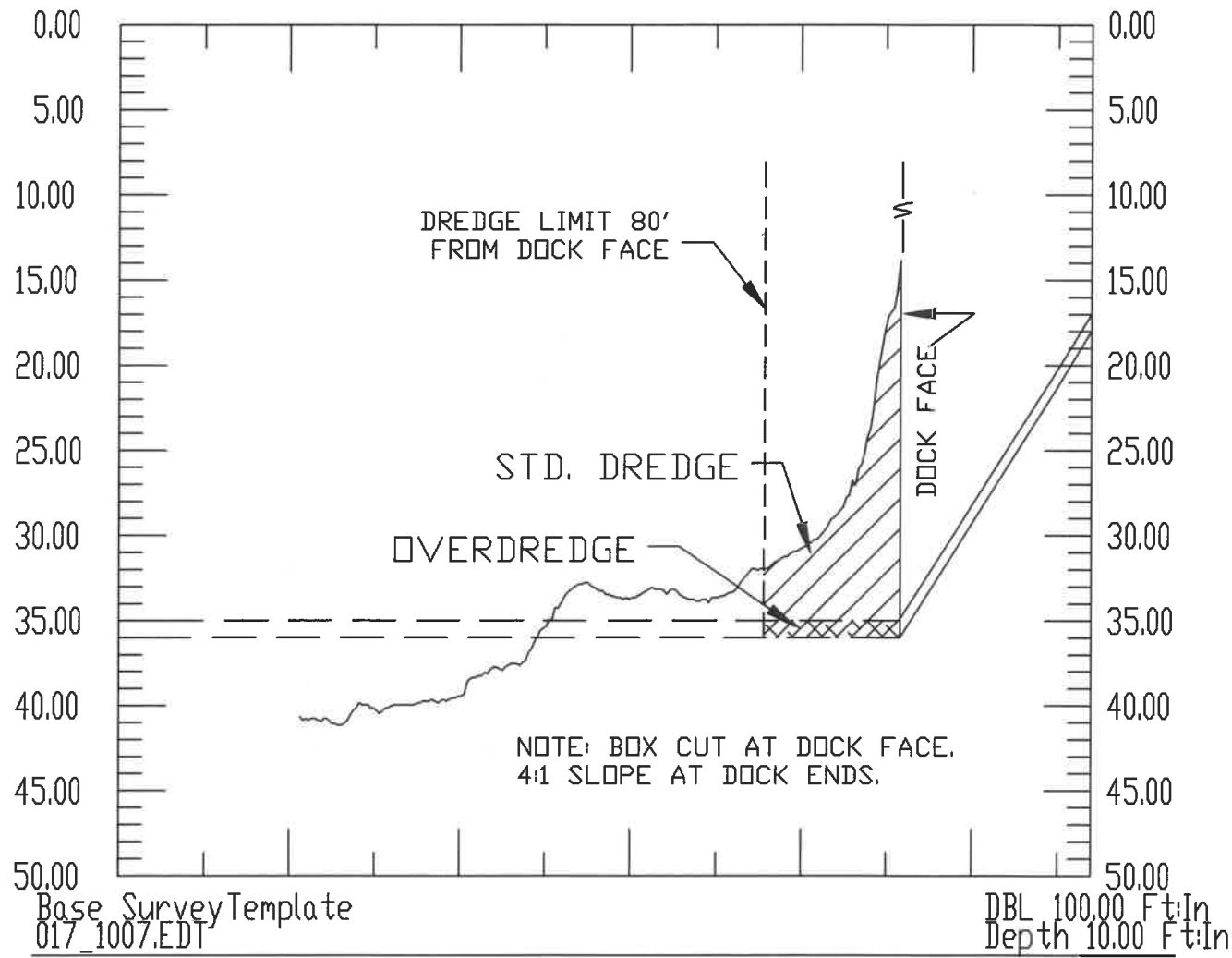
BATHYMETRIC SURVEY & SAMPLE LOCATIONS
 FIGURE 2



PACIFIC AFFILIATES
 CONSULTING ENGINEERS
 990 W. WATERFRONT DRIVE, EUREKA, CA 95501
 TEL (707) 445-3001 • FAX (707) 445-3003

SCALE 1"=100' REVISION MARCH 14, 2018

X: 1393594.03 017_1007.EDT Length: 2160.02 Azimuth: 107.31 X: 1395656.21
 Y: 540098.63 Y: 539455.89



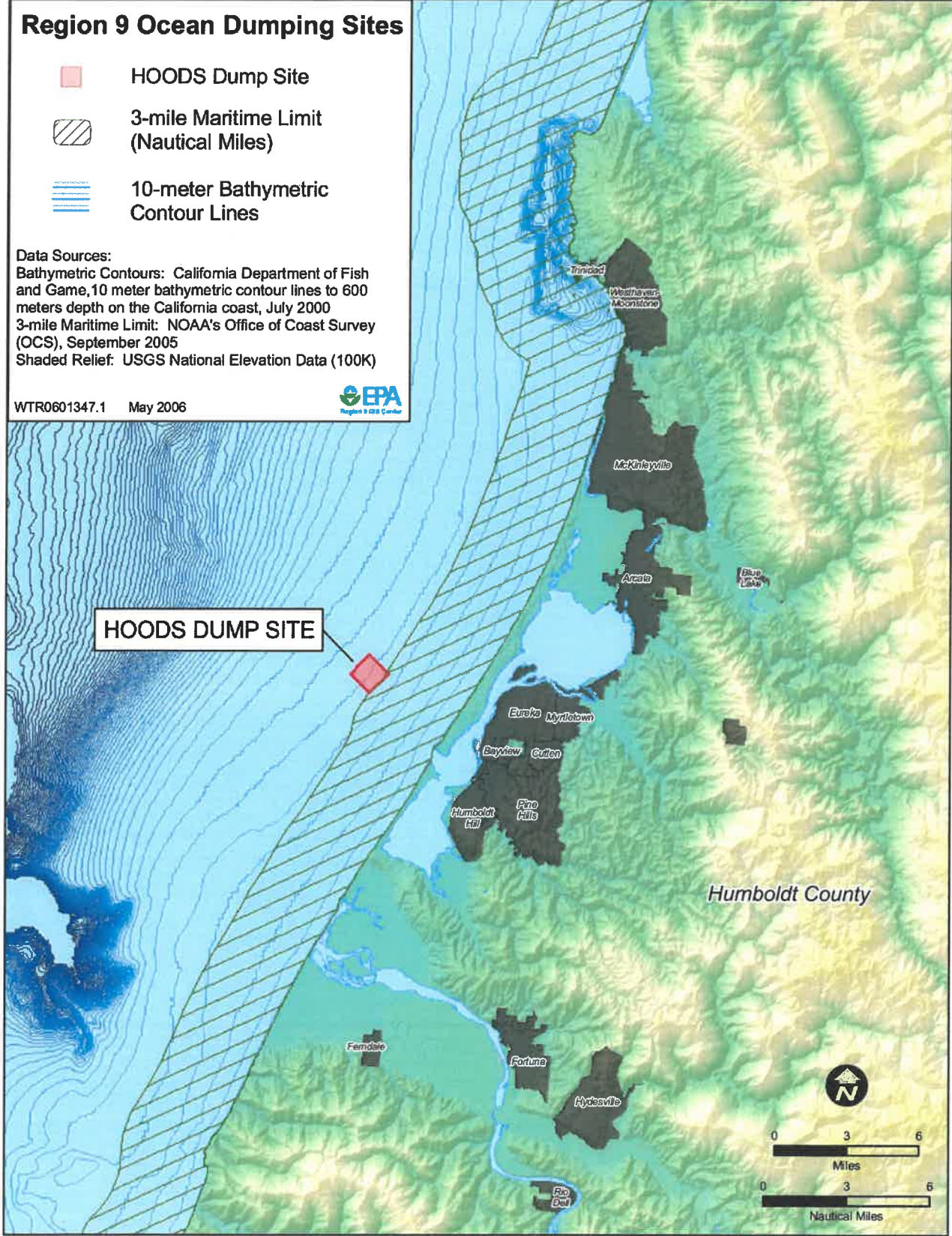
SCALE: H: 1"=100'
 V: 1"=10'

SCHNEIDER DOCK
 990 WATERFRONT DRIVE
 Eureka, California

TYPICAL CROSS SECTION
 OF DREDGE PRISM
 FIGURE 3



PACIFIC AFFILIATES
 CONSULTING ENGINEERS
 990 W. WATERFRONT DRIVE, EUREKA, CA 95501
 TEL (707) 445-3001 FAX (707) 445-3003






SCHNEIDER DOCK
 990 WATERFRONT DR
 Eureka, California

HOODS - Area Map
 Figure 4

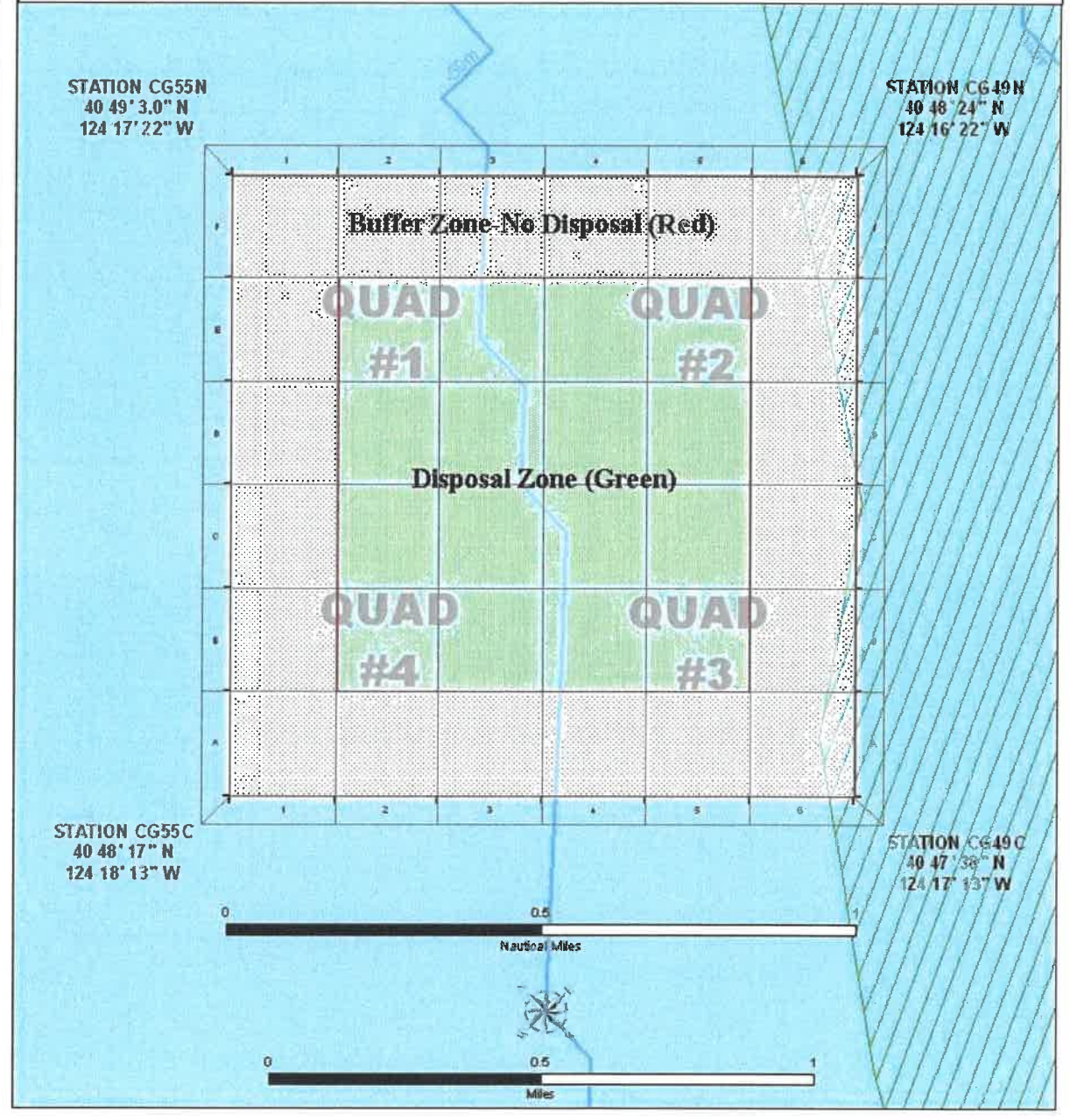
PA PACIFIC AFFILIATES
 CONSULTING ENGINEERS
 990 W. WATERFRONT DRIVE, EUREKA, CA 95501
 TEL (707) 445-3001 FAX (707) 445-3003

Region 9 Ocean Dumping Sites

-  HOODS Dump Site
-  3-mile Maritime Limit (Nautical Miles)
-  10-meter Bathymetric Contour Lines

Data Sources:
 Bathymetric Contours: California Department of Fish and Game, 10 meter bathymetric contour lines to 600 meters depth on the California coast, July 2000
 3-mile Maritime Limit: NOAA's Office of Coast Survey (OCS), September 2005

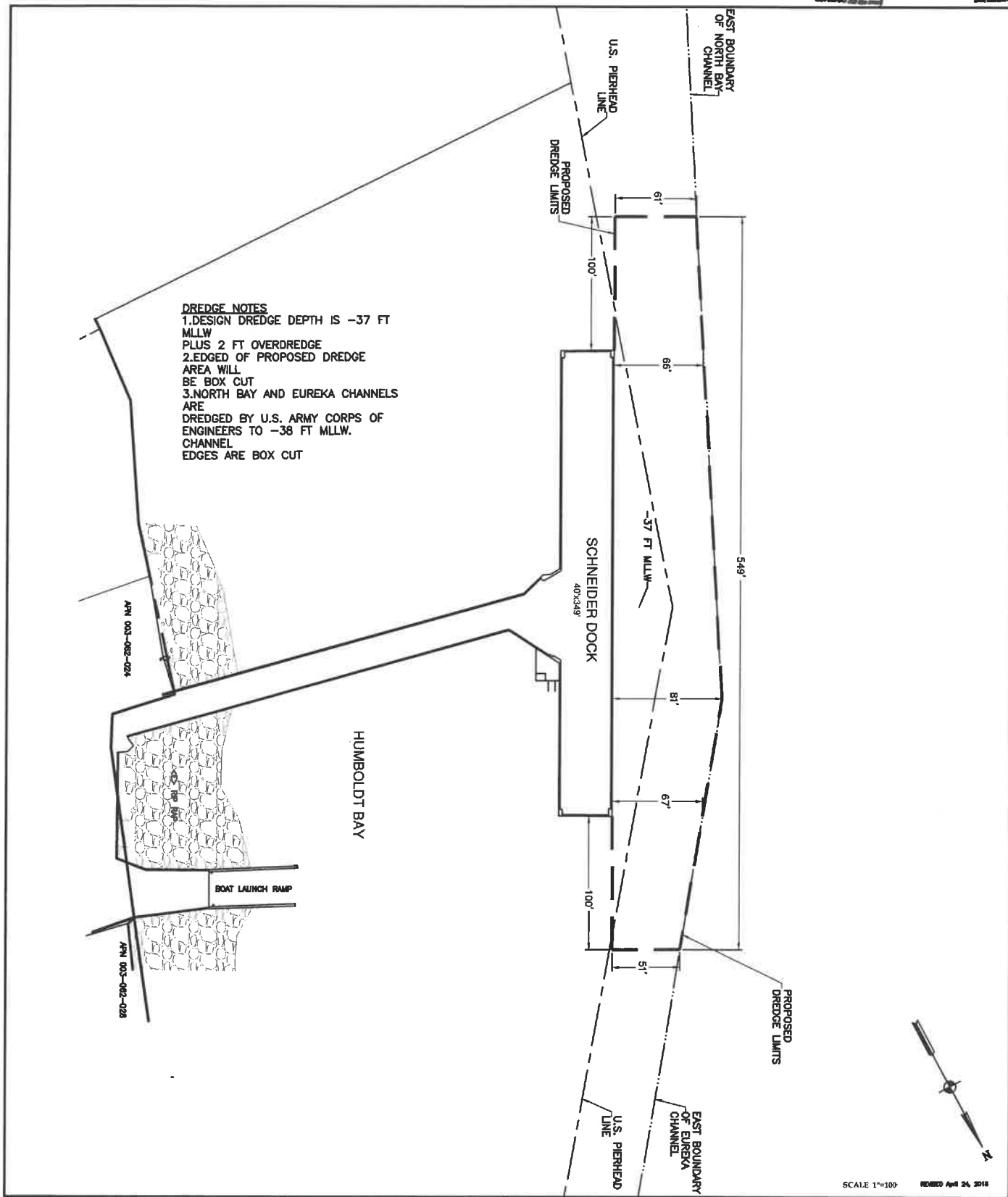
WTR0601 347.2 May 2006 



SCHNEIDER DOCK
990 WATERFRONT DRIVE
Eureka, California

HOODS - Quadrants
Figure 5

 **PACIFIC AFFILIATES**
 CONSULTING ENGINEERS
 990 W. WATERFRONT DRIVE, EUREKA, CA 95501
 TEL (707) 445-3001 FAX (707) 445-3003



SCHNEIDER DOCK
 990 W. WATERFRONT DR.
 EUREKA, CA 95519
 APN 003-082-026

**DREDGE FOOTPRINT
 AND FEDERAL
 CHANNEL**
 Figure 6



PACIFIC AFFILIATES
 CONSULTING ENGINEERS
 990 W. WATERFRONT DRIVE, EUREKA, CA 95501
 TEL (707) 445-3001 • FAX (707) 445-3003

Bay Area water agencies upgrading infrastructure in anticipation of catastrophic earthquake

By: [Duncan Sinfield](#)

POSTED: APR 07 2018 11:36AM PDT

VIDEO POSTED: APR 07 2018 11:26AM PDT

UPDATED: APR 07 2018 12:06PM PDT

SAN FRANCISCO BAY AREA (KTVU) - Water agencies, once worried only about their own supplies and territories, now embrace mutual aid, especially for earthquakes and droughts.

East Bay Municipal Utility District is constantly evaluating all kinds of new water main and pipe design and materials for flexibility and reliability whether made of steel, cast iron, cement or plastic.

David Katzev of East Bay MUD tells KTVU "And not only do we have the Hayward Fault, we have landslides, we have liquefaction zones, we have to put pipe in the ground that's seismic resilient."

As pipelines age, East Bay MUD is extending many of their lives by putting a remarkable fabric-like inner lining system.

It's threaded through the existing pipe, then inflated by hot water that hardens and bonds creating a new inner pipe.

East Bay MUD is installing miles and miles of new strong and flexible pipe.

"We think that maximum earthquake will result in in seven feet of offset, which means a seven foot slip" says Richard Sykes of East Bay MUD.

At South Reservoir in Castro Valley, a bit of a surprise: downsizing.

Inside what was once a 50 million gallon covered reservoir, East Bay MUD is building an 8 million gallon steel reinforced concrete tank, 40 feet high and 200 feet across.

It can resist a 7.0 earthquake on the Hayward Fault, the highest that fault is likely to produce.

"All our pipelines in this infrastructure is running through that zone," say Sykes.

In Hayward, several water agencies share what's called an 'intertie'.

Here, pipelines from multiple suppliers meet.

If needed in an emergency or drought, high powered pumps and valves can redirect water from one agency to another.

"Helping each other out in an emergency is really important. So, it really helps the reliability of everybody around the south end of the Bay," says Steve Ritchie of the San Francisco Public Utilities Commission.

A 42-inch wide pipe extends over the Hayward Fault, which could rip apart in a major earthquake.

But on either end, there are ball joints and shock absorbers that allow the pipe to move as the earth shakes.

The idea is that in a major quake, this pipe should survive.

"The number of pipelines that we've retrofitted are 15. That's at 13 separate locations," says Bob Shaver of the Alameda County Water District.

In Fremont, directly over the Hayward Fault, lie three main water pipelines, that bring Hetch Hetchy water to much of the Bay Area.

Should the Hayward Fault destroy any or all of these pipelines, crews would hook up alternative pipelines between diverter valves to keep the water flowing.

In Milpitas, another intertie not only connects water agencies to each other, but provides some additional benefits.

"It's a physical intertie, but it also creates a relationship with those other agencies," says John Cook with the Santa Clara Valley Water District.

Finally at a San Jose Water District treatment plant, the District has invested as much as \$60 million to strengthen its facilities and pipelines against major earthquakes.

"Nobody wants a rate increase, but you have to invest in infrastructure and we do," says Richard Santos, the Santa Clara Water District Chairman.

Though rate payers everywhere grumble about water rates, the seismic alternative is far, far more expensive and often deadly.

New Deeply/Ocean Deeply-Ocean News

Matthew Marshall, executive director of the Redwood Coast Energy Authority, explains why a public-private partnership wants to build what could be the country's first floating wind farm, in the Pacific Ocean.

WRITTEN BY [Ian Evans](#) PUBLISHED ON April 13, 2018 READ TIME: Approx. 5 minutes



This floating turbine off Agucadoura, Portugal, is an example of the kind of energy generator that could be built off the California coast. MARC PREEL/AFP/Getty Images

THE WAVES CRASHING along the coast of Humboldt County, California, make visible just how much energy exists offshore. If all goes well, within a decade the Pacific Ocean in Northern California will be generating electricity from the first offshore floating wind farm set to be built in the United States.

Redwood Coast Energy Authority (RCEA) is a joint powers agency in the city of Eureka, California, that aggregates electricity demand on behalf of the county, a water district and seven cities. RCEA buys much of its energy from various renewable sources on the West Coast, but executive director Matthew Marshall wants to obtain more locally generated electricity. To that end, RCEA announced on April 2 that it had selected a consortium of five companies for a public-private partnership to develop a 100–150 megawatt (MW) floating wind farm 30km (20 miles) off the coast from Eureka. The group consists of Principle Power, EDPR Offshore North America, Aker Solutions, H.T. Harvey & Associates and Herrera Environmental Consultants.

Such wind generators differ from traditional offshore turbines, which are anchored to the seabed, in that the turbines are on floating platforms. They can be more easily moved and lessen the impact on the ocean floor, but most importantly they can be put in deeper waters, where there's more wind and no one to object to the obstruction of views or impacts on the surf.

Despite such advantages, the world's first commercial floating wind farm – generating 30 MW – only opened last October, off the coast of Scotland. The Humboldt County project is set to come online in seven years, by which time it may not be the first such energy generator in the U.S.

Oceans Deeply spoke to Marshall about the project and why he hopes that it will advance the “commercialization of floating wind technology,” particularly along the West Coast.

Oceans Deeply: You are currently buying much your energy from elsewhere. How does the cost of those imports compare to constructing this new floating wind farm?



Matthew Marshall, executive director of Redwood Coast Energy Authority.
(Courtesy of Redwood Coast Energy Authority)

Matthew Marshall: We don't have a final price yet. We're not expecting it to be a lower cost option.

The cheapest option is still going to be brown power: nonrenewable sources. In the state, the price of solar is coming way down, which is great, and there is actually a great abundance of it, which is a great problem to have.

The nice part about offshore wind is that it has almost an inverse generation profile to solar, so if we're really going to move the state to having 100 percent renewable sources – ultimately that's the goal – we're going to have to have a balanced portfolio of resources to do that. I think that offshore wind is really the biggest untapped opportunity.

Oceans Deeply: Currently, the largest floating wind farm generates about 30 MW of power. RCEA's project plans on developing up to 150 MW. Why the big leap?

Marshall: The decision to shoot for that target has a couple of factors – one was that there are a number of other projects that are in the queue ahead of this, as far as the development timeline. We'll see how things play out, but I wouldn't expect that by the time this plays out, for this to be the largest project. There are a number of other projects in Europe and elsewhere that are moving forward.

The other factor, as far as scaling up, is that the offshore turbines are getting much larger because there aren't the space constraints of trying to move things around on road and trains. As that is scaling up, I think the expectation is that, by the time this project comes online in seven or so years, the industry-standard turbine is going to be closer to a 10 MW turbine, or maybe even 12. So, it might just be a 10- or 12-unit farm, but it would be a lot bigger than what a 10- or 12-turbine farm would have been five years ago, or even today, as far as the output.

Oceans Deeply: The coast off Northern California has a lot of wind, but what makes Humboldt County a particularly good place for this?

Marshall: I'm not going to claim to be an expert on the harbor requirements of offshore wind quite yet, but there are some basic factors, like is it deep enough, what's the upland space available for staging and assembly? I think that our location is good, we're a fairly underutilized port at the moment so there's a lot of potential.

I think that is something that really interests the community – having a port that is ready for some revitalization and some new activity, this industry is one that checks all the boxes of blue-collar jobs, port revitalization and renewable energy.

Oceans Deeply: What environmental concerns apply to offshore turbines?

Marshall: There's no shortcut around doing your environmental review and doing your siting and all that. That's one of the things that does take a lot of time, especially for a new technology and a project of this scale. We're cautiously optimistic, because there aren't any key deal-breakers – at least we haven't identified anything that is just going to make it a nonstarter – but I think that there are a lot of reviews to make sure that seabird impacts are mitigated and minimizing the impacts to commercial fishing and making sure that it's done right. We're in the very early stages of that. It's looking optimistic, but there is still a lot of analysis that has to be done before we can definitely say, "This is good to go."

One of the advantages of floating turbines is that, for the typical fixed-bottom offshore wind turbine they're driving in foundations. That installation process can have a noise impact for whales, and so with a floating platform there is much less of that.

Oceans Deeply: Are you hoping that this will be an example to follow?

Marshall: We're not going to be at the head of the curve, as far as the world – Europe's going to be ahead of us and quite likely Asia as well. But certainly, for the West Coast, it's looking increasingly probable that this might be the first floating project on the West Coast and it certainly could be the first floating project in the United States. That would be a groundbreaking opportunity, and so making sure that it's done right and taking it one step at a time to make sure that there aren't any unforeseen impacts.

We're just excited to be taking this first step in hopefully moving both this project forward for our community, but also hopefully in a way that's helping to develop some innovation in the renewable energy sector that can really help us, and the state and the country get off of fossil fuels as soon as we can.

California bill aimed at wildfires effectively bans clean energy that may help prevent them

By Lauren Navarro / Bio / Published: April 16, 2018

California experienced one of the worst wildfire seasons in its history last year. In response to widespread devastation, the state's legislature introduced a bill last week, SB 1088, requiring regulators to establish fire risk reduction and mitigation standards for utilities. Environmental Defense Fund (EDF) strongly supports compensating Californians harmed by the fires and taking steps to prevent future fires. However, as currently written, the bill includes unnecessary provisions that would severely limit Californians' access to distributed energy resources. Ironically, these are the tools that can help the state more quickly and cheaply fight climate change – a large contributor to its fire risk.

The bill's prohibition of customer and third party-owned distributed resources is broad enough to threaten a wide variety of clean energy resources, without giving them a chance to grow. Distributed resources include battery storage, including electric vehicles, which will allow Californians to capture the power of the sun during the day and use it in the evening. Energy efficiency and demand response are distributed resources that help reduce the state's reliance on transmission lines and fossil fuel power plants, while keeping people's bills low. Distributed solar plays a vital role in the state's electric grid and is helping to improve local air quality and cut global warming pollution.

Distributed resources are innovative technologies that California needs in order to keep nurturing local economies in a way that preserves community authority and control. At the same time, distributed resources can help us avoid the most devastating effects of climate change. This is why EDF, along with Environment California and California League of Conservation Voters, sent a letter of opposition to the bill's author expressing our concerns.

How does the bill restrict clean, distributed energy?

Specific sections currently included in the bill would cripple the distributed energy resources industry's ability to provide services and the state's ability to meet its climate change objectives while providing electricity in safe, low-cost ways. California lawmakers should change the following sections of the bill to ensure clean energy solutions continue to thrive:

- Language prohibiting electrical corporations from contracting out "distribution safety or reliability performance obligations." This includes, "owning, controlling, operating, managing, maintaining, planning, engineering, designing, investing in, and constructing the distribution system." (Section 2899.3(a)(b)&(c))

- A finding that the California Public Utilities Commission should not “rely” on unregulated entities in lieu of public utilities to provide electric safety and reliability. (Section 1, Finding (f))

Distributed resources connect to the electric grid at dispersed locations throughout our communities, owned and managed by a variety of entities, like individuals, businesses, and local governments. Because of their diverse ownership and operation, they are the practical solutions critical to California’s economic and clean energy growth. They also act quickly to help prevent climate change and reduce pollution. The bill’s current language would effectively prohibit this type of clean energy resource by preventing customer and third-party ownership, maintaining business as usual.

What’s next?

In order for California to avoid the devastating impacts of climate change, including wildfires, we need to continue to rely more on clean energy resources and less on fossil fuels.

In order for California to avoid the devastating impacts of climate change, including wildfires, we need to continue to rely more on clean energy resources and less on fossil fuels to power the state’s homes and businesses, and we need to use every tool available. We recommend lawmakers look for solutions that bring together the distributed energy resource industry and the labor industry, creating a truly clean economy with a prosperous workforce. There is an opportunity for everyone to gain and for California to thrive in an increasingly distributed world.

EDF encourages utilities take steps to prevent their systems from causing fires, especially when every year is hotter than the last. However, it does not make sense to strip distributed electricity providers of their ability to offer services that can help meet California’s needs in a safe, flexible, and potentially less expensive way. We will need both large and small clean energy solutions as a part of California’s future.

California is a world leader when it comes to clean energy technologies, and the state’s optimism, vision, and industry leadership can help reduce the severe impacts of changing climate, including wildfires. We need to maintain the ability to innovate and succeed in ways that are safe, clean, and reliable in the fight against climate change and in the pursuit of a clean energy economy.



Senator Hueso
State Capitol
Sacramento, CA. 95814

RE: SB 1088 – OPPOSE

Dear Senator Hueso:

The undersigned environmental organizations work to protect California's air, water and its citizens' health and wellness. We strongly support making Californians harmed by the fires whole and taking steps to prevent future forest fires, but, as currently written, we oppose SB 1088. There are several concerning provisions, but specifically there are sections of the bill that will hurt the state's ability to generate and store electricity from distributed resources.

There is no doubt that climate change is happening. The past fourteen years have been hotter than the last. We have experienced devastating droughts, fires are raging hotter and more fiercely and now massive rain storms are causing mudslides destroying homes and entire communities. The impacts of a warming climate are not a concern to worry about in the future. It is happening now and we need all the tools in the tool box to stave off the worst impacts of climate change.

We support the bill's intent to require that the Public Utilities Commission (PUC) establish fire risk reduction and mitigation standards. That part makes sense.

However, the language used to do so does not. If we are going to achieve an economy with 100% clean energy California's energy portfolio must be a thoughtful blend of both utility scale and distributed energy to achieve the state's climate goals. Your bill (as currently written) cripples the distributed energy resources industry, and the state's ability to meet its climate change objectives in some of the lowest cost, safest ways possible.

Distributed resources include distributed renewable generation resources, energy efficiency, energy storage, electric vehicles, and demand response technologies – technologies that California has grown to know, love, and rely upon. For example, rooftop solar energy plays a critical role in our state's electrical grid and is helping us to improve our local air quality and cut our global warming pollution. According to the California Energy Commission:

As of November 1, 2017, almost 10,520 MW of distributed generation capacity was operating or installed in California, with an additional 440 MW pending. The data include about 5,900 MW of

behind-the-meter solar, which far exceeds the state's California Solar Initiative (CSI) goal of 3,000 MW on residential and commercial sites by the end of 2016.

Rooftop solar is not the only technology that is critical to California's economic and clean energy growth. Battery storage, including in electric vehicles, will allow Californians to capture the power of the sun during the day and use it in the evening. Energy efficiency helps to reduce the need for transmission lines, fossil fuel power plants, and keeps people's bills low. These are the kinds of signature, innovative technologies that we need to be encouraging to meet California's clean energy future and lead the world to avoid the most devastating effects of climate change.

Specifically, we have the following concerns with your bill, as they relate to distributed clean energy:

1. *Section 2899.3 (b) and section 2899.3 (c) prohibits electric utilities from contracting to provide distribution safety and reliability obligations.*
2. *Section 1(v) finds that the CPUC should not "rely" on unregulated utilities to provide electric safety and reliability.*
3. *Section 2899.3 (a) defines the "distribution safety or reliability obligations" of electrical corporations broadly as "owning, controlling, operating, managing, maintaining, planning, engineering, designing, investing in and constructing" the distribution system.*

California is a world leader when it comes to clean technologies and it is this sense of optimism, vision, and industry leadership that is going to help us reduce the horrible impacts we are seeing from the changing climate. We need to maintain the ability to innovate in ways that are safe, clean, and reliable.

I hope that we can work with you to achieve the goals you have set out in this bill and to keep a clean energy future growing here in California for current and future generations.

Sincerely,

Rebecca Saltzman
California League of Conservation Voters

Lauren Navarro
Environmental Defense Fund

Dan Jacobson
Environment California

Cc: Senator Dodd and members of Senate Energy Committee

https://www.highlandnews.net/news/fppc-approves-fine-for-local-water-district-director/article_c01bdd0a-43fa-11e8-95e9-b70115798b57.html

BREAKING

FPPC approves \$36,500 fine for local water district director

James Folmer, Highland Community News Apr 19, 2018 Updated Apr 19, 2018


The Fair Political Practices Commission (FPPC) has approved a \$36,500 fine against Gil Navarro, a director on the San Bernardino Valley Municipal Water District board, for failing to close a defense fund he created in his bid to serve in two elected positions at the same time.



The San Bernardino Valley Municipal Water District board on Tuesday, April 17, stripped director Gil Navarro of his leadership responsibilities because of the violations.

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Navarro voted in support of all five votes to remove him from leadership roles, including vice president of the board. Director Mark Bulot was elected to take his place.

"I serve at the pleasure of the board," he told the Highland Community News. He also said he

would resolve all the issues by Monday.

SECTION F.3, PAGE NO. 11

Board President Susan Longville said the disciplinary measures were not personal, but argued directors must face consequences for their actions.

The FPPC order lists nine violations of FPPC rules. The commission tried to contact Navarro 23 times between May 9, 2013, and Jan. 26, 2018, to resolve the issues. The case was scheduled to be heard on Thursday.

Navarro was elected to the San Bernardino County board of education in 2006 and re-elected in 2010. In 2012, he was elected to the water district board, according to a 147-page default and decision order. The San Bernardino County counsel ruled that Navarro could not serve on two public agencies at the same time. Instead of resigning from one of the positions, he established a defense committee and named himself treasurer.

The county school board voted to remove Navarro from office in July 2013. He did not dispute the decision, ending the legal case, but he didn't close the fund, the FPPC says.

Navarro also ran for the state Assembly's 47th District in 2014, losing to incumbent Cheryl R. Brown, a fellow Democrat. During that campaign, he created a committee to raise contributions, again naming himself treasurer.

The FPPC says Navarro failed to report contributions to the committee since the 2014 campaign. Navarro was first elected to represent Division 2 on the board in 2012, defeating incumbent George Aguilar with more than 56 percent of the vote, according to the county registrar of voters. He was re-elected in 2016, defeating two challengers with a plurality of more than 47 percent. His term expires in 2020.

California voters approved the Political Reform Act in 1974, creating the FPPC to enforce landmark ethics laws and monitor campaign finances.

Longville pointed out that all elected officials are required to go through training on how to comply with FPPC regulations.

"We even get paid for doing this so there is no excuse for failing to do as the law requires," she said.

Oroville Dam without DWR? It's a possibility

By Risa Johnson, rjohnson@chicoer.com, [@risamjohnson](https://twitter.com/risamjohnson) on Twitter

Tuesday, April 24, 2018



Sacramento >> A bill proposed by Assemblyman James Gallagher which would take the State Water Project out of the hands of the state Department of Water Resources passed unanimously on Tuesday through a legislative committee.

Assembly Bill 3045 passed 15-0 through the Assembly Water, Parks, and Wildlife Committee and is now headed to the Assembly Appropriations Committee. This comes just over one year after the failure of the Oroville Dam spillway, a component of the State Water Project which is operated and managed by DWR.

Gallagher, R-Yuba City, represents residents downstream who evacuated on Feb. 12, 2017 during the Oroville Dam crisis. A total of about 188,000 people were ordered to evacuate that day.

The State Water Project supplies water to about 26 million people from Northern to Southern California. The bill, as amended by the committee, would shift the responsibilities of operations and maintenance of the facilities that move that water from DWR to an independent agency under the California Natural Resources Agency or a division under the California Water Commission.

“The Department of Water Resources is both the owner/operator and state regulator of Oroville Dam,” Gallagher said. “This is a clear conflict of interest. We don’t allow any other industry to regulate itself, and state government shouldn’t be exempt.”

The proposed legislation calls for establishing a State Water Project Commission to oversee the facilities in a more independent and transparent manner, according to Gallagher. The commission would include experts in risk management, engineering and water rights and also a representative recommended by Butte County.

Gallagher had originally proposed that the State Water Project be removed from under DWR so it would fall directly under the California Natural Resources Agency.

Sen. Jim Nielsen, R-Red Bluff, is the bill’s principal coauthor.

Bill Connelly, chair of the Butte County Board of Supervisors, mentioned during the supervisors’ meeting on Tuesday morning that the bill had made it through the Assembly committee. Butte County is in support of the proposed legislation.

A DWR representative contacted on Tuesday had no comment on the bill.

The full text can be found by searching for AB 3045 at leginfo.legislature.ca.gov.

Contact reporter: Risa Johnson at 896-7763.

from VOX

California's droughts and deluges are a sign of the weather "whiplash" to come

Climate change isn't just making weather more extreme. It's making it more volatile.

By [Umair Irfan](#) Updated Apr 24, 2018, 2:42pm EDT



The Oroville Dam in California suffered damage to its spillway after intense rainfall. *Josh Edelson/AFP/Getty Images*

When California was in the midst of its wettest winter in 100 years in February of last year, 20 inches of rain fell in the **Sierra Nevada** over just three days, sending a record flow of water into the lake held back by the tallest dam in the United States.

Completed in 1968, the aging **Oroville Dam** was suddenly holding back a reservoir at **151 percent** of its capacity, forcing operators to relieve the pressure via a spillway. But they soon noticed unusual flow patterns, and when they stopped the outflow, they saw that the concrete had buckled and a gaping, widening crater had formed in the middle of the spillway.

With a looming threat of collapse — and the possibility of trillions of gallons of water suddenly escaping — authorities ordered **188,000 people** downstream to evacuate.



The Oroville Dam's damaged spillway in 2017. *Justin Sullivan/Getty Images*

The water level eventually fell without breaching the dam, and engineers shut down the spillway to investigate the damage. But the whole ordeal was jarring for California, which had just been parched by a **record drought** that left **lakes dry**, **lawns yellow**, and restaurants **not allowed to serve water** unless it was specifically requested.

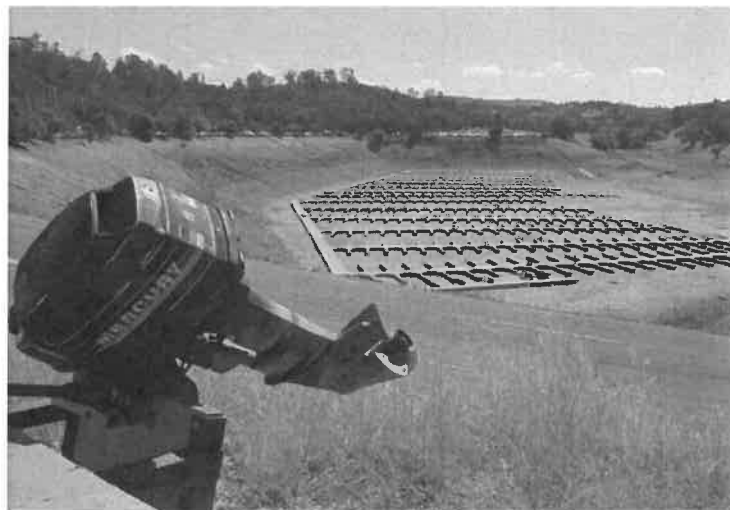
New research published Monday in the journal *Nature Climate Change* says “precipitation whiplash” like this is going to happen more often in California as the climate changes. Both the rainstorms and the droughts are going to get more severe. And the state’s roads, bridges, and dams aren’t ready for it.

The drought-to-deluge cycle will strengthen and speed up

Daniel Swain, a climate scientist at the University of California Los Angeles and an author of the new paper, studies how global climate change plays out in regional extreme weather. Many of the discussions on the impacts of climate change revolve around averages and extremes, he says, while the more practical and overlooked concern is actually volatility.

“We also call it ‘whiplash,’” Swain said. “Essentially [it’s] referring to rapid transitions between extremes of opposing character, so between extreme wet and extreme dry. Or in this case, from extreme dry to extreme wet.”

California makes a great case study for whiplash. Its summers are very dry, but it can get massive precipitation in the winter. And season to season, it can shift from no rain to downpours from **atmospheric rivers**.



Boat piers sit empty in Folsom Lake near Sacramento during the height of California’s drought in 2015. *Mark Ralston/AFP/Getty Images*

In the *Nature Climate Change* study, Swain and his collaborators used historical records and model simulations to project how wet and dry spells would change in California over the coming century.

The team found that the number of very high-precipitation seasons will increase between 100 and 200 percent across California relative to the 2016-’17 season under a business-as-usual greenhouse gas emissions scenario. The number of extremely dry years will also increase, especially in the southern part of the state.

And seasonal whiplash events in California where the weather goes from extremely wet to extremely dry and vice versa will increase by 50 percent by the end of the century.

The researchers also studied the probability of having another flood event like the **Great Flood of 1862**, the largest flood on record for California, Nevada, and Oregon, which killed thousands and created inland seas. They found that the likelihood of such a deluge will increase threefold over the coming century compared to preindustrial times.

California can expect more rain over shorter time periods

Another key finding is that worst flooding doesn't necessarily coincide with the wettest winters. An extremely wet season isn't as harmful if the precipitation is spread out over months, giving rivers, waterways, and sewage systems time to absorb the water. If more rain falls than the environment or infrastructure can handle at a given time, it starts gushing through gullies and inundating streets.

As a result, flooding can increase even when the amount of precipitation averaged over the season holds steady. This sharpening of precipitation peaks is projected to increase as well, so more rain will fall over shorter time periods.

That's because as average temperatures rise globally, more moisture enters the atmosphere, increasing the amount of available precipitation. But this moisture also perturbs air currents, so in some years, Pacific moisture is all channeled toward California via **atmospheric rivers** while in other years, this concentrated plume discharges elsewhere, leaving the Golden State to dry out.

The upshot is that even though precipitation will only see a modest increase on average throughout the state in the coming years, the consequences will be more severe because some of the individual storms are expected to be more intense.

California's bridges, highways, and aqueducts aren't ready for climate whiplash

These findings highlight how talking about climate change solely in terms of averages obscures its true impacts.

"The problem with that is it potentially can miss a lot of the things we actually care about, especially in California, which is a place that has a climate that is intrinsically variable," Swain said. "The mean doesn't really describe the typical climate state here."

And the threat of a whiplash poses a huge challenge for California's infrastructure, which is already struggling to anticipate and build for the more modest impacts of climate change since few planners know how to incorporate climate forecasts into their work.

"No one was trained for this when I was going to school, and that's true for a lot of state managers," said Adrienne Alvord, the western states director for the Union of Concerned Scientists. "When you are talking about a change in the climate that means the outliers are now the norm, how do you plan for that?"

Previously, planners would look at 100-year and 500-year averages of likelihoods for different types of weather events, essentially building infrastructure to handle averages with a few nominal provisions for extremes. But that often leads to inadequate planning for the inevitable storm surges and flash floods that could lead to catastrophes.

One example of this is the San Francisco-Oakland Bay Bridge, a \$6.5 billion, 10-lane elevated roadway carrying 270,000 vehicles a day. It's built to withstand a **one-in-1,500-year earthquake**, but a 2015 report from the **Metropolitan Transportation Commission** found that parts of it would be underwater during a 50-year storm surge even at today's sea levels:

It was found that this baseline scenario results in inundation across the westbound lanes of the I-80 approach, the westbound portion of the toll plaza, the Emeryville Crescent tidal wetland, Radio Beach, three radio towers and associated facilities, and several partially paved access roads.



The Oakland-San Francisco Bay Bridge is designed to withstand earthquakes but remains vulnerable to storm surges. *Justin/Sullivan/Getty Images*

The report adds that “sensitive assets may suffer irreversible damage if exposed to any amount of water, even temporarily.” The harm from a storm surge is therefore far more extensive than from just the slowly rising seas.

“The problem, as with earthquakes, is not the mean but the more extreme events,” Alvord said.

And with a projected increase in whiplash seasons, planners will have to simultaneously balance competing problems, like implementing flood control measures while also trying to store water ahead of shortages. Meanwhile, a flood akin to the one in 1862 hasn't yet tested California's modern infrastructure, and researchers expect that such an event would wreak upward of \$1 trillion in damages to the state.

“This is emerging science, and it hasn't made its way into the planning process, and that's what we have to address,” Alvord said.

California is dammed enough already

By THE TIMES EDITORIAL BOARD
MAY 01, 2018 | 4:05 AM



Mount Shasta, seen as a backdrop to Upper Lake Shasta, at the Shasta Dam on February 17. (Los Angeles Times)

Environmental consequences aside, it would seem to make a certain amount of sense to dam a river in order to store and distribute water where and when it is most needed.

But what if there's no river? Or more to the point, what if every river that can be dammed already has been dammed, and the water in those rivers has already been tapped? The value of new, giant dams is extremely limited and costly without new giant rivers to fill them, and California has no such new rivers.

That's the gist of the situation that faces the California Water Commission, which meets for three days this week to consider how to spend billions of dollars in Proposition 1 bond funding on storage projects — including its staff's recommendations against huge new dams.

Commissioners should pay heed to their experts and reject projects that are designed for a different era, before the development of more deft and cost-effective technologies and water management practices.

Voters adopted the water bond in 2014, in the midst of a deep drought that may well have become California's new normal. The \$7.12-billion measure allocated \$2.7 billion for water storage projects that would in some way make up for the shrinking of the Sierra snowpack, which has for decades provided much of the water that sustained streams and wetlands and supplied farms and urban faucets.

Creating more traditional reservoir storage does little to ease water shortages for most Californians.

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The wording of the bond was carefully negotiated so that various interests could fight later over whether the funding was meant for huge structures like the nation's tallest dam (Oroville, built in the 1960s), or alternatives to dams, designed and built for a dry era with diminished flow. The commission is the arena for that battle.

The San Joaquin River is already so dammed and diverted that it runs dry in its central stretches most years, yet there is an application for bond funding to add yet another dam, known as Temperance Flat. Meanwhile, backers of the Sites Project want a dam to capture water diverted away from the Sacramento River.

Reservoirs created by either project could be filled only by a succession of unusually heavy storm seasons — and then would be quickly drained by water-rights holders (typically farmers) who have legal claims to every drop.

California can hardly count on such excess and would be foolish to allocate its storage resources to such projects.

Besides, creating more traditional reservoir storage does little to ease water shortages for most Californians. A big dam, built in part by public funds, collects water not for all the public, but for those who already own the water rights. Granted, the state's water system is interlinked and we all rely on it. But to the extent practical, projects that generate water should be paid for by those who will use it.

Commissioners are no doubt aware of what is happening out of state on the Colorado River, which helps supply much of Southern California. The surface level of Lake Mead — the reservoir created by Hoover Dam — has dropped precipitously and will not recover in our lifetimes; there is too little snowmelt in the Rockies and too much demand in the Western states. Further upstream, there is serious talk of decommissioning Glen Canyon Dam and draining Lake Powell, which experiences so much evaporation that the value of storing water there is in question.

With those great 20th century projects no longer reliable, it makes a lot of sense to look at alternatives — and little sense to spend money on projects that are junior versions of the same thing.

With no new rivers to dam, perhaps it's time to adjust our definition of "river." The largest river in Southern California, measured by volume and flow, is the Santa Ana, which empties into the ocean near Huntington Beach. But the second largest, again in terms of volume and flow of water, is the virtual river that flows out of the Hyperion sewage treatment plant. Hyperion is, in fact, the major component of L.A.'s sanitation system and its water is — to put it gingerly — dirty. But it is water, it can be cleaned, it can be stored, distributed and reused. When we have bond funding for storage projects, it makes sense to spend it where the water is, and it's increasingly in urban outflow.

There are numerous projects in the planning stage around California to capture and clean these "rivers," sometimes to reuse the water directly,

sometimes to offset against delivery contracts from other parts of the state, in order to leave that distant water where it is, or to allocate it toward environmental preservation or other uses.

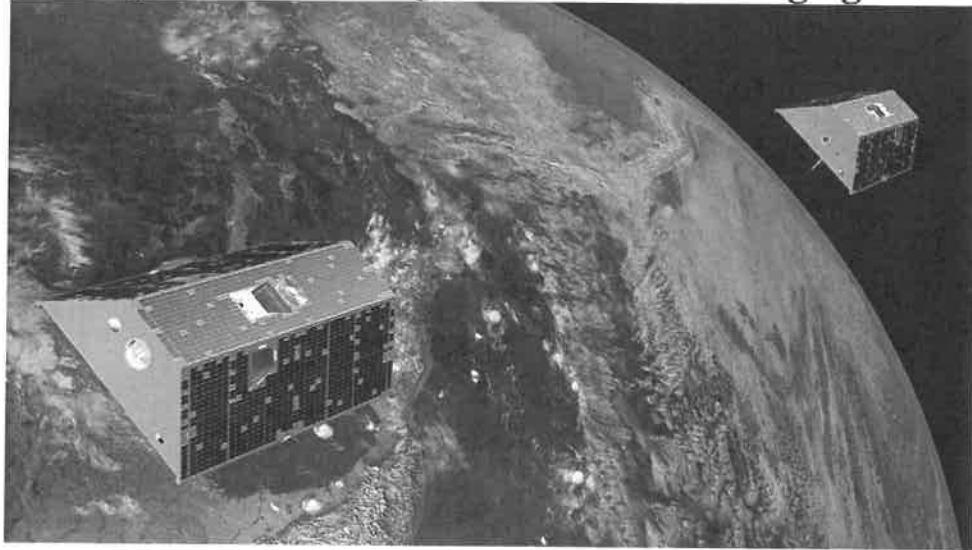
Given the choice, it is better to build projects that repair environmental damage rather than inflict it, as old-style dams do. Proposition 1 in fact requires environmental benefits be considered.

Water projects that call for underground storage of cleansed urban runoff may lack the visceral appeal and heroic image of huge structures that lock up Sierra or Rocky Mountain snowmelt. But big dams, the hallmark of 20th century water management, are outmoded. It makes no more sense to build a huge concrete dam today, on or off a river that already has been over-tapped, than it does to build the newest, biggest, shiniest steam locomotive. Times have changed. Needs have changed. California, if you will pardon the expression, is already dammed. It's time now to spend our resources where the water is.

Article from NASA Jet Propulsion Lab website

NEWS | April 30, 2018

Twin Spacecraft to Weigh in on Earth's Changing Water



Artist's illustration of the NASA/German Research Centre for Geosciences Gravity Recovery and Climate Experiment Follow-On (GRACE-FO) mission, which will track changes in the distribution of Earth's mass, providing insights into climate, Earth system processes and the impacts of some human activities. Credit: NASA/JPL-Caltech

A pair of new spacecraft that will observe our planet's ever-changing water cycle, ice sheets and crust is in final preparations for a California launch no earlier than Saturday, May 19. The Gravity Recovery and Climate Experiment Follow-On (GRACE-FO) mission, a partnership between NASA and the German Research Centre for Geosciences (GFZ), will take over where the first GRACE mission left off when it completed its 15-year mission in 2017.

GRACE-FO will continue monitoring monthly changes in the distribution of mass within and among Earth's atmosphere, oceans, land and ice sheets, as well as within the solid Earth itself. These data will provide unique insights into Earth's changing climate, Earth system processes and even the impacts of some human activities, and will have far-reaching benefits to society, such as improving water resource management.

"Water is critical to every aspect of life on Earth -- for health, for agriculture, for maintaining our way of living," said Michael Watkins, GRACE-FO science lead and director of NASA's Jet Propulsion Laboratory in Pasadena, California. "You can't manage it well until you can measure it. GRACE-FO provides a unique way to measure water in many of its phases, allowing us to manage water resources more effectively."

Like GRACE, GRACE-FO will use an innovative technique to observe something that can't be seen directly from space. It uses the weight of water to measure its movement -- even water hidden far below Earth's surface. GRACE-FO will do this by very precisely measuring the

changes in the shape of Earth's gravity field caused by the movement of massive amounts of water, ice and solid Earth.

"When water is underground, it's impossible to directly observe from space. There's no picture you can take or radar you can bounce off the surface to measure changes in that deep water," said Watkins. "But it has mass, and GRACE-FO is almost the only way we have of observing it on large scales. Similarly, tracking changes in the total mass of the polar ice sheets is also very difficult, but GRACE-FO essentially puts a 'scale' under them to track their changes over time."

GRACE-Follow On (GRACE-FO) is a satellite mission scheduled for launch in May 2018. GRACE-FO will continue the work of the GRACE satellite mission tracking Earth's water movement around the globe. These discoveries provide a unique view of Earth's climate and have far-reaching benefits to society and the world's population.

A Legacy of Discoveries

GRACE-FO will extend the GRACE data record an additional five years and expand its legacy of scientific achievements. GRACE chronicled the ongoing loss of mass from the Greenland and Antarctic ice sheets and mountain glaciers. That wealth of data shed light on the key processes, short-term variability and long-term trends that impact sea level rise, helping to improve sea level projections. The estimates of total water storage on land derived from GRACE data, from groundwater changes in deep aquifers to changes in soil moisture and surface water, are giving water managers new tools to measure the impact of droughts and monitor and forecast floods.

GRACE data also have been used to infer changes in deep ocean currents, a driving force in Earth's climate. Its atmospheric temperature profile data, derived from measurements of how signals from the constellation of GPS satellites were bent as they traveled through the atmosphere and received by antennas on the GRACE satellites, have contributed to U.S. and European weather forecast products. GRACE data have even been used to measure changes within the solid Earth itself, including the response of Earth's crust to the retreat of glaciers since the last Ice Age, and the impact of large earthquakes.

According to Frank Webb, GRACE-FO project scientist at JPL, the new mission will provide invaluable observations of long-term climate-related mass changes.

"The only way to know for sure whether observed multi-year trends represent long-term changes in mass balance is to extend the length of the observations," Webb said.

An Orbiting Cat and Mouse



At the Harris facility at Vandenberg Air Force Base in California, one of the twin GRACE-FO satellites is integrated with the multi-satellite dispenser structure that will be used to deploy the satellites during launch on the SpaceX Falcon 9 launch vehicle. Launch is scheduled for May 19. Credit: Airbus

Like its predecessors, the two identical GRACE-FO satellites will function as a single instrument. The satellites orbit Earth about 137 miles (220 kilometers) apart, at an initial altitude of about 305 miles (490 kilometers). Each satellite continually sends microwave signals to the other to accurately measure changes in the distance between them. As they fly over a massive Earth feature, such as a mountain range or underground aquifer, the gravitational pull of that feature tugs on the satellites, changing the distance separating them. By tracking changes in their separation distance with incredible accuracy -- to less than the thickness of a human hair -- the satellites are able to map these regional gravity changes.

A GPS receiver is used to track each spacecraft's position relative to Earth's surface, and onboard accelerometers record non-gravitational forces on the spacecraft, such as atmospheric drag and solar radiation. These data are combined to produce monthly maps of the regional changes in global gravity and corresponding near-surface mass variations, which primarily reflect changes in the distribution of water mass in Earth's atmosphere, oceans, land and ice sheets.

In addition, GRACE-FO will test an experimental Laser Ranging Interferometer, an instrument that could increase the precision of measurements between the two spacecraft by a factor of 10 or more, for future missions similar to GRACE. The interferometer, developed by a German/American instrument team, will be the first in-space demonstration of laser interferometry between satellites.

"The Laser Ranging Interferometer is an excellent example of a great partnership," said Frank Flechtner, GFZ's GRACE-FO project manager. "I'm looking forward to analyzing these innovative inter-satellite ranging data and their impact on gravity field modeling."

GRACE-FO will be launched into orbit with five Iridium NEXT communications satellites on a commercially procured SpaceX Falcon 9 rocket from Vandenberg Air Force Base in California.

This unique "rideshare" launch will first deploy GRACE-FO, then the Falcon 9 second stage will continue to a higher orbit to deploy the Iridium satellites.

GRACE-FO continues a successful partnership between NASA and Germany's GFZ, with participation by the German Aerospace Center (DLR). JPL manages the mission for NASA's Science Mission Directorate in Washington.

A media reel is available at:

<https://vimeo.com/266146377>

Alan Buis
Jet Propulsion Laboratory, Pasadena, Calif.
818-354-0474

Alan.Buis@jpl.nasa.gov

Steve Cole

NASA Headquarters, Washington

202-358-0918

Stephen.e.cole@nasa.gov

Water Deeply

California's groundwater agencies need to create sustainability plans, says Michael Kiparsky of the University of California Berkeley School of Law, noting that, unless those plans also take surface water into account, they might not work.

WRITTEN BY Ian Evans

PUBLISHED ON σ May 1, 2018

READ TIME Approx. 4 minutes



To effectively manage California groundwater, agencies have to contend with how it interacts with surface water. Chris Austin

CALIFORNIA'S 2014 LEGISLATION, the Sustainable Groundwater Management Act (SGMA) was significant in that it was the state's first major groundwater regulation. But Michael Kiparsky the founding director of the Wheeler Water Institute at the University of California Berkeley School of Law, says that it was also significant in another way.

"It breaks with what had been decades of a legal fiction that groundwater and surface water were not part of a single hydrologic system," he says.

While rivers, lakes and other surface waters are often thought of – and regulated – separately from the groundwater below, the two are connected. Depleted or polluted groundwater makes for depleted or polluted rivers, and vice versa. SGMA acknowledges this by placing some responsibility for surface water conditions in the hands of local Groundwater Sustainability Agencies which need to adopt a plan by 2020 that will keep their local aquifers sustainable and prevent "significant and unreasonable" impacts on both the groundwater and surface water in the area.

This, says Kiparsky, is a very exciting change, but one that is poorly understood. Many Groundwater Sustainability Agencies are not yet thinking about their own responsibility towards surface water, and not addressing these groundwater-surface water interactions could have significant consequences for how they manage their basin. To help bring these issues to the surface, Kiparsky and his colleagues produced a report on several important questions about how surface water-groundwater interactions affect groundwater management.

Water Deeply spoke with Kiparsky about his report, and about the importance and complexity of groundwater and surface water.

Water Deeply: When it comes to understanding how Groundwater Sustainability Agencies should be managing groundwater-surface water interactions, what are the biggest questions?

Michael Kiparsky says that groundwater sustainability agencies in California need to think more about groundwater-surface water interactions.

Michael Kiparsky: The first key question for Groundwater Sustainability Agencies to answer is, how does groundwater management in their basin affect surface water and its beneficial uses? That implies that Groundwater Sustainability Agencies need to understand something about the hydrology of the basin and about those beneficial uses.

This leads to another really crucial [point], which is that Groundwater Sustainability Agencies need to make a decision about what “significant and unreasonable” intersections between groundwater and surface water systems will be, and what a “significant and unreasonable” impact on the beneficial uses of the surface water would be. This is where the SGMA statute builds in some legal uncertainty – what does “significant and unreasonable” actually mean in the context of groundwater management in California?

Ultimately, there is a two-part answer. The first is that Groundwater Sustainability Agencies need to explicitly or implicitly, through the shape of their groundwater sustainability plans, determine what “significant and unreasonable” impacts actually are in their basin, and how they will take action to avoid those impacts.

The second part of that question may come through the courts. If, and when, the groundwater sustainability plans in some basins face legal challenges, then it will be up to the courts to determine whether the Groundwater Sustainability Agencies’ plans are sufficient, ultimately, and to help define that notion of “significant and unreasonable.”

Water Deeply: Do you foresee a time when the questions that you bring up in this report will be answered definitively?

Kiparsky: Definitive answers to everything about [groundwater sustainability] in the state of California seems to me a lot to ask. I would love to see that clarity, but I don’t expect that to happen anytime soon.

But Groundwater Sustainability Agencies need to make their decisions around how to manage groundwater, and how that groundwater interacts with surface water in spite of the significant uncertainty that currently exists in the legal system and in the scientific understanding.

By making decisions in the face of uncertainty, Groundwater Sustainability Agencies are going to overcome a range of hurdles. Those hurdles could include challenges to plans that they put forth – either legally or politically – or they could include determinations by state agencies to either influence or control a basin’s groundwater.

My hope is that our work and the work of others can highlight this particular issue and spur more of the kind of integrative thinking that is required to develop solutions to this and a range of other SGMA issues.

Water Deeply: One of the things that your report goes into is this overlap of responsibilities for regulating surface water and groundwater. Can you talk a bit about that?

Kiparsky: The overarching message here is that collaboration is going to be very important for Groundwater Sustainability Agencies that are facing groundwater-surface water issues. There are multiple entities who have some sort of responsibility for these groundwater-surface water systems, or different parts of them, and there are multiple overlapping areas of law and regulation that have – at least in concept – some interplay between them.

So, as we argue in our report, in order to manage the risk of failing to consider the multiple different interests that will come to play around groundwater-surface water interactions, it will be important for

Groundwater Sustainability Agencies to talk with the other various parties, including the other state and federal agencies that have explicit interests in the groundwater-surface water interactions.

But, there is also another important reason for Groundwater Sustainability Agencies to consider this collaboration, which is that these other entities already may have some expertise in the area. Groundwater Sustainability Agencies don't need to necessarily reinvent the wheel here. There is potential for Groundwater Sustainability Agencies to expand their capacity by working with others.

Water Deeply: What would be the implication of not thoroughly and thoughtfully addressing these points?

Kiparsky: One of the implications is that a plan could develop that does not put a groundwater sustainability agency on the path to achieving sustainability by the time the law requires it to. Were that to happen, then the state, namely the State Water Resources Control Board, would have the responsibility and the authority to step in.

Were that to happen, then the Groundwater Sustainability Agencies would lose its opportunity to craft creative solutions. A Groundwater Sustainability Agency has the advantage of local knowledge, and to think in novel and nuanced ways. The State Water Board simply does not, and probably will not. Therefore, if the State Water Board were to come in and rely on curtailments of groundwater extraction in a blanket way, then that removes some of what is really promising about SGMA.

CORRESPONDENCE



H.B.M.W.D. APR 16 2018

Date: April 11, 2018

To: Board of Directors of Independent Special Districts

From: George Williamson, Executive Officer

Subject: Notice of Nomination Result for Special District Members to serve on LAFCo

The Humboldt Local Agency Formation Commission (LAFCo) has compiled all nominations received for the Regular and Alternate special district positions on LAFCo. One valid nomination was received for each position. Considering a single candidate was nominated for each position, no election will be required. Both successful candidates will be confirmed by the LAFCo Commission at its next regular meeting on May 16, 2018, which begins at 9:00 a.m. in the Supervisors Chamber of the Humboldt County Courthouse, 825 Fifth Street in Eureka.

We wish to congratulate both Troy Nicolini (Samoa Peninsula Fire District) and David Couch (McKinleyville Community Services District) for their appointment to LAFCo, and look forward to working with them in their upcoming term.

Current Special District Terms - UPDATED

Designation	Current Member	Term of Office (ends on June 30)
Regular Member	Debra Lake, Fruitland Ridge Fire Protection District	2016 - 2020
Regular Member	Troy Nicolini, Samoa Peninsula Fire District	2018 - 2022
Alternate Member	David Couch, McKinleyville Community Services District	2018 - 2022



SECTION G2 PAGE NO. 1
HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO BOX 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COM

Website: www.hbmwd.com

BOARD OF DIRECTORS

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JOHN FRIEDENBACH

April 25, 2018

Chairman Rex Bohn, Executive Committee
Rural County Representatives of California
1215 K Street, Suite 1650
Sacramento, CA 95814

Re: Proposed Drinking Water Tax: Budget Trailer Bill and SB 623 – OPPOSE UNLESS AMENDED

Dear Rex,

I understand that the Rural County Representatives of California is supportive of SB 623 and similar language contained in the Governor's Budget Trailer Bill.

I am writing to express our District's strong opposition to a proposed state tax on drinking water before the California Legislature. As you know, the proposal is being advanced through SB 623 by Sen. William Monning (D-Carmel), a two-year bill introduced in 2017, and a Brown Administration budget trailer bill that is based on SB 623.

As a local water agency in rural Humboldt County, we are committed to delivering safe and reliable water. We wholeheartedly support the goal of ensuring safe drinking water for all Californians, especially those in rural or disadvantaged communities similar to your native Humboldt County. However, taxing all Californians for something that is essential to life does not make sense, especially at a time when some are raising concerns about the cost of living in the state. Our agency has serious concerns with requiring California's local water agencies to collect this tax for the state. Simply put, taxing drinking water – an essential life-sustaining resource – is just not sound public policy.

As an alternative, we are working collaboratively with other water districts throughout the state to advance a more appropriate package of funding, which would include existing federal funds from the Safe Drinking Water State Revolving Fund (SRF), voter-approved general obligation bonds, the assessments related to nitrates in groundwater proposed in the budget trailer bill and in SB 623, and a limited amount of general fund dollars.

We appreciate your consideration of our alternate viewpoint and that of many water districts across the state including others within Humboldt County. See attached.

Sincerely,

A handwritten signature in cursive script, appearing to read "John Friedenbach".

John Friedenbach
General Manager

cc: Humboldt County Board of Supervisors

Updated: April 20, 2018 // Originally Sent: March 7, 2018

SECTION G2 PAGE NO. 2

The Honorable Bob Wieckowski, Chair
Senate Budget Subcommittee No. 2
State Capitol, Room 4085
Sacramento, CA 95814

The Honorable Richard Bloom, Chair
Assembly Budget Subcommittee No. 3
State Capitol, Room 2003
Sacramento, CA 95814

Re: **Budget Trailer Bill: Safe and Affordable Drinking Water Fund/
TAX ON DRINKING WATER**

Position: **OPPOSE UNLESS AMENDED**

Dear Chair Wieckowski and Chair Bloom:

The below-listed organizations are **OPPOSED UNLESS AMENDED** to the drinking water tax budget trailer bill.

Alameda County Water District	Centerville Community Services District	Dublin San Ramon Services District
Alhambra Chamber of Commerce	Citrus Heights Water District	East Orange County Water District
Amador Water Agency	City of Beverly Hills	East Valley Water District
Anderson-Cottonwood Irrigation District	City of Corona Department of Water and Power	Eastern Municipal Water District
Antelope Valley – East Kern Water Agency	City of Fairfield	Elk Grove Water District
Association of California Water Agencies	City of Garden Grove	El Dorado Irrigation District
Bella Vista Water District	City of Glendale Water and Power	El Toro Water District
Brooktrails Township	City of Newport Beach	Elsinore Valley Municipal Water District
Community Services District	City of Oceanside	Fair Oaks Water District
Browns Valley Irrigation District	City of Redding	Fallbrook Public Utility District
Calaveras County Water District	City of Rialto/Rialto Utility Authority	Foothill Municipal Water District
CalDesal	City of Roseville	Georgetown Divide Public Utility District
California Craft Beer Association	City of San Diego	Glenn-Colusa Irrigation District
California Municipal Utilities Association	City of Santa Rosa	Helix Water District
California Special Districts Association	City of Shasta Lake	Hidden Valley Lake Community Services District
Calleguas Municipal Water District	Claremont Chamber of Commerce	Humboldt Bay Municipal Water District
Camrosa Water District	Coachella Valley Water District	Humboldt Community Services District
Carlsbad Municipal Water District	Coastside County Water District	Idyllwild Water District
Carmichael Water District	Contra Costa Water District	Indian Wells Valley Water District
Casitas Municipal Water District	Crescenta Valley Water District	Indio Water Authority
	Crestline-Lake Arrowhead Water Agency	Irvine Ranch Water District
	Cucamonga Valley Water District	
	Del Paso Manor Water District	
	Desert Water Agency	

ORGANIZATION LIST CONTINUED ON NEXT PAGE

Kern County Water Agency
Kinneloa Irrigation District
Kirkwood Meadows Public
Utility District
Laguna Beach County Water
District
Lake Hemet Municipal Water
District
Las Virgenes Municipal Water
District
Long Beach Water Department
Malaga County Water District
Mammoth Community Water
District
Mariana Ranchos County Water
District
McKinleyville Community
Services District
Mendocino County Russian
River Flood Control & Water
Conservation Improvement
District
Merced Irrigation District
Mesa Water District
Mid-Peninsula Water District
Millview County Water District
Mission Springs Water District
Mojave Water Agency
Monte Vista Water District
Municipal Water District of
Orange County
Nevada Irrigation District
North Marin Water District
North Tahoe Public Utility
District
Northern California Water
Association
Olivenhain Municipal Water
District
Orange County Water District
Orchard Dale Water District
Otay Water District
Padre Dam Municipal Water
District

Palm Ranch Irrigation District
Palmdale Water District
Paradise Irrigation District
Pico Water District
Placer County Water Agency
Quartz Hill Water District
Rainbow Municipal Water
District
Rancho California Water
District
Regional Water Authority
Redwood Valley County Water
District
Richvale Irrigation District
Rincon del Diablo Municipal
Water District
Rio Alto Water District
Rio Linda Elverta Community
Water District
Rowland Water District
Sacramento Suburban Water
District
San Diego County Water
Authority
San Diego Regional Chamber of
Commerce
San Dieguito Water District
San Gabriel County Water
District
San Gabriel Valley Economic
Partnership
San Gabriel Valley Municipal
Water District
San Juan Water District
Santa Clarita Valley Water
Agency
Santa Fe Irrigation District
Santa Margarita Water District
Santa Ynez River Water
Conservation District
Improvement District No. 1
Scotts Valley Water District
Shasta Community Services
District

South Coast Water District
South Tahoe Public Utility
District
Southern California Water
Committee
Stockton East Water District
Sweetwater Authority
Tahoe City Public Utility District
Templeton Community Services
District
Textile Rental Service
Association
Three Valleys Municipal Water
District
Tulare Irrigation District
Tuolumne Utilities District
Twain Harte Community
Services District
United Water Conservation
District
Upper Russian River Water
Agency
Upper San Gabriel Valley
Municipal Water District
Vallecitos Water District
Valley Center Municipal Water
District
Valley of the Moon Water
District
Ventura County Economic
Development Association
Vista Irrigation District
Walnut Valley Water District
Westlands Water District
Western Canal Water District
Western Municipal Water
District
Yolo County Flood Control
Water Conservation District
Yorba Linda Water District
Yuba County Water Agency
Zone 7 Water Agency

This budget trailer bill is essentially a modified version of SB 623 (Monning, D-Carmel), which is a 2-year bill. The budget trailer bill would establish a fund to be administered by the State Water Resources Control Board (SWRCB) to assist those who do not have access to safe drinking water. The organizations listed on this letter agree with the intent of the bill. The lack of access to safe drinking water in certain disadvantaged communities is a public health issue and a social issue that the State needs to address. The bill proposes two types of funding: 1) fees related to confined animal facilities excluding dairies (CAFED), fertilizer sales and dairies to address nitrate contamination; and 2) a state-mandated tax on drinking water that the bill would require local water agencies to assess on their local ratepayers and send to Sacramento. **No policy committee has heard the proposed tax. The above-listed organizations oppose the proposal for a tax on drinking water.**

PROBLEMS WITH A TAX ON DRINKING WATER: Following are examples of problems with a tax on drinking water:

- 1) **Requiring local water agencies and cities across the state to impose a tax on drinking water for the State of California is highly problematic and is not the appropriate response to the problem;**
- 2) **It is not sound policy to tax something that is essential to life;**
- 3) **State law sets forth a policy of a human right to water for human consumption that is safe, clean, affordable and accessible. Adding a tax on water works against keeping water affordable for all Californians; and**
- 4) **It is inefficient for local water agencies across the state to collect the tax and send it to Sacramento. Instead of turning local water agencies into taxation agencies for the state, the above-listed organizations suggest the following funding solution:**

SUGGESTED ALTERNATIVE FUNDING SOLUTION – A FUNDING PACKAGE:

- 1) **Safe Drinking Water State Revolving Fund (SRF)** – this ongoing federal funding can be used to fund capital costs;
- 2) **General Obligation (G.O.) Bonds** – SB 5 (de León, 2017), which will be on the June 2018 ballot as Proposition 68, proposes \$250 million for safe drinking and clean water, and another bond initiative which is expected to be on the November ballot proposes \$500 million for safe drinking water. These bonds propose to prioritize the drinking water funding to disadvantaged communities (DACs);
- 3) **Ag Funding** – the nitrate-related fees proposed in the bill could be used for replacement water, including point-of-use and point-of-entry treatment, for nitrate contamination; and
- 4) **General Fund** – General Fund funding can fund the non-nitrate operation and maintenance (O&M) costs needs at public water systems in certain DACs.

Everyone in California should have access to safe drinking water. The fact that a small percentage of Californians do not makes this issue a public health and social issue for which the General Fund is an appropriate source of funding as part of the above-suggested funding package.

AMENDMENTS: In addition to including the General Fund as part of a funding package instead of a tax on drinking water, the organizations listed above are suggesting the amendments shown on the attachment to address various concerns regarding this funding measure. The above-listed organizations urge your "No" vote on the budget trailer bill unless the proposed tax on drinking water is removed and replaced with an acceptable funding source.

If you have questions, please contact Cindy Tuck, Deputy Executive Director for Government Relations, Association of California Water Agencies at (916) 441-4545 or at cindy@acwa.com.

cc: The Honorable Governor Edmund G. Brown Jr.
Honorable Members, Senate Budget Subcommittee No. 2
Honorable Members, Assembly Budget Subcommittee No. 3
The Honorable William W. Monning
Ms. Kim Craig, Deputy Cabinet Secretary, Office of the Governor
Ms. Joanne Roy, Consultant, Senate Budget Subcommittee No. 2
Ms. Susan Chan, Consultant, Assembly Budget Subcommittee No. 3
Mr. Trevor Taylor, Legislative Aide, Office of Senator William W. Monning
Ms. Rocel Bettencourt, Budget Consultant, Senate Republican Caucus
Ms. Barbara Gausewitz, Consultant, Assembly Republican Caucus

Attachment
SAFE AND AFFORDABLE DRINKING WATER FUND BUDGET TRAILER BILL
AMENDMENTS SUGGESTED BY
WATER AGENCIES AND WATER ORGANIZATIONS LISTED ON THIS LETTER

- 1) Do NOT include a tax on drinking water. (See Page 3 for the suggested alternative funding solution.)**
- 2) Exclude capital costs as an eligible funding category and focus on funding O&M costs, which are difficult to fund through G.O. bonds and cannot be funded with SRF dollars. (G.O. bonds and the SRF are effective in funding capital costs.)**
- 3) Limit the funding to disadvantaged communities (DACs) and low income domestic well users that do not have access to safe drinking water, consistent with 4) below.**
- 4) Exclude individual domestic wells and "state small water systems" (with 5 to 14 connections) as eligible funding categories (with one exception for nitrate). Data is lacking to support a credible needs assessment. For example, the state does not require owners of private wells to sample their wells, and consequently a comprehensive database for these groundwater sources does not exist. The bill should explicitly exclude these two categories from funding with the exception that funding could be made available for replacement water for individual domestic wells or state small water systems in rural areas of the state for which the local health officer has certified that data documents that the wells for which funding is being sought in that area are contaminated with nitrate. The proposed definition of "replacement water" should be narrowed to make this exception workable. (Bottled water, point-of-use treatment and point-of-entry treatment are reasonable parts of this proposed definition.)**
- 5) Make sure the funding goes to address situations where the water is not safe. For example, the proposed language in Section 116769 references systems that "may be at risk of failing." Funding for safe drinking water should go to where there are real problems as opposed to going to where there is a chance of a problem.**
- 6) Focus on safe drinking water and recognize that affordability issues are being discussed in the State Water Board's AB 401 implementation process. The language should be deleted from Section 116769 which would include in the needs assessment all CWSs in DACs that charge fees that exceed the affordability threshold in the Clean Water State Revolving Fund Intended Use Plan (i.e., fees that equal or exceed 1.5 percent of the median household income). The State Water Board is currently developing a plan for a low-income water rate assistance program pursuant to AB 401 (Dodd, 2015), and there are many questions being raised about how affordability thresholds should be determined.**
- 7) Clarify what is intended by the proposed authority for the State Water Board to take "additional action as may be appropriate for adequate administration and operation of the fund." Instead of simply including this rather vague provision in Section 116768, the bill should be specific as to what this proposed authority is intended to cover.**
- 8) Delete the proposal to give the State Water Board and the Board's staff broad liability protection as they implement the Fund. No case has been made as to why they should have such protection for this program.**



To: RCRC Board of Directors
From: Mary-Ann Warmerdam, Senior Legislative Advocate
Date: April 17, 2018
Re: Update on Senate Bill 623 (Monning)/Water Quality Proposed Budget Trailer Bill

Summary

This memo provides an update on Senate Bill 623 (Monning) which would establish a fund to assist those who do not have access to safe drinking water. Funding would be provided by a fee on water connections and fertilizer plus an assessment against confined animal facilities. It should be noted that the Governor's proposed 2018-19 State Budget, released in January, includes virtually identical language to SB 623 for consideration in budget development proceedings.

Background

Although most of the state's residents receive drinking water that meets federal and state drinking water standards, a number of drinking water systems and private wells fail to provide water that meets these standards to their customers or users. This is a problem that disproportionately affects residents in disadvantaged communities (DACs) and/or those overlying groundwater basins compromised by nitrate contamination.

DACs often lack the technical, managerial, and financial capacity to effectively fund and manage operations and maintenance related to the water systems that are in place. In some cases, the systems that are in place are antiquated and need replacement, and for many domestic wells, the cost of replacing the well to a depth where "sweet" water can be accessed is cost-prohibitive for those dependent on groundwater.

Existing law, through the California Safe Drinking Water Act, requires the State Water Resources Control Board (SWRCB) to administer provisions relating to the regulation of drinking water for the protection of public health. The Office of Sustainable Water Solutions was established within the SWRCB to identify a permanent and sustainable solution to provide safe drinking water as well as wastewater treatment solutions for the people of the state.

Issue

SB 623 and the Governor's proposed Budget Trailer Bill (BTB) would establish a fund to be administered by the SWRCB to assist those who do not have access to safe drinking water, particularly those who live in rural communities, with a focus on those areas

suffering from nitrate contamination of the groundwater. The lack of safe drinking water in some of California's rural communities is viewed as a public health issue as well as a social issue that must be addressed.

These measures authorize the SWRCB to work with local health officers in the collection of data that will assist in identifying those areas of greatest need and highest risk of nitrate contamination of groundwater. It also requires the SWRCB to provide guidance for the submission of future data to further enhance the quality of the data used to identify priority areas of need.

The most controversial aspect of this approach is the proposed funding structure: fees on public water system connections. The proposed fee ranges from \$0.95 per month to \$10 per month. The inclusion of this revenue source is an acknowledgment that some contamination is naturally occurring or comes from human sources. At the request of RCRC, water systems of 200 service connections or less are exempted from this charge, as are specified low-income customers, and non-potable uses of water.

In addition to this new levy, both measures anticipate revenue streams from the regulated community to address agricultural practices that may have resulted in nitrates reaching groundwater either through the over-application of fertilizers, or related to overlying dairy and livestock facilities. It should also be noted that despite being aware of this problem for years, funding to address the situation has not been forthcoming. Given this background, and the diverse group of agricultural and community representatives agreeing to the approach taken in SB 623 and the Governor's BTB, this solution may offer the most equitable approach to providing safe drinking water to these communities.

SB 623 is a two-year measure; the "action" around this topic is now focused on the BTB. Should this approach prove unsuccessful, the author has indicated he reserves the right to bring up SB 623 in the latter part of the legislative session.

Staff Recommendation

Information only. The lack of safe drinking water in some of California's rural communities, many of which are low-income, is both a public health and social issue that deserves to be addressed. In the absence of this approach, it will ultimately fall upon counties to address and provide resources to remediate the situation. Taking this into account, along with the exemption of many public water systems, RCRC has lent its support to the BTB in addition to SB 623.

Attachments

- Copy of SB 623 (Monning)
- Copy of RCRC Letter on the Proposed Budget Trailer Bill
- Copy of Tulare County's Support Letter for SB 623

John Friedenbach

From: Spinos, Carol -FS <cspinos@fs.fed.us>
Sent: Friday, May 04, 2018 8:39 AM
To: Undisclosed recipients:
Subject: Six Rivers National Forest - PG&E: Special Uses
Attachments: 1950_SRNF_PGE_Scoping_Letter_20180504.pdf;
PGE_Powerlines_and_Associated_Facilities_Public_Scoping_Information.pdf; USFS Electric Distribution Table - Appendix A.pdf; USFS Electric Transmission - Appendix A.pdf; usfs_11x17_Six Rivers NF.pdf

Dear Interested Party,

The Six Rivers National Forest is proposing to authorize continued use and occupancy of National Forest System (NFS) lands to Pacific Gas and Electric Company (PG & E) for existing electric system facilities under Special Use Authorization forest-wide, by issuing replacement Special Use Authorizations, to consolidate and administratively combine current and expired authorizations.

The purpose and need, proposed action, and map of the project area are enclosed for your review. A 30-day public scoping period begins May 4, 2018 and will end on June 4, 2018. During this time, public comments concerning the proposed action may be submitted to help Forest Service staff identify potential impacts and issues related to the project.

Please send comments in writing via email to: Tim Cardoza, Natural Resources Planner, at tcardoza@fs.fed.us with "PG&E, Six Rivers National Forest" in the email subject line. You may also submit written comments by mail to: Tim Cardoza, US Forest Service, Attn: PG&E, Six Rivers National Forest, 631 Coyote Street, Nevada City, CA 95945. Mr. Cardoza can also be reached by phone at (530) 478-6210. You may also contact Spencer Bleadorn, sbleadorn@fs.fed.us, 858-401-0562 for any questions you have.

Thank you for your interest in public lands administered by the Six Rivers National Forest.



Carol Spinos
Environmental Planner
Forest Service
Six Rivers National Forest

p: 707-441-3561
cspinos@fs.fed.us

1330 Bayshore Way
Eureka, CA 95501
www.fs.fed.us



Caring for the land and serving people

CONTINUING BUSINESS

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

From: John Friedenbach

Date: May 4, 2018

Subject: Water Resource Planning (WRP) – Status Report

.....

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

1) Top-Tier Water Use Options

a) Local Sales

No significant activity has transpired on this topic during the past month. Periodically our office receives inquiries to issue "Will Serve" letters for new cannabis enterprises.

b) Transport

The Transport Committee, Directors Latt & Rupp, and I had a Skype meeting with Erico Tavares regarding ocean transport of water. The committee will report out on the meeting.

c) Instream Flow Dedication

Waiting for grant agreement documents from the Wildlife Conservation Board for our grant .

Humboldt Bay Municipal Water District

To: Board of Directors
From: John Friedenbach
Date: May 4, 2018
Re: Enforcement Against Illegal Cannabis Grows

Discussion

At the April Board meeting the topic of possibly providing funding to local law enforcement against illegal cannabis grows was discussed. The Board requested further information on possible funding opportunities that the District could provide.

I met with Scott Bauer of the CDFW's Watershed Enforcement Team (WET) to discuss this issue. He mentioned that the District had done something similar in the past via a grant mechanism to his agency. He will provide the appropriate documentation to us for review. He recommended that potentially funding the cost of overtime would enhance their operations.

I relayed the Board's request that any funds be dedicated to enforcement activities within the Mad River watershed. And that we would like to receive metrics on the effectiveness of the enforcement activities that were funded. Items such as, but not limited to: number of plants eradicated, quantities of chemicals removed, source of water, and location relative the R. W. Matthews Dam were discussed. He agreed that these type of metrics could be provided.

Action

Staff is requesting authorization to pursue providing grant funding in the amount of \$10,000 to the CDFW WET to augment their overtime budget for illegal cannabis eradication within the Mad River watershed. The budget line item source for this funding would be the Mad River Watershed Regulatory Compliance line item.

Lost Coast Outpost

April 16, 2018

RYAN BURNS / TODAY @ 2:20 P.M. / LOCAL GOVERNMENT

Busting Pot Farms From Space, Take Two: Supervisors (This Time) Approve Contract for High-Resolution Satellite Monitoring



Image of a satellite courtesy National Oceanic and Atmospheric Association.

After the item was pulled from last week's agenda without explanation, today the Board of Supervisors approved a contract with San Francisco company Planet Labs Inc. to provide high-resolution satellite imagery of the county's rural areas, allowing staff to monitor both legal and illegal marijuana cultivation.

The contract was on the consent calendar, meaning supervisors could have approved it without discussion, but Second District Supervisor Estelle Fennell asked that it be pulled so that Planning and Building Director John H. Ford could address some concerns that her constituents had raised.

Those concerns, as you might expect, were about who will have access to the images and how they will be used.

Ford explained that the satellite imagery, which will be updated at least five times per year, will be used for code enforcement — cracking down on illegal weed grows spotted from space — as well as site inspections for development permits, allowing county planning staff to see conditions on the ground without physically traveling to each property.

Ford said these physical site inspections are time consuming.

"On Sundays we're sending inspectors out, and they can literally visit three sites a day. It takes an hour and a half to get down there and an hour and a half to [travel] between sites."

The satellite images will allow staff to look at property before permitted marijuana cultivation takes place and track those activities over time — all from the comfort of a computer screen.

Ford assured the public that the images won't be used for proactive building code enforcement investigations, which continue to be complaint-driven. Instead, the satellite imagery will be used for proactive investigations only for the purposes of cannabis enforcement and abandoned vehicle abatement, Ford said.

The authorized viewers of the images will include county staff, though Ford noted that they work collaboratively with other government agencies, including the California Department of Fish & Wildlife and the North Coast Regional Water Quality Control Board. While no formal sharing agreements have been reached, Ford suggested that those agencies may well have access to the imagery.

They're also a matter of public record, and Ford said county staff intends to upload one full set of images per year into the county's online geographic information system (GIS) mapping application.

Fennell said she received a phone call before the meeting this morning from someone who wanted to emphasize the importance of using this technology to crack down on illegal weed growing operations. "There's a great degree of support for [using the satellite imagery] as a tool ... to clean things up in the county with regard to that issue," Fennell said.

First District Supervisor Rex Bohn downplayed privacy concerns, saying satellite imagery was first used in 1949 and is now utilized by 70 percent of public agencies. (The *Outpost* has not verified this claim.)

"The basic thing is, if you're doing everything right this shouldn't bother you at all," Bohn said.

McKinleyville resident and former county planning commissioner Dennis Mayo didn't care for that formulation and told Bohn as much. Mayo said he had some privacy concerns, wondering of some obscure non-governmental organization — "anyone with an ox to gore" — might be able to gain access to the images.

Ford repeated that the images will be public record, available to anyone who might choose to file a Public Records Act request.

Supervisors directed staff to come back with an official policy spelling out how the imagery will be shared with other agencies, and with that the motion to approve the contract was approved unanimously, with Third District Supervisor Mike Wilson absent.

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors

From: John Friedenbach

Date: May 4, 2018

Subject: Status Report on the MCMP, LLC response letter

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At the Board's Special Board meeting on April 20th, the Board directed staff and counsel to draft a response letter to the permit and zoning withdrawal letter submitted to the County on April 17th from the Harrison, et al law firm. Attached for your reference is a copy of that letter and recent news articles.

The Board also requested that it be provided a draft of the response letter prior to its issuance to the County. Staff and counsel are still in the process of finalizing the content of the draft response. It will be provided to the Board with copies for the public at the May 15th Board meeting for review and comment.

April 17, 2018

Mr. John Ford
Director
Planning and Building Department
3015 H Street
Eureka, CA 95501

Re: Withdrawal of SP-16-015 and ZR 16-001

Dear Mr. Ford:

On behalf of Mercer-Fraser Company and MCMP Humboldt, LLC, please accept this letter as the formal withdrawal of Application No. 10244 for Special Permit 16-015 and Zone Reclassification 16-001.

By way of background, on October 17, 2017, the Humboldt County Board of Supervisors approved a comprehensive General Plan Update. The General Plan Update was the culmination of an approximately nine-year planning process, involving countless public hearings, community workshops, and other public meetings. The General Plan Update applied land use designations consistent with existing uses throughout the entire inland portion of the County, among other things. These land use designations and policies within the General Plan's Land Use Element are intended to guide the long-range growth, development, and use of land in the unincorporated areas of Humboldt County through 2040. The General Plan Update calls for a comprehensive revision to the County's Zoning Regulations to "re-establish zoning consistency with the policies of the General Plan and amend the Zoning Map to achieve consistency with the General Plan Land Use Map" within two years. (General Plan, p. 4-14.)

As part of the General Plan Update, the County changed the project site's land use designation to Industrial, Resource Related (IR), consistent with the site's current and historical industrial use. These industrial uses, including but not limited to, mining, aggregate processing, ready-mix concrete, and hot-mix asphalt production have been ongoing at this site for approximately 100 years. The site currently consists of an active and fully permitted and vested sand and gravel mine site and processing facility, including portable asphalt and concrete batch plants. The General Plan Update also changed numerous other land use designations located along the Mad River to the IR designation, both upstream and downstream of the Project site.

Mercer-Fraser and its predecessors have historically had a cooperative relationship with its neighbor, the Humboldt Bay Municipal Water District. Prior to the Water District's current appeal, the Water District never once raised concerns to Mercer-Fraser that its industrial operations could have an adverse impact to the Water District's water supply. In fact, the Water District has previously allowed Mercer-Fraser to conduct mining and processing operations on the Water District's own property, near the Raney collectors, without raising any environmental concerns. During the nine-year General Plan Update process, which included multiple public hearings and workshops, the Water District never once raised a single concern that changing the Project site's General Plan land use designation to reflect the

Mr. John Ford
Withdrawal of SP-16-015 and ZR 16-001
April 17, 2018

site's actual use may have a deleterious impact on the Water District's water supply. The Water District also did not raise issue with any other property's land use designation change to IR in the area and along the river.

The project proposed to produce medical cannabis products using both nonvolatile and volatile solvents in a closed-loop extraction system, as allowed by and in accordance with the State's Medicinal and Adult-Use Cannabis Regulation and Safety Act ("MAUCRSA"), the Bureau of Cannabis Control's Regulations for the manufacture of cannabis products, the County's Commercial Medical Marijuana Land Use Ordinance ("CMMLUO"), and all best practices for the manufacture of cannabis products.

On January 11, 2018, the Humboldt County Planning Commission voted to recommend a zone reclassification of APN 504-161-010 from Agriculture General (AG) to Heavy Industrial with a Qualified combining zone (MH-Q). The zone reclassification is necessary to implement the property's new General Plan land use designation of Industrial, Resource Related (IR). The zone reclassification also better reflects the existing and historic industrial use of the property. The Qualified combining zone would have restricted the industrial uses on the project site to only those historical and/or permitted uses. Future industrial uses would still require the operator to obtain a permit from the County.

The Planning Commission also voted to approve a cannabis products manufacturing facility. The Special Permit permits the production of medical cannabis products using both nonvolatile and volatile solvents, as allowed by and in accordance with the State's MAUCRSA, the Bureau of Cannabis Control's Regulations for the manufacture of cannabis products, the CMMLUO, and all best practices for the manufacture of cannabis products. The Special Permit for cannabis manufacturing is consistent with the property's long-time industrial uses and is allowed in MH-Q zones.

With the assistance of Supervisor Ryan Sundberg, MCMP met with the Water District on multiple occasions to discuss the Project. In a show of good faith towards resolving the Water District's concerns, MCMP voluntarily placed limits on the Project and revised its operations plan to satisfy the Water District.

Unfortunately, the Water District, for unknown reasons, worked behind the scenes to marshal opposition to the project, all while purporting to consider MCMP's good faith efforts to address the Water District's concerns. Ultimately, it became apparent that the Water District did not engage, nor ever had any intention of engaging, in a good faith discussion with MCMP and Mercer-Fraser.

Given that the Water District's activities surrounding the Special Permit and Zone Reclassification have rendered a fair hearing impossible at this time, MCMP and Mercer-Fraser have decided to formally withdraw the project from further consideration by the County at this time.


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Mr. John Ford
Withdrawal of SP-16-015 and ZR 16-001
April 17, 2018

SECTION H3 PAGE NO. 4

Should you have any questions concerning the matters discussed herein, please do not hesitate to contact me by telephone at (916) 228-4221, or by e-mail at aguernsey@hthjlaw.com.

Very truly yours,
HARRISON, TEMBLADOR, HUNGERFORD & JOHNSON

By 
Adam K. Guernsey, Esq.

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of Politics, People and Art

May 3, 2018 • Volume XXIX Issue 18
North Coast Journal Inc.
www.northcoastjournal.com

ISSN 1099-7571 © Copyright 2018

Publisher

Judy Hodgson
judy@northcoastjournal.com

General Manager

Chuck Leishman
chuck@northcoastjournal.com

News Editor

Thadeus Greenon
thad@northcoastjournal.com

Arts & Features Editor

Jennifer Fumiko Cahill
jennifer@northcoastjournal.com

Assistant Editor/Staff Writer

Kimberly Wear
kim@northcoastjournal.com

Staff Writer

Linda Stansberry
linda@northcoastjournal.com

Calendar Editor

Kali Cozyris
calendar@northcoastjournal.com

Contributing Writers

John J. Bennett, Simona Carini, Wendy Chan,
Barry Evans, Gabrielle Gopinath, Collin Yeo

Art Director/Production Manager

Holly Harvey: holly@northcoastjournal.com

Graphic Design/Production

Miles Eggleston, Carolyn Fernandez,
Jacqueline Langeland, Amy Waldrip,
Jonathan Webster

ncjads@northcoastjournal.com

Creative Services Manager

Lynn Leishman lynn@northcoastjournal.com

Advertising Manager

Melissa Sanderson
melissa@northcoastjournal.com

Advertising

Linus Lorenzen linus@northcoastjournal.com
Tyler Tibbles tyler@northcoastjournal.com
Kyle Windham kyle@northcoastjournal.com

Social Media Coordinator

Sam Armanjino sam@northcoastjournal.com

Classified Advertising

Mark Boyd classified@northcoastjournal.com

Office Manager

Annie Kimball annie@northcoastjournal.com

Bookkeeper

Deborah Henry billing@northcoastjournal.com

Mail/Office

310 F St., Eureka, CA 95501
707 442-1400 FAX: 707 442-1401



www.northcoastjournal.com

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SECTION H3 PAGE NO. 5
Mailbox

*Also appeared in
Mad River
Union*

**It's Not Over
'Til It's Over**

Editor:

Relief over Mercer-Fraser Co.'s withdrawal of its permit for a marijuana refinery near the Mad River water wells may be premature and praise for Ryan Sundberg's "behind-the-scenes" assistance, by himself and others ("Mercer-Fraser Co. Withdraws Controversial Glendale Site Plans," posted online April 18), unwarranted.

Mercer applied for the permit in 2015, and this Board of Supervisors made the changes in the floodplain's land-use designation in the General Plan Update over a year and a half later, and the fix was in.

This January, the county planning commission, led by Ryan's appointee Ben Shepherd, ignored the pleas of the Humboldt Bay Municipal Water District, which the commission had failed to include in the 14 "referral agencies" notified of the project, and approved the permit 3-2. Brian Mitchell, Ryan's choice for commissioner over Nicole Sager, assistant director of the Yurok Tribe's planning department, abstained! (Ms. Sager could have been the sole woman on the commission.)

Mercer's lawyer leaves the door open for reapplication, perhaps post-election?

Sound policymaking depends on anticipating outcomes, especially when they are advertised in advance, and taking responsibility for their adverse consequences, not credit for "fixing" the fix.

Mercer wants to use the same permitting to operate another marijuana processing facility close to the Big Rock swimming hole on the Trinity River, near the elementary school.

These careless decisions to risk our precious water supplies in favor of the well-connected, not only cost the public time, energy and money, but also show how important political appointees are to how we develop as a community. Are they inclusive or exclusive, and can we prevent these expensive delayed "fixes?"

Ken Miller, McKinleyville

A Teachable Moment

Editor:

The dispute over the President McKinley statue has been a teaching moment. Who knew so much about him before the published letters over the removal of his statue! He was an abolitionist, said to have been a compassionate man, and fought against racial and religious bigotry. His assassination in 1901 is the reason his statue came to be at the Arcata Plaza.

Most people in Humboldt County know about the atrocities committed by many of

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News April 26, 2018

Supes Candidates Square Off in First Forums of Election Season

BY THADEUS GREENSON

NIC Journal Blog

The races for two seats on the Humboldt County Board of Supervisors officially kicked into gear April 23 with the public watching the candidates square off in real time at a pair of forums.



click to flip through (2)

THADEUS GREENSON

Steve Madrone (left) and Ryan Sandberg debate the issues.

In the race for the Fourth District seat held by two-term incumbent Virginia Bass, the League of Women Voters and the Rotary Club of Eureka hosted Bass and challengers Dani Burkhart and Mary Ann Lyons before a room of a few dozen people, mostly Rotarians, finishing lunch. About six hours later and 20 miles north, two-term Fifth District incumbent Ryan Sundberg took the stage with challenger Steve Madrone before a packed audience of more than a couple hundred at Azalea Hall. In both venues, there was a lot to talk about. A moderator peppered the candidates with questions, giving them a minute apiece to respond.

Fourth District

First elected to the board in 2010, Bass is the former mayor and a life-long resident of Eureka, where she also served on the city council, and she spent much of the forum touting her experience and accomplishments. Burkhart is an environmental planning consultant who has lived in Humboldt County for about nine years and worked primarily as a cannabis industry consultant before Bernie Sanders' failed presidential bid in 2016 inspired her to get involved in local politics via the Humboldt County Democratic Central Committee, becoming vice treasurer in 2017. Lyons, meanwhile, is an independent study teacher for kindergarten through eighth graders and a community organizer, most notably having served as the local chair of Barack Obama's 2007 primary campaign. All three are Humboldt State University graduates.

The first question the candidates faced at the forum — what they would do to attract non-cannabis-related businesses offered a contrast.

Burkhart responded that cannabis is important but not the "end all, be all" of the local economy, saying surveys have shown local employers need workers with industry-specific skills, so she'd like to see the county focus on training programs and fostering a

better relationship with HSU. Bass said housing is a big economic barrier. While affordable housing is often talked about, she said there's also a shortage of "workforce" and "professional" housing that can make it hard for the county to attract businesses, as well as recruit and retain a skilled workforce. Lyons centered her answer on a single word: redundancy. She said the county needs more fiber optic infrastructure to prevent internet outages and make the county a more desirable home for businesses. She also pointed to vocational training as a need.

There was a bit more uniformity on railroads and trains. Lyons and Burkhart both talked enthusiastically about state Sen. Mike McGuire's pending bill to dissolve the North Coast Rail Authority and replace the north-south track with a trail, saying they believed better trail systems would prove an economic driver for the North Coast. Bass was more tepid in her support, saying there's some confusion about the bill, but said she thinks rails to trails has "always been an amazing concept." All three candidates indicated they are intrigued by the proposal to create an east-west rail line that would connect Humboldt Bay to the national rail grid — a proposal that at least one study has shown prohibitively expensive and not economically viable. The candidates said they like the idea, but all indicated county resources are better spent in other areas until proponents of the concept can push it further along.

Asked whether they support the ballot initiative to designate Humboldt County a "sanctuary county," which would prohibit "collaboration and information sharing" between county employees and U.S. Immigrations and Customs Enforcement, except as required by law for some serious crimes, Lyons and Burkhart were emphatic in their support. But Bass said she opposed the measure, saying she thought it would give people a "false sense of security" because the county can't keep ICE from enforcing immigration laws within its jurisdiction and "won't change anything the sheriff currently does."

All three candidates said they are opposed to placing a safe injection site — a managed facility in which intravenous drug users could shoot up without fear of arrest or citation — within the Fourth District. On the subject of Measure Z funding — the revenue from a half-cent countywide sales tax increase — the candidates also agreed too much of the funding is going toward the sheriff's office and they'd like to see more spent on addressing homelessness and addiction. Burkhart and Lyons also indicated they felt Eureka — the county's retail center that is responsible for a hefty percentage of those Measure Z dollars — isn't getting its fair share of funding. Bass didn't seem to disagree, but said the county can only fund what's applied for and indicated she's "encouraging" the city of Eureka to apply for more funding.

On the subject of how to improve healthcare on the North Coast, Burkhart said the county needs to support re-launching HSU's nursing program and quality-of-life improvements (addressing blight, building trails) to attract skilled workers. Lyons said the county needs to do a better job of selling itself as a desirable place to live and come up with creative incentives, like potentially developing properties to serve as subsidized housing for medical professionals. She also said there's a "monopoly" on providers and the community needs to "work together" to come up with better solutions. Bass also voiced support for the HSU nursing program and said working to increase air travel options will make the area more desirable for upwardly mobile professionals. She also said the county needs to think outside the box, pointing to Open Door Community Health's practice of helping physicians' grandparents and support systems relocate to Humboldt County along with them.

The forum was recorded and will be broadcast on Access Humboldt. Check www.accesshumboldt.net for a schedule of show times or to view it online. The candidates are also slated to participate in a live KEET-TV forum May 9 at 7 p.m.

Fifth District

Minutes before the forum was slated to begin in McKinleyville, a handful of volunteers scrambled to put out extra chairs, the crowd already spilling out of the more than 150 chairs that had been set up. On stage, Sundberg — a lifetime McKinleyville resident and former insurance broker turned two-term incumbent and California Coastal commissioner — sat next to Madrone, a 45-year Humboldt County resident and executive director of the Mattole Salmon Group who teaches forestry and watershed management at HSU and has worked in watershed management, land-use planning and trail building. Both candidates are HSU graduates.

As in the Fourth District forum, the two candidates fielded more than two dozen questions with a minute each to respond.

In his opening statement, Sundberg touted his job performance, noting that four years ago he sat in the same hall "talking about jobs and public safety" and that today the sheriff's office is fully staffed, having added dozens of deputies. Of the county's 3.4 percent unemployment rate, Sundberg said, "I can't take credit for that but I think the general direction that our board has set has contributed." Madrone took the opening statement as a chance to introduce himself to the crowd, detailing his ties to the community — four kids, 16 grandkids — and his past work, which he said created jobs and brought some \$20 million in grant funds into Humboldt County. He said he's working "to create lasting health and wealth" in the Fifth District.

When asked about the biggest environmental challenges facing the county, both candidates pointed to the cannabis industry, particularly the estimated 10,000 or so farms that haven't taken any steps toward compliance. Sundberg touted the county's work revamping its code enforcement unit and levying \$10,000-a-day fines against some farms. The incumbent said the conversation needs to be split between compliant and uncompliant farms, as those in compliance are "sustainable farms at this point." Madrone countered that the county's ordinance rewards bad actors and hasn't done enough to protect small farmers.

On a related note, the candidates were asked about whether they would permit industries using "dangerous chemicals in floodplains," an obvious reference to Mercer-Fraser Co.'s now defunct proposal to put a cannabis concentrate manufacturing facility on its property in Glendale, adjacent to where the Humboldt Bay Municipal Water District pulls the majority of Humboldt County's drinking water from the Mad River.

Sundberg responded that Mercer-Fraser's proposal was actually to place the the facility "2 feet" above the floodplain and that the project's volatile chemical was actually alcohol. Nonetheless, Sundberg said he "was not supportive" of the project and made clear it "will not be coming back, either, for any rumor starters."

Madrone said 2 feet is still too close for comfort and pointed out that the planning commission approved the project. Moving forward, Madrone said there were changes made in the General Plan Update process that make way for similar changes and give developers "false hope."

The challenger also made several references to what he sees as a potential conflict of interest with Sundberg and other unspecified supervisors who have taken large campaign contributions from the cannabis industry. Madrone said he has not — and will not — take any contributions from large players in the commercial cannabis industry. "When you're elected, the public trust is so important," Madrone said, adding that even the appearance of a conflict should be grounds for a supervisor to recuse himself or herself from a vote.

Sundberg countered that whenever there's a question surrounding a conflict of interest, he has consulted county counsel and followed the office's advice. Specifically on the subject of campaign finances, Sundberg said he's gotten a "whole bunch" of maximum donations of \$1,500, but said those have come from folks in both the pro- and anti-cannabis camps.

As in the Fourth District, the candidates were also asked whether they support the "sanctuary county" initiative. Madrone said he does, while Sundberg said he doesn't. Sundberg said it would take a tool away from the sheriff to deal with serious and violent felons, adding that the sheriff's office has only proactively contacted ICE twice in the last couple of years, once to deal with a child pornography suspect and once for a large-scale drug trafficker.

The candidates also faced a number of McKinleyville-specific questions. Regarding a controversial proposal to put a Dollar General store in a predominantly residential neighborhood across the street from McKinleyville High School, Sundberg said the project is principally permitted under the parcel's commercial zoning and there isn't much the county can do. Madrone countered that he doesn't think it's a "done deal" and the county needs to do a better job of informing residents of potential zoning changes. Asked about the pending construction of a Department of Health and Human Services service center in town, Sundberg stressed that the project is only designed to serve children and families. Drug treatment services, and those for the homeless, "they're staying in Eureka," Sundberg said. Madrone said, "These issues don't just exist in Eureka," and he favored a "dispersed approach" in which every community has the services to address the issues it faces.

To watch the full forum — in which the candidates also weighed in on the McKinleyville Town Center plans, community forests and water quality at Clam Beach — visit Access Humboldt. Madrone and Sundberg are also slated to square off again at 7 p.m. on May 2 at the Willow Creek Community Services District Office and again on KEET-TV May 7 at 7 p.m.

— Thadeus Greenson is the Journal's news editor. Reach him at 442-1400, extension 321, or thad@northcoastjournal.com. Follow him on Twitter @thadeusgreenson.

Tags: News, Virginia Bass, Dani Burkhart, Mary Ann Lyons, Fourth District, League of Women Voters, Rotary, Ryan Sundberg, Steve Madrone, Fifth District, McKinleyville, Eureka

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speaking of...



Cruise Ships Coming to Humboldt Bay
Apr 23, 2018



Mercer-Fraser Co. Withdraws Controversial Glendale Site Plans
Apr 18, 2018



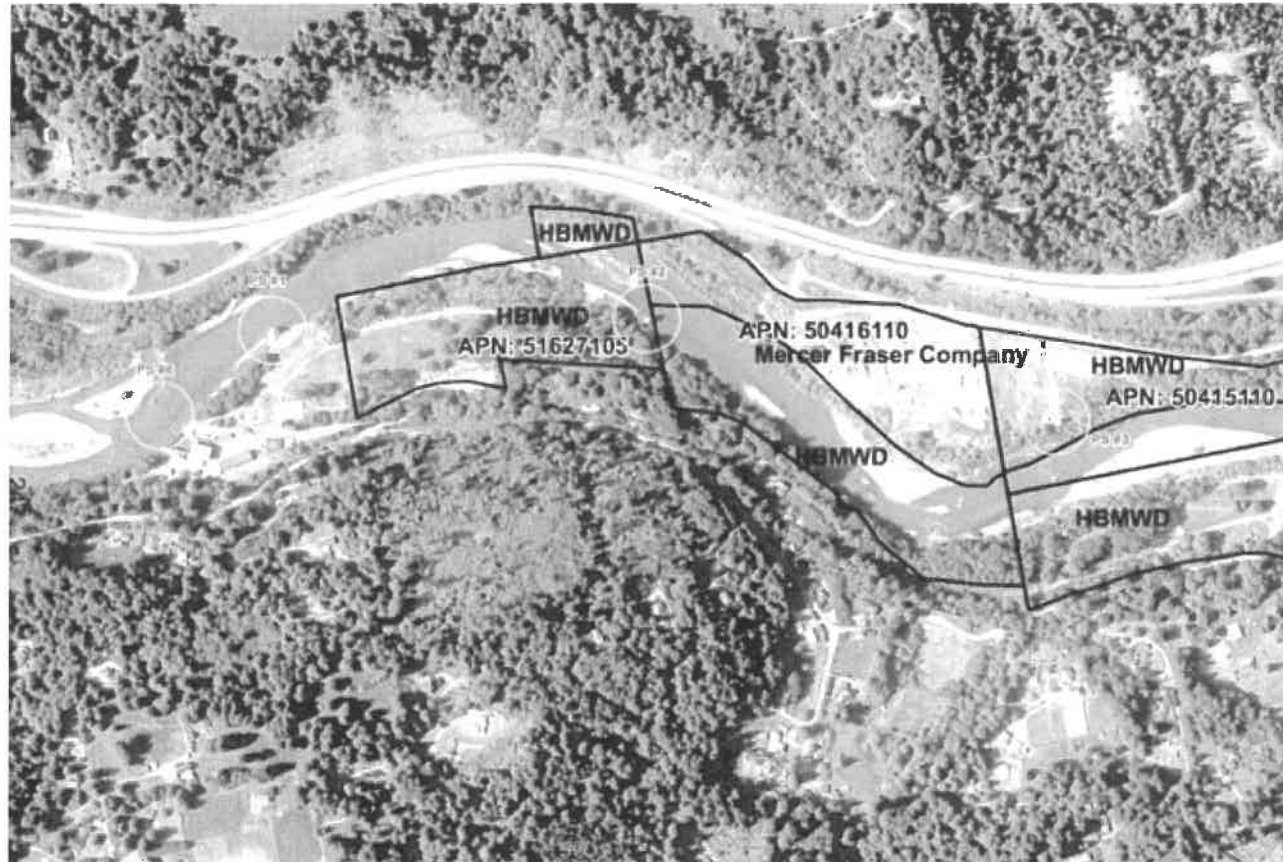
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Mercer-Fraser pulls Mad River pot plant plan

SECTION 43, PAGE NO. 10

Featured News 21 hours ago



The defunct Mercer-Fraser project site along the Mad River. Yellow circles are aquifer wells from which the Humboldt Bay Municipal Water District draws local drinking water.

Daniel Mintz
Mad River Union 4/25/18

GLENDALE – Heeding concerns about potential contamination of drinking water, the Mercer-Fraser company has withdrawn a cannabis manufacturing project whose approval also included a controversial rezoning.

Fifth District Supervisor and Board of Supervisors Chair Ryan Sundberg announced last week that both the project and the rezoning are withdrawn.

And in an interview, he said speculation that the project could re-emerge after the June election, when voters will decide on his re-election, is off-base.

“I even wrote on the *Times-Standard* Facebook page, under an article about this, that I will resign if (the project) comes back up any time after the election,” he said.

Mercer-Fraser proposed to operate a 5,000-square-foot cannabis manufacturing facility at its 13.5 acre Glendale area site bordering the Mad River. The site hosts the company’s gravel mining and processing operation

More controversial than the project itself is an associated rezoning of the site from agricultural-general to resource-related industrial, a heavy industrial category. The change is directed in the recently-approved version of the county's General Plan, as supervisors want to make Mercer-Fraser's gravel processing operation consistent with zoning.

Prior to a close Planning Commission vote to approve the project and rezone last January, John Friedenbach, general manager of the Humboldt Bay Municipal Water District, warned that the rezoning could lead to contamination of drinking water if heavy industrial use is done at the site in the future.

The district's collectors and a surface intake are near the site and Friedenbach told the commission a water well is "a direct conduit for the source groundwater for our district."

After the Planning Commission's approvals, the district's board of directors voted to file appeals to the Board of Supervisors.

It soon became obvious that the proposed changes at the site wouldn't be affirmed. "The community has pretty much made it clear that this is not a project that they're interested in supporting," Sundberg said.

Mercer-Fraser agreed to withdraw the permit and, later, the rezone after negotiating with the district and the county, he continued.

The heavy industrial General Plan designation remains, however, but Sundberg said ways to limit or block projects that could pose drinking water threats are being considered.

The designation was applied because Mercer-Fraser's gravel mining has been ongoing for decades. Considered a legal non-conforming use, the gravel processing now is aligned with the General Plan's land use designation.

Sundberg said applying special conditions or creating a conservation easement would respond to the concerns about future heavy industrial development if the site is eventually rezoned.

Friedenbach credited Mercer-Fraser for its willingness to respond to the concerns and Sundberg for his work on resolving the matter.

He said the issue has been adequately addressed but more work needs to be done. "I expect that we'll have further discussions and I welcome the opportunity to have further discussions with the Board of Supervisors on the bigger issue of appropriate zoning in watersheds that are used specifically for drinking water," he continued.

During last January's Planning Commission hearing, Mercer-Fraser's gravel mining facility was described as being a far more intense industrial use than the proposed cannabis facility.

There was talk of tens of thousands of gallons of diesel fuel being stored at the site but when asked about that, Friedenbach said the descriptions are inaccurate.

"There was some fact-checking of that comment," Friedenbach continued. He said that a 30,000 gallon fuel tank did exist at the site at one time but it was decommissioned in 2012.

A much smaller tank is now there. Although fuel storage is "a perfect example of items that would be of concern to us" in the future, Friedenbach noted that Mercer-Fraser has been operating at the site long before the water district was formed in the 1950s and has been "a safe operator."

A call to Justin Zabel, the company's president, was not responded to by press time.

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Share this:



April 25, 2018
Mad River Linn
North Coast Journal

It's the zoning

Mercer Fraser's permit for a cannabis extraction plant on the Mad River is not dead. It can come back to life any time the political climate is right and the Board of Supervisors chooses to rezone the land from Agriculture to Industrial.

Despite possible pollution of our drinking water, the updated General Plan's land use designations allow that kind of project in a place that is expected to flood once every 100 years. Can we really know this? We do know that flooding already topped that mark in 1964, and that sea level rise and extreme weather events will continue to worsen, making that mark less and less reliable.

Zoning changes are supposed to plan for the future, not lock in uses of the past. But this Board of Supervisors, rationalizing that the riverbank next to our municipal water intake has been in non-compliant industrial use for generations already, want to bring it into compliance by changing the zoning.

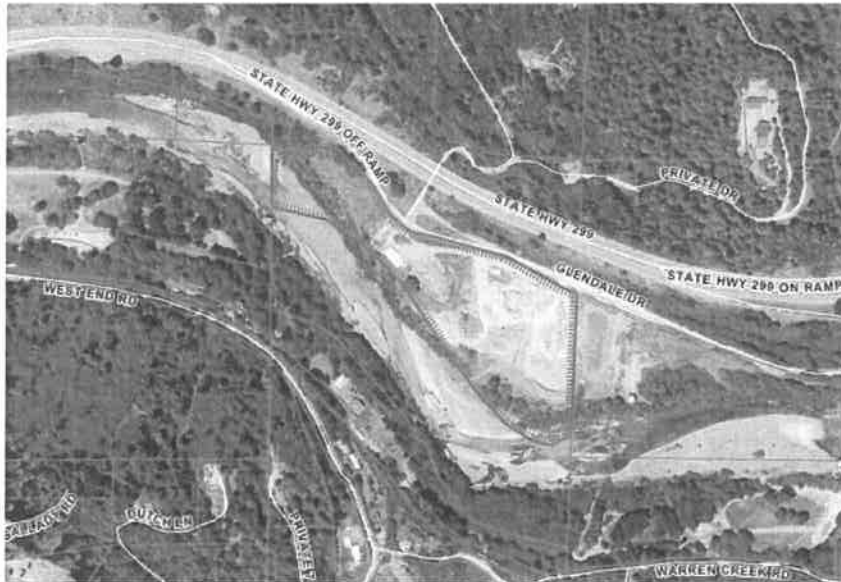
The next elections could change the 4-1 voting block on this Board of Supervisors responsible for this and other rollbacks of environmental protections in our county General Plan.

Let's vote to rebalance the Board, and improve our chances for keeping the floodplain in Agricultural zoning and having clean water and healthy watersheds.

Joyce King
McKinleyville

RYAN BURNS / TODAY @ 10:31 A.M. / NEWS 4/18/18

Mercer-Fraser Withdraws Controversial Plans for Glendale Cannabis Extraction Plant and Rezone Request



Mercer-Fraser has abandoned plans to build a 5,000 square-foot marijuana manufacturing facility on a 13.5 acre parcel along the Mad River between Glendale Dr. and West End Rd. | Image courtesy County of Humboldt.

In a surprise announcement Wednesday morning, Fifth District Supervisor Ryan Sundberg tells the *Outpost* that Mercer-Fraser Co. has withdrawn plans for a controversial cannabis extraction facility along the banks of the Mad River, near Glendale, as well as a request to rezone the property heavy industrial.

Humboldt County Planning and Building Director John Ford confirms that the county received a letter from Mercer-Fraser's attorney Tuesday night withdrawing both the proposed plans for a cannabis extraction facility and the request to have the property rezoned from agricultural to heavy industrial.

The project, which was narrowly approved by the Humboldt County Planning Commission earlier this year, has drawn a great deal of public scrutiny as well as an official appeal from the Humboldt Bay Municipal Water District (HBMWD), whose leadership has argued that heavy industrial use on the property threatens to "adversely affect the domestic drinking water supply for nearly two thirds of the population of Humboldt County."

Reached by phone this morning, HBMWD General Manager John Friedenbach said he had not heard of Mercer-Fraser's plans to abandon the project.

"I'm surprised," he said before quickly adding, "I reserve final judgment pending seeing that in writing." Friedenbach added that if it proves to be true, "obviously the district is very glad to hear that."

Sundberg recently has been alluding to an agreement that would please everybody, though earlier this week Mercer-Fraser President Justin Zabel said he couldn't discuss what was in the works.

"We're working on a good solution right now," Zabel said on Monday. "So I guess stay tuned."

He went on to say that he felt the project has been largely misunderstood, especially the request to rezone the property heavy industrial, which he said was a natural extension of changes made to the the underlying land use designation during the county's general plan update.

Mercer-Fraser has operated a gravel yard and concrete batch plant on the premises for years.

"People talk about how the public should know what's going on; this general plan [update] was going on for 10 years," Zabel said, noting that Mercer-Fraser and other property owners in the Glendale region filed rezone requests as part of the open public process.

Zabel added that the company had no plans to operate the proposed cannabis extraction facility itself; rather, it was building it to lease. The proposal proved controversial largely because of plans to use volatile solvents, including butane, propane and carbon dioxide, in the extraction process.

HBMWD staff said heavy industrial activity near their Ranney Collectors(pump houses) threatened to contaminate the drinking water for up to two-thirds of the population of Humboldt County. These pump houses draw water up from the aquifer through the sands and gravel of the riverbed, providing filtered drinking water to residents of Eureka, Arcata, McKinleyville, Blue Lake, Manila and other communities in the north bay region.

Mercer-Fraser's property sits within the Mad River's 100-year flood zone, though Zabel said the company had agreed to build the cannabis extraction facility two feet above that designated elevation and had gone above and beyond state regulations in designing a septic disposal system.

"I am very happy to have this issue come to a successful conclusion," Sundberg said. "It took a little more time because Mercer-Fraser wanted to look into withdrawing both the permit and the rezone. I want to thank them for working with me through the issues and their responsiveness to the community."

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Eureka Times-Standard (<http://www.times-standard.com>)

SECTION H3 PAGE NO. 16

Mercer-Fraser scraps Glendale cannabis facility project following months of backlash, Sundberg says

By Will Houston, Eureka Times-Standard

Wednesday, April 18, 2018



After months of negotiations regarding concerns over the potential for drinking water contamination, Mercer-Fraser Company will withdraw its permit application to build a cannabis concentrate manufacturing facility in Glendale, according to 5th District Humboldt County Supervisor Ryan Sundberg this morning.

The project drew controversy after the Humboldt Bay Municipal Water District, which supplies water to seven municipalities and about two-thirds of county residents, voiced concerns about the proposed facility being just upriver of one its drinking water pumps on the Mad River.

Sundberg said the project was in his district and that he has been working with the water district and Mercer-Fraser during the past few weeks to help settle the matter.

"I've been hinting for a while that this was going to happen," Sundberg said. "I know some people didn't believe it was going to happen. I saw some of the comments on Facebook. I'm hopeful that this eases the fears in the community and people know that this is finally concluded."

Sundberg said that the company submitted an email to the Planning and Building Department on Tuesday evening notifying them that they will be pulling the permit application and their request for a rezone of the property that would allow the facility to be built.

The Times-Standard has reached out to Mercer-Fraser CEO Justin Zabel for confirmation and comment.

Mercer-Fraser Company sought to construct a 5,000-square-foot facility at 90 Glendale Drive that would manufacture cannabis concentrates and edibles using volatile extraction methods in a closed-loop system. The company was applying for the project under the name MCMP LLC.

One of the main concerns by Humboldt Bay Municipal Water District officials was not the cannabis facility, but a proposed zoning change on the property that must be made in order for it to be built, which the district potentially allow for other types of industrial uses to move onto the property.

The district and its seven municipal customers had expressed concern that the facility and the proposed zoning change at the property could potentially allow industrial contaminants to make their way into the groundwater or drinking water. The company stated local and state regulations require safe containment of any chemicals used at the facility and that any future industrial uses at the property would have to be approved through a publicly vetted permitting process.

Sundberg said that Mercer-Fraser still has vested rights to the property and will be continuing its current gravel mining operations.

“I know one of the goals of the water district is to really lock in the uses that are there now and have no expansion of industrial uses,” Sundberg said. “That is also a goal of Mercer-Fraser.”

Sundberg said that with the project now being pulled, it will give the parties more time to discuss how to accomplish that such as through a conservation easement or creating a qualified industrial zone.

Changes to the property’s land use designation through the recently approved General Plan will require a rezoning of the property. Sundberg said the company’s gravel mining operation is considered a legal nonconforming use of the property.

This article will be updated when more information becomes available.

Will Houston can be reached at 707-441-0504.

SECTION 43, PAGE NO. 17

URL: <http://www.times-standard.com/general-news/20180418/mercere-fraser-scraps-glendale-cannabis-facility-project-following-months-of-backlash-sundberg-says>

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Mercer-Fraser Co. Withdraws Controversial Glendale Site Plans

POSTED BY [LINDA STANSBERRY @LCSTANSBERRY](#) ON WED, APR 18, 2018 AT 3:31 PM



• SCREENSHOT
Friedenbach and staff address the County Planning Commission in January.

A controversial project that would have created a marijuana extraction plant near the Mad River at Glendale has been withdrawn, John Ford, director of the County Planning and Building Department, confirmed this afternoon.

The project, which came before the Humboldt County Planning Commission in January, would have rezoned a parcel of land near the Mad River — currently used by Mercer-Fraser Co. as a gravel pit — to accommodate a new extraction facility that would have used butane, propane, CO₂, ethanal and isopropanol. John Friedenbach, general manager of the Humboldt Bay Municipal Water District, as well as several staff members, attended the Jan. 12 planning commission meeting to request the rezoning be denied, as they were concerned about the plant's potential to contaminate the majority of the county's drinking water, which is drawn from the Mad River near where the plant would go. When the commission voted 3-2 in favor of moving the project forward, the HBMWD appealed that decision.

Some behind-the-scenes conversations have apparently been taking place because this morning Supervisor Ryan Sundberg announced via Facebook that the cannabis permit and rezoning had been withdrawn.

"I have been working with the company for weeks now, and want to thank Mercer Fraser for a successful outcome," he wrote. Sundberg did not return an email from the *Journal* for comment.

Friedenbach, reached by phone, said the district was "very pleased."

"I would like to say I appreciate Mercer-Fraser taking action to withdraw the permit," he said. "I also appreciate Ryan Sundberg's efforts. We had reached out to the planning director early on in the appeal process and requested that our district be referred to on projects in the Mad River Watershed."

Ford, who spoke briefly with the *Journal* between meetings, confirmed his staff has received numerous calls on the subject of the Glendale permit.

Eureka Times-Standard (<http://www.times-standard.com>)

Mercer-Fraser expected to make call on Glendale pot facility Tuesday

County supervisor: 'I think everybody will be happy' with resolution

By Will Houston, Eureka Times-Standard

Monday, April 16, 2018



The Mercer-Fraser Company is expected to make an announcement Tuesday about its controversial proposal to build a cannabis manufacturing facility in Glendale upriver from a local drinking water supply pump that provides water to two-thirds of county residents, according to 5th District Humboldt County Supervisor and Board Chairman Ryan Sundberg.

Sundberg said he has been working with the company and the Humboldt Bay Municipal Water District — which supplies water to about 88,000 residents — in an attempt to resolve the water district's concerns with the project.

"I think everybody will be happy with this. Nothing has changed," Sundberg told the Times-Standard on Monday afternoon.

Mercer-Fraser CEO Justin Zabel said in an email to the Times-Standard on Monday evening a recent meeting with the county planning department and the water district was "very productive."

"We were finally able to have another meeting to meet and confer with county planning last week to discuss the entire application, rather than just the special permit application pursuant to our previous meetings and discussions with the water district and others," Zabel wrote. "The meeting was very productive which will allow us to address the concerns shortly."

The Mercer-Fraser Company is seeking to construct a 5,000-square-foot facility at 90 Glendale Drive that would manufacture cannabis concentrates and edibles using volatile extraction methods in a closed-loop system. The company is applying for the project under the name MCMP LLC. The county planning commission approved the project in January, but the water district is requesting an appeal to the Humboldt County Board of Supervisors, which will have final authorization of the project.

The district and its seven municipal customers have expressed concern that the facility and a proposed zoning change at the property could potentially allow industrial contaminants to make their way into the groundwater or drinking water. The company has stated local and state regulations require safe containment of any chemicals used at the facility and that any future industrial uses at the property would have to be approved through a publicly vetted permitting process.

The project has been on hold as the water district and Mercer-Fraser staff discuss potential resolutions. Last week, the water district's General Manager John Friedenbach said that they had reached a verbal agreement on March 19, but that Mercer-Fraser has since changed its stance and the resolution talks had fallen through. As to whether Mercer-Fraser had agreed to pull the project entirely or modify it, Friedenbach declined comment both last week and again Monday. Sundberg also deferred comment to Mercer-Fraser.

Sundberg said he was disappointed in Friedenbach's statements last week because nothing has changed about the agreement struck in March.

Mercer-Fraser staff met with county Planning and Building Director John Ford on April 9 to discuss more options, Sundberg said.

"They wanted to look at more options than just removing one permit," Sundberg said.

As to Tuesday's expected announcement, Friedenbach said, "We'll just wait and see what the announcement contains."

The water district was also contacted by Mercer-Fraser's attorney last week informing them the district's hired counsel at Pioneer Law Group in Sacramento had a conflict of interest. The law firm had represented Mercer-Fraser more than 10 years ago, but did not inform the water district, according to Friedenbach.

The district had retained the Sacramento law firm rather than its normal Eureka firm Mitchell, Brisso, Delaney and Vrieze because the firm had previously represented Mercer-Fraser Company.

Friedenbach said that the water district's board of directors voted Thursday to retain the Sacramento-based Thomas Law Group to replace Pioneer Law Group.

Will Houston can be reached at 707-441-0504.

URL: <http://www.times-standard.com/general-news/20180416/merc-er-fraser-expected-to-make-call-on-glendale-pot-facility-tuesday>

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HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO BOX 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COM

Website: www.hbmwd.com

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GENERAL MANAGER

JOHN FRIEDENBACH

April 16, 2018

Mr. Joe Mateer, Planner
City of Arcata
Community Development Department
736 F Street
Arcata, CA 95521

RE: OPPOSE AS CURRENT PROPOSED

Project: 178-051-SUB-PDP-CDP Lazzar Subdivision

Assessor Parcel Number: 507-331-066

Address: 2705 Alliance Road

Dear Mr. Mateer,

Our District respectfully submits the following information concerning the above referenced project. Our District has several major water transmission lines, a valve vault and various water vault structures including appurtenances with corresponding easements across the parcel 507-331-066. As you are aware, our District has an easement over the subject parcel, APN 507-331-066, which is currently being considered for subdivision. Please note that our easement and installations involve multiple, major transmission lines. This is not a matter of a simple, common domestic water supply mainline.

Introduction

Our District is not opposed to development, but we believe the application must consider the District's current easement rights and installations. The subdivision developments proposed in this project affect major transmission size water lines including one that supplies the City of Arcata. Our interest generally in this area involves multiple properties under which our pipes traverse. As such we are concerned with encroached development that may either inhibit our routine operations or be in the area of an emergency repair response. A break in one or more of these 27 inch to 42 inch large water transmission lines would likely result in a large area of flooding and severe soil erosion in and around the vicinity of a break. Development that adversely impacts the District's ability to immediately and expediently respond to such an emergency poses not only potential damage to the immediate area, but also the potential for a significant interruption of water service to a much broader area and a very large number of consumers. Therefore, any development that could impact these water lines and related appurtenances should be given thorough and prudent consideration and should be addressed in the permit conditions.

Our current access to the vault and structures on this and adjoining properties is via our easement over this property. We plan to continue to access all vaults and appurtenances through this property.

Areas of Concern

Private Road Access

The Applicant's subdivision map as submitted does not show the individual property lines extending under and through the private access road which the District would utilize to access our pipelines and easement. Therefore, the District respectfully requests that the City of Arcata impose development conditions that require the maintenance of this private access road such that oversized heavy equipment can utilize it. Furthermore, the District requests that the City of Arcata condition any approval for subdivision of this property such that the District be granted recordable access over this private road to the property for large size heavy equipment including such machines as Cat 322 CL with 50 foot boom excavator and 35 foot end-dump vehicle for example.

Presumably, this road would be maintained via a homeowner's association, yet no one within the subdivision is shown as owning this portion of the subdivision. This is a flaw in the proposed subdivision map.

CEQA

Page one of the City of Arcata Mitigated Negative Declaration in paragraph 3 states:

"A Humboldt Bay Municipal Water District (HBMWD) 45' +/- wide easement bisects the subject property. Three pressurized water pipes are located within the HBMED easement."

However, the Applicant's tentative subdivision map shows only a 30' easement. The CEQA document from 2006 refers to a proposed subdivision of then-owner Paik-Nicely which included agreement with the District for a 45 foot easement plus a 5 foot buffer around our pipelines. The District's original easement was very broad in scope, and was granted when the property was open pasture. (See discussion of Original Easement Rights, below.) When the 2006 subdivision was proposed (that was never consummated) the District agreed to a limitation and refinement of its easement rights to allow the development proposed at that time to go forward. To utilize this CEQA document with the Applicant's proposed subdivision without complying with this prior agreement, or something substantially similar and consented to by the District, is a flawed CEQA process. The inclusion of Note 7 on the Applicant's Tentative Subdivision Map is erroneous. (See also related discussion of Easement Modification Agreement, below.)

Specifications for Utility Crossing of Water Transmission Lines

There are no specifications in the application as to how the Applicant will supply utilities such as water, sewer, gas and electricity over our pipelines through our easement. Our District has not granted such intrusion into our easement and right of way. For reasons set forth above, the District's installations in its easement are not the type of facilities, such as a common domestic water supply mainline, that can easily share a common utility easement corridor. This easement encroachment needs to be resolved to the satisfaction of the HBMWD prior to approval of any subdivision. Consequently, the District requests that the City of Arcata deny the proposed subdivision until such time as this issue is resolved to the satisfaction of HBMWD.

Storm Water

The Applicant's soils report suggests that the storm water runoff will be addressed onsite. Several of the Vegetated Swales indicated on the proposed Storm water Control Plan direct water directly into the area of our water transmission lines. Increased water flow to this area could severely degrade the nature of the cover material over our pipelines subjecting them to potential failure or inhibit repairs and maintenance. Conveyance of storm water away from our pipelines needs to be adequately addressed such that it does not adversely affect the integrity of our pipelines or inhibit our maintenance and repair activities.

Easement Modification Agreement

During a previous proposed subdivision of this property by the former owner Paik-Nicely during 2006, our District entered into an agreement to modify our original 1961 easement. Basically, in exchange for giving up our floating easement over the entire property for location of our lines, easements over the entire property for ingress and egress, expansive rights to use area outside the pipeline corridor for accessing the lines for repairs, storing

spoils during operations, etc., we agreed to a fixed easement with no build/plant buffers of a fixed width of 50 feet. In addition, we retained access rights to the pipeline for maintenance, repairs and replacement. See a copy of that agreement attached. This agreement was also provided to Mr. Lazzar during 2017.

It appears from the Tentative Subdivision Map that Mr. Lazzar has acquired parcel 507-331-053. This parcel also includes an easement modification that the District negotiated with that property's former owner, Kenneth Moss. Mr. Lazzar would be aware of that easement.

Because the Applicant's permit has not vested, we believe the attached prior agreement is applicable regarding development on this property. It is our information and belief that Mr. Lazzar was aware, or should have been aware, of this agreement prior to the time he purchased the property in question. This agreement inures to the heirs, successors, etc. of the property. See Section 14. If ultimately, this agreement is determined to not be valid in a court of law, then our original easement with the following rights and conditions would govern. That original easement is referenced in the Applicant's documents as: Book 640 O.R. Page 499.

Original Easement Rights

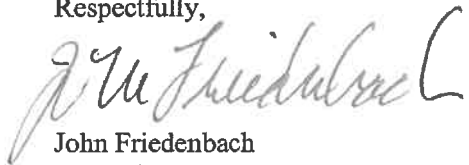
The District's original right of way, created in the March 16, 1661 easement, grants the District a 30-foot right of way and the "right to select, change and alter the route" on the property. Given the District's right to change and alter the route of the easement from its current location to anywhere on the property, the District would like to avoid conflict in the future for access to our infrastructure to either maintain, repair or replace our pipelines and appurtenances. Furthermore, the easement grants the following: **"The Grantee shall have all other rights and benefits necessary and convenient for the full enjoyment or use of the rights herein granted, including, but without limiting the same to, the free right of ingress and egress to, over, across, and from said lands, together with the right to use such portion of said lands adjacent to and along said right of way as may be reasonably necessary in connection with the installation, repair, and replacement of such pipeline or lines."**

Under these rights, any improvements to the parcel will restrict our easement ability of "free right of ingress, egress, to, over, across, and from said lands, together with the right to use such portion of said lands adjacent to and along said right of way as may be reasonably necessary in connection with the installation, repair, and replacement of such pipeline or lines.

We have engaged in negotiations with the Applicant in an attempt to find a mutually-agreeable resolution that will allow for the Applicant's development of the property and--similar to prior developments by other property owners in the same area involving the same easement issues--adequately protect the public interest in the District's easement. To date, we have not been successful. However, to ensure that the public interests related to our easement issues are protected, we request that the City condition any approval of the pending application on a resolution of these issues.

If you have any questions, please do not hesitate to contact us.

Respectfully,



John Friedenbach
General Manager

RECORDING REQUESTED BY:

Humboldt Bay Municipal Water District

WHEN RECORDED, MAIL TO:

Dun & Martinek, LLP
2313 I Street
Eureka, California 95501

AGREEMENT FOR MODIFICATION OF PIPELINE EASEMENT

This Agreement for Modification of Pipeline Easement ("Agreement") is entered into on the date set forth below by the last signing party by and between the Humboldt Bay Municipal Water District ("District") and 27TH Street Alliance, LLC, a California limited liability company ("Developer") on the terms and conditions set forth herein.

Recitals

- A. Whereas, Developer has acquired real property ("Property") described on Exhibit "A" hereto, incorporated herein by this reference (Humboldt County APNs 507-331-047, 507-331-048 and 507-331-049), and wishes to develop said Property for residential purposes, and,
- B. Whereas, District holds a pipeline easement of unspecified location recorded on or about March 16, 1961, (640 OR 499), incorporated herein by this reference, and agrees to modify the described easement by setting forth the location of the easement in order to facilitate development of the Property for residential purposes, and,
- C. Whereas, the District currently has three major pipelines traversing the Property, a valve vault and various water vault structures including various appurtenances and,
- D. Whereas, Developer intends to create a Planned Development, as defined in California Civil Code Section 1351 subd. (k), and,

E. Whereas, the parties hereto intend to modify the recorded easement held by District so as to locate it on and below the ground and subordinate the interests of Developer, and its successors and assigns, to the requirements and duties set forth herein, and

F. Whereas, the proposed residential development will encroach upon the District's pipeline easement.

NOW, THEREFORE; the parties hereto agree as follows:

1. Conditions Precedent.

The obligations of the District as set forth herein shall not arise and this Agreement shall not become effective unless each of the following occur:

- a. The City of Arcata has issued all approvals necessary for construction, formation and operation of a Planned Development, as defined in California Civil Code Section 1351, subd. (k); and
- b. All secondary easements referred to in Paragraph 2, below, have been approved by District, described, mapped and recorded; and
- c. District approval, in writing, of all covenants, conditions and restrictions relating to the Planned Development.

2. Location and Components of Easement; Secondary Easement; Buffer Zone.

A. The parties acknowledge that the District has placed three (3) pipelines, a valve vault, and various water vault structures, including various appurtenances on the Property in the location indicated on the map attached hereto and made a part hereof as Exhibit "B". A legal description of the District's pipeline easement is attached hereto and made a part hereof as Exhibit "C". The pipeline easement shall be forty-five feet (45') in width as depicted on Exhibit "B" hereto over parcels 507-331-048 and 507-331-049. The pipeline easement shall be approximately thirty-five feet (35') in width as depicted on Exhibit "B" over parcel 507-331-047.

B. The pipeline easement shall include reasonable secondary easements for ingress, egress, access, maintenance and construction, including use and parking of mechanical and

construction equipment and materials. These secondary easements shall be agreed upon by the parties, mapped, described and recorded.

C. In addition, there shall be a buffer zone, which shall extend 5 feet on either side of the pipeline easement, parallel to the easement and for the entire length of the easement, upon which there shall be no fencing, structures, residential construction, nor planting of plants with invasive root systems. District may use the buffer zone at any time, in any manner it deems reasonably necessary, with no liability for obstruction or damage thereto.

3. General Rights of District.

A. It is acknowledged by the parties herein that District possesses a permanent right of way and easement 45 feet in width as depicted on Exhibit "B" hereto over parcels 507-331-048 and 507-331-049, and approximately thirty-five feet (35') in width as depicted on Exhibit "B" over parcel 507-331-047, for the purpose of installing, constructing, altering, changing the size of, increasing the number of, maintaining, operating, inspecting, repairing, replacing or removing a pipeline or lines, valve vaults and water vault structures, and all fittings and appliances properly appurtenant thereto, for the transportation and management of water through such pipeline or lines, water vaults and water vault structures.

B. The District shall have all other rights and benefits necessary and convenient for the full enjoyment or use of the rights herein stated, including, but without limiting the same to, the free right of ingress and egress to, over, across and from the pipeline easement, and the secondary easements, together with the right to use said portions of the buffer zone adjacent to and along said pipeline easement as may be reasonable or necessary in connection with the exercise of District rights as set forth herein.

C. The Developer shall not erect or construct any fences, buildings or other structures or drill or operate any well or place any other obstruction on the pipeline easement or buffer zone or diminish or substantially add to the ground cover over the pipeline easement or buffer zone, except as specifically authorized herein.

D. At all times, District shall have the right to enter upon the Property to perform work or inspections on its pipelines, water vaults, and appurtenances thereto, to observe improvements to the Property and inspect work then under construction at the Property.

4. Encroachment Standards and Requirements

A. The Developer requests permission to excavate, construct and/or otherwise encroach on the District's pipeline easement for the purpose of developing a residential subdivision.

B. The encroachment work shall be consistent with that set forth in the final, approved construction plans, drawings and specifications, which are submitted to the District for review in accordance with Developer's obligations set forth herein.

C. All encroachment work performed by the Developer shall comply with, and be in accordance with, the District's then-current "Pipeline Encroachment Standards" and any then-current additional requirements imposed by the District which are necessary to provide protection and safety to the District, its pipelines, water vaults and related appurtenances. Such protection and safety measures shall be determined solely by the District. Any such determination and approval shall not limit the liability or responsibility of the Developer to indemnify and protect the District from any damage that may occur as a result of the subdivision construction.

D. Encroachment work shall not commence until District agrees in writing that the Developer's plans are compliant with the District's Pipeline Encroachment Standards.

E. Encroachment work shall be subject to District inspection and written approval.

F. If at any time the Developer's encroachment work conflicts with the District's use of its easement, the Developer shall be responsible for relocating the encroaching facilities at its expense within 30 days of notification. If the District is required for any reason to relocate, dismantle, or temporarily interrupt Developer's encroachment work, Developer shall hold the District harmless and promptly reimburse the District for the reasonable cost thereof.

G. Other than the roadways over the pipeline easement and the utility crossing, Developer shall assure that the District pipeline easement is in no other way obstructed or restricted from access.

5. Timing of Infrastructure or Residential Development; Notice to District.

Prior to construction of residential or infrastructure improvements by Developer which cross or reasonably could impact the existing pipeline easement, including but not limited to placement of sewer lines, water lines and roads, driveways or crossings, Developer shall give copies of its proposed construction plans, drawings and specifications to District not less than forty-five (45) days prior to commencement of work. Work shall not commence until District has approved said plans, drawings and specifications in writing. District shall make a good faith effort to approve said plans, drawings and specifications within a reasonable time.

6. Signage and Fencing.

At all times, District reserves the right to require placement and maintenance of signs and fencing or barriers as the District, in its sole discretion, may deem necessary to protect its interests.

7. Operational Requirements

A. Protection of District Pipelines

A.1. Due to the nature of underground utility installations, the District may not know the precise location or depth of its pipelines. The District will provide general information to the Developer regarding the believed location of its underground pipelines. The Developer shall be responsible for locating the District pipelines prior to any encroachment work commencing. The District, upon request and at the expense of the Developer, shall locate and determine the depth of its pipelines at crossings or other points of interest.

A.2. The Developer shall be responsible for protecting the District pipelines and any related appurtenances which may be subject to damage during the encroachment work or other construction activities in the subdivision.

A.3. The Developer acknowledges that the pipelines and appurtenances cannot withstand excessive trench loads. The Developer shall keep all heavy traffic and other heavy

equipment off the pipeline easement until the structural cover, in accordance with section A.5 below, has been installed and completed.

A.4. If the Developer needs to cross over the District pipeline easement during construction prior to the structural cover being completed in accordance with section A.5, then the Developer shall specify a location for a temporary crossing, and shall construct or install temporary protective measures to protect the pipelines and appurtenances. The District Engineer shall review and approve in writing Developer's plans and designs for all crossings. Crossings shall be designed and constructed to support at least H-20 loading.

A.5. Structural cover shall be placed to protect the District's pipelines and appurtenances during and after completion of the subdivision as follows:

A.5.1. If the development is constructed so that an asphalt concrete road runs along or over the pipeline easement, then the roadway shall have a minimum of 7.75-feet of cover over the pipelines. A minimum of 1.25-feet of this cover shall be Class 2 aggregate base compacted to 95% R.C. Alternatively, the road section thickness may be minimized so that the total cover is no less than 4-feet with the addition of a layer of Tensar Geogrid or equivalent directly below the aggregate base course. The width of the structural section in the easement shall be 32-feet minimum centered over the pipelines within the 45-foot easement.

A.5.2. If the development is constructed so that the easement remains unimproved and is in an area without vehicular access, then the easement area shall have a minimum of four feet of cover consisting of 2.75-feet of native backfill and a layer of Tensar Geogrid or equivalent overlaid by 1.25-feet of aggregate base compacted to 95% R.C.. Topsoil may be placed over the aggregate base to provide an area for planting grass or shrubs (not trees). The width of the structural section in the easement shall be 32-feet minimum centered over the pipelines within the 45-foot easement.

A.5.3. The District Engineer shall review and approve the Developer's plan for complying with the structural cover requirements.

B. Utilities

B.1. The Developer shall comply with the District's Pipeline Encroachment Standards with respect to required standards and separation for utility encroachments.

B.2. Any sewer main or lateral which crosses the District's pipeline easement, shall be approved by the District Engineer, and shall comply with all requirements of the State Department of Health Services' separation standards, including approval if necessary.

B.3. Utilities serving the development shall cross perpendicular over the easement and District pipelines in only one location.

B.4. Utilities serving the development shall not travel parallel to the District's pipelines anywhere within the 45-foot easement.

B.5. Any pipe or conduit crossing over or under a District pipeline shall have a permanent marker located above the pipe or conduit at each end of the crossing.

C. Cathodic Protection

C.1. Most of the District pipelines are under cathodic protection and when foreign metal pipelines or encasements cross the District pipelines, test stations may need to be provided to monitor the conditions of all pipes.

C.2. The Developer shall comply with the District's Pipeline Encroachment Standards. Any cathodic protection features proposed by the Developer shall be approved by the District Engineer in writing.

D. Notice and Inspections

D.1 At least one week prior to encroachment work or other construction work within the subdivision commencing, the Developer shall provide the District with a written schedule setting forth the anticipated timing of encroachment and construction work to assist the District in scheduling inspections. Developer shall update the written schedule as needed.

D.2. The Developer shall notify the District at least 2 business days prior to the start of any encroachment work, including but not limited to excavations within the easement, utility crossings over or under the District pipelines, and filling of any excavation within the

easement. The District shall have the opportunity to inspect all work prior to the Developer completing it and backfilling any excavation.

D.3 All notices shall be given to the District in writing and shall become effective upon actual receipt by the District.

8. Cost Responsibility and Recovery

A. The Developer shall pay all costs incurred by the District associated with developing and processing this Agreement, and any and all costs associated with protecting the District's pipelines and appurtenances prior to and during construction. Such costs may include, but are not limited to, legal, engineering, inspection, and any District-incurred material and labor costs. Developer agrees to deposit with District, upon execution hereof, the sum of \$10,000.00 which represents the estimated cost of the work to be performed by District personnel and other expenses of the District. Upon completion of the project, any excess funds will be refunded to Developer, and Developer agrees to pay upon demand any sums due in excess of the estimate previously paid to District. District shall provide Developer with an itemized billing statement describing in reasonable detail the costs incurred by the District which are to be paid by Developer.

B. Any and all incremental costs, associated with future construction or maintenance work that the District performs on its pipelines and/or appurtenances within the new easement, which are greater than they would otherwise have been absent this Agreement and new easement, shall be paid for by the Homeowners Association. The incremental costs shall include but not be limited to engineering, trenching and shoring if necessary, replacement of pavement and/or blacktop in the roadway, protection or repair of other underground utilities installed by the Developer. The District shall itemize any such incremental costs incurred and shall remit a billing statement to the Homeowners' Association. The Homeowners Association shall pay the District within 45 days of receipt of this billing statement.

9. No Liability for Impairment of Access.

It is expressly acknowledged and understood by Developer that any time District performs work of any kind or nature on its pipeline easement, this work may result in a temporary impairment of

access by Developer or individual homeowners to various parts of the Property. It is agreed that District shall have no liability or responsibility of any sort for any claims or damages arising out of or relating in any way to impairment of access by District. Developer and future Homeowners' Association shall save and hold District harmless from any such claims made by any person or entity.

10. Integration of Recitals; Binding Effect.

The Recitals are hereby made a part of this Agreement. Developer shall comply with the terms and conditions of this Agreement and the easements recorded herewith. It is specifically intended by the parties hereto that all obligations of Developer set forth herein shall apply to and be the obligations of any future Homeowners' Association, as the situation or context may allow, permit or require. Any Homeowners' Association may not change or vary any provision herein without the express written consent of District. The Board of Directors of the Association shall have full power and authority to act on behalf of the Association, its members and the owners of lots in the development, including the right to approve any modifications to this Agreement and the consent of the members and lot owners shall not be required.

11. Hold Harmless and Indemnity; Assumption of Risk; Waiver of All Potential Inverse Condemnation Claims.

A. Developer and any future Homeowners' Association and any future lot owners agree to hold the District harmless, and indemnify and defend the District, its agents, contractors and employees, from any and all claims for damages for personal injuries, losses or damages due to interruption of services, or property damages, whether direct or indirect, incidental or consequential, arising out of or relating in any way to the residential development except for those occurrences that arise from the sole negligence or active misconduct of the District, its officers, directors, employees or agents. All potential claims for inverse condemnation are hereby waived.

B. The parties acknowledge that in the event of any leak, break or rupture in any pipeline or appurtenance, the leak, break or rupture could release a large quantity of water in a very short time potentially causing personal injuries and property damages of unknown extent. Developer and any future Homeowners' Association and any future lot owners agree and acknowledge that they will assume the risk of any damage or liability of any sort arising out of or in

any way relating to the presence of the District's water pipelines or appurtenances. Developer and any future Homeowners' Association and any future lot owners agree to hold the District harmless and indemnify and defend the District, its agents, contractors and employees, from any and all claims for damages for personal injuries, losses or damages due to interruption of services or property damages, whether direct or indirect, incidental or consequential, from any cause whatsoever, arising out of or in any way relating to the District's pipelines or appurtenances, except for those occurrences that arise from the sole negligence or active misconduct of the District, its officers, directors, employees or agents.

C. This obligation to indemnify shall not be limited to any insurance proceeds.

12. Insurance.

A. Before beginning any physical work on site, Developer shall file with the District certificates of insurance and policy endorsements reasonably satisfactory to the District evidencing general liability coverage of not less than \$2,000,000 per occurrence, \$4,000,000 general and products-completed operations aggregate for bodily injury, personal injury, and/or property damage; auto/vehicle liability of at least \$2,000,000 for bodily injury and property damage each accident limit; and employer's liability of (\$2,000,000). All insurance shall require 30 days' written notice to District of any expiration or cancellation.

B. Such insurance shall be primary and any insurance, self-insurance or other coverage maintained by the District, its directors, officers, employees or agents shall not contribute to it. All insurance coverage shall give the District, its directors, officers, employees and agents insured status using ISO endorsement CG2026 or insurer's equivalent. The coverage thereby provided shall also include coverage for underground operations. Coverage is to be placed with a carrier with an A.M.Best rating of no less than A-VII or equivalent, unless otherwise approved by the District in writing.

C. Insurance requirements shall be maintained by Developer for two years following formation of a Homeowners' Association. Thereafter, the Homeowners' Association shall provide proof of insurance with provisions as set forth herein.

D. Starting at the twentieth anniversary of Developer's execution of this Agreement and no sooner than at ten year intervals thereafter, District shall have the right, in its sole discretion, to vary, alter or increase the insurance requirements set forth herein.

13. Enforcement; Term of Covenants, Conditions and Restrictions.

The parties hereto acknowledge and agree that each and every lot owner by acceptance of any deed therefore (whether or not it shall be so expressed in the deed) and any and all heirs, executors, administrators, assigns and successors in interest of each such lot owner are deemed to covenant and agree as follows:

A. If Developer or any Homeowners' Association fails to cure any default under this Agreement within 30 days after receipt of written demand from the District or fails to commence and diligently pursue a cure if the cure cannot reasonably be effected within 30 days of the demand notice, District shall have the right, but not the duty, to do or perform any act the Developer or Homeowners' Association is required to do under the provisions of this Agreement, and bill the Developer or Homeowners' Association, as applicable, for any costs incurred.

A.1. Any costs billed to Developer or the Homeowners' Association are due and payable immediately after an itemized billing statement describing in reasonable detail the costs incurred by the District. If any costs due from the Association are unpaid after 30 days, the District may levy and collect the costs due in accordance with the assessment procedures set forth in the Covenants, Conditions and Restrictions ("CC&R's"). The costs shall be allocated equally among the residential lots. No residential lot owner shall be obligated to pay more than the lot owner's allocable share of the costs.

A.2. All unpaid costs may be deemed a lien on the Property, or any portion of the Property for that portion's allocable share, as the District may impose, in its sole discretion.

A.3. District may take all steps necessary to compel performance, including but not limited to, recording such liens and levying and collecting any assessments as the District may deem necessary and appointment of a receiver to collect sums owed to the District.

A.4. In the event that the District shall exercise any of the remedies afforded to it under this Agreement, any sum recovered from such suit or foreclosure sale or judicial

foreclosure proceeding shall be applied first to cover the District's costs of suit or foreclosures, including, but not limited to, receiver fees, filing fees, title company charges, miscellaneous foreclosure charges and attorneys' fees. The balance of any sums so recovered shall then be applied against any amount which is then owing to the District. All remaining sums shall be paid to the owner of the property foreclosed upon.

A.5. Failure of the District to enforce any provision of this Agreement shall not be deemed a waiver of the right to do so thereafter.

A.6. Any lien created by the District hereunder shall be subject and subordinate to and shall not affect the rights of a holder of an indebtedness secured by any mortgage or deed of trust upon such interest made in good faith and for value, which mortgage or deed of trust has been recorded prior to the recording of a lien by the District as provided herein. No foreclosure of any such mortgage or deed of trust shall impair the District's right to enforce the provisions herein as to future occurrences.

B. The term of the CC&R's for any Homeowners' Association shall be for a period of not less than 100 years from the creation of the Homeowners' Association. No rescission of the CC&R's shall be valid without the written consent of District.

14. Agreement Binds Successors and Assigns; Construction; Waiver of Jury Trial; Prevailing Party.

A. This Agreement inures to the benefit of and shall be binding on the heirs, successors and assigns of the parties, including but not limited to all individual owners and any Homeowners' Association that may later be formed.

B. For purposes of construing this Agreement, this Agreement is a negotiated agreement and therefore there is no drafter of this Agreement for the purpose of construing ambiguities against the drafter of an agreement.

C. In any action or dispute arising out of or in any way relating to this Agreement, each party specifically waives its right to a jury trial.

D. In any action or dispute arising out of or in any way relating to this Agreement, the prevailing party shall be entitled to its reasonable attorneys' fees.

Dated: March 9, 2007

Developer: 27th Street Alliance, LLC

Humboldt Bay Municipal Water District

By: 
Its: MANAGING PARTNER
Ray


By: 
Its: General Manager
Carol Rische

EXHIBIT A

LEGAL DESCRIPTION

That real property situated in the City of Arcata, County of Humboldt, State of California, described as follows:

Being all of that real property described in a grant deed transferring property from Mary Ann Lucchesi, James Lucchesi and Anthony Paul Lucchesi, in equal shares, to Timothy C Paik-Nicely and Marylyn Paik-Nicely, husband and wife as community property, recorded as document number 2005-29918-3, Humboldt County Records, further described as follows: Parcels 3 and 4, as shown on Parcel Map No. 1217, filed in the Office of the Humboldt County Recorder, in Book 10 of Parcel Maps, Page 132, Humboldt County Records.

TOGETHER WITH that real property described in a grant deed transferring property from Mark C. Leppanen and Joanna L. Leppanen, husband and wife as joint tenants to Timothy C. Paik-Nicely, a married man as his separate property, recorded as document number 2006-37060-1, Humboldt County Records, further described as follows: Parcel 2, as shown on Parcel Map No. 1217, filed in the Office of the Humboldt County Recorder, in Book 10 of Parcel Maps, Page 132, Humboldt County Records.

END OF DESCRIPTION



David A. Crivelli
PLS 7015
License Expires 6/30/2008
Document Prepared 3/1/2007



SCALE: 1"=80'

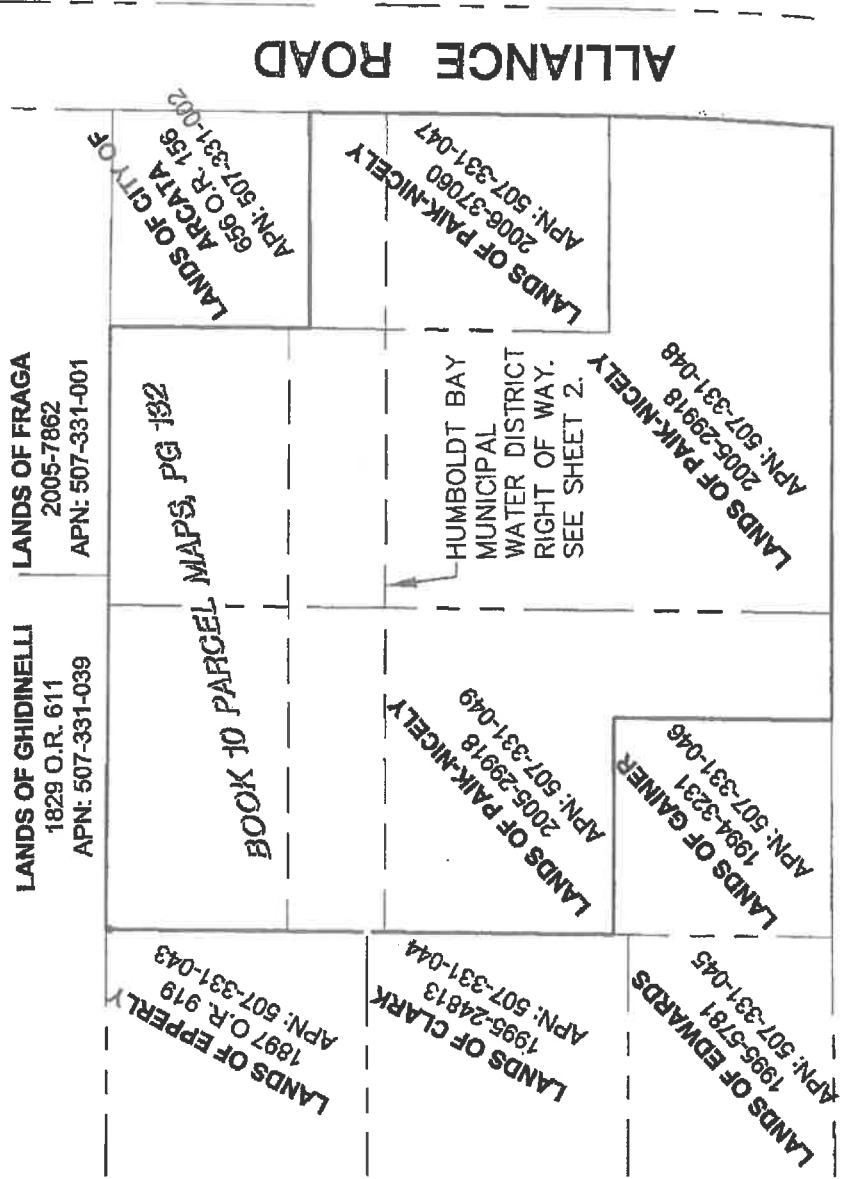
**EXHIBIT B
NOTICE OF LOCATION
HBMWD WATERLINE
EASEMENT**

OVER THE LANDS OF
PAIK-NICELY
SECTION 20 T6N R1E HB&M
IN THE CITY OF ARCATA
HUMBOLDT COUNTY, STATE OF
CALIFORNIA

FEBRUARY 2007 SHEET 1 OF 2
SCALE: 1"=80'

Crivelli Surveying Co.

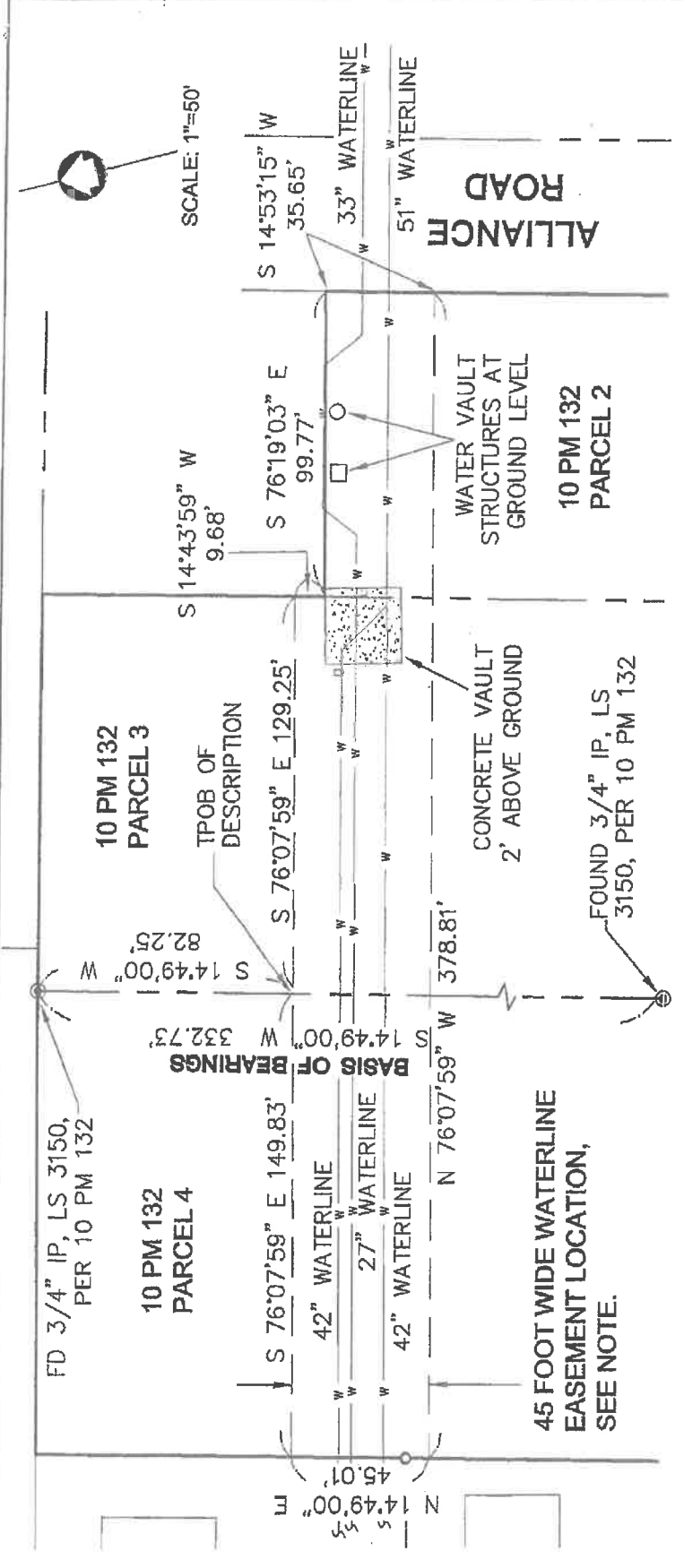
1380 Whitmire Ave.
McKinleyville, Ca. 95519
(707) 840-9510



LEGEND

- W — WATER LINE
- EXTERIOR BOUNDARY
- ADJACENT BOUNDARY
- EASEMENT LINE

JN: 138-07 3/1/07



NOTE:

The purpose of this plat is to define the location of the Humboldt Bay Municipal Water District waterline easement over the lands of Paik-Nicely, created by "blanket easement" per Grant of Right of Way recorded in Book 640, Page 499, Humboldt County Official Records, said easement being 30 feet in width. Per agreement between the HBMWD and landowner this easement is hereby widened to a width of 45 feet over Parcels 3 & 4 of Parcel Map No. 1217, Book 10 of Parcel Maps, page 132, and to a width as indicated hereon over Parcel 2, its location defined as shown hereon. A description of this plat is attached hereto and made a part hereof.

**EXHIBIT B
NOTICE OF LOCATION
HBMWD WATERLINE
EASEMENT**

OVER THE LANDS OF
PAIK-NICELEY

SECTION 20 T6N R1E HB&M
IN THE CITY OF ARCATA
HUMBOLDT COUNTY, STATE OF
CALIFORNIA

FEBRUARY 2007
SCALE: 1"=50'

Crivelli Surveying Co.

1380 Whitmire Ave.
McKinleyville, Ca. 95519
(707) 840-9510

LEGEND

— w —	WATER LINE	FD	FOUND
— — — —	EXTERIOR BOUNDARY	IP	IRON PIPE
— · — · —	ADJACENT BOUNDARY	TPOB	TRUE POINT OF BEGINNING
— — — —	EASEMENT LINE	10 PM 132	BOOK 10 OF PARCEL MAPS, PAGE 132, HUMBOLDT COUNTY RECORDS

JN: 138-07 2/26/07

SCALE: 1"=50' SHEET 2 OF 2

EXHIBIT C

LEGAL DESCRIPTION for
HUMBOLDT BAY MUNICIPAL WATER DISTRICT
WATERLINE EASEMENT

A strip, over, under, and across all that real property described as follows:

Commencing at a 3/4" iron pipe with plastic plug, LS 3150, as monument was set and marks the northwest corner of Parcel 3 on Parcel Map No. 1217 for Lilly Lucchesi, recorded in Book 10 of Parcel Maps, Page 132, Humboldt County Records;

Thence South 14 degrees 49 minutes 00 seconds West along the westerly line of said Parcel 3, 82.25 feet to the True Point of Beginning of said waterline easement;

Thence leaving said westerly line and going South 76 degrees 07 minutes 59 seconds East 129.25 feet, more or less, to the east line of said Parcel 3;

Thence South 14 degrees 43 minutes 59 seconds West along the easterly line of said Parcel 3, 9.68 feet to an angle point therein, said angle point also being the northwest corner of Parcel 2 per said Parcel Map No. 1217;

Thence South 76 degrees, 19 minutes, 03 seconds East along the northerly line of said Parcel 2, 99.77 feet, more or less, to the westerly right of way line of Alliance Road;

Thence South 14 degrees, 53 minutes, 15 seconds West along said right of way line, 35.65 feet;

Thence leaving said right of way and going North 76 degrees, 07 minutes, 59 seconds West, 378.81 feet, more or less, to the westerly line of Parcel 4 per said Parcel Map No. 1217;

Thence North 14 degrees, 49 minutes, 00 seconds East along said westerly line of said Parcel 4, 45.01 feet;

Thence leaving said westerly line and going South 76 degrees, 07 minutes, 59 seconds East, 149.83 feet, more or less, to the True Point of Beginning.

The basis of bearings for this description is the westerly line of Parcel 3 per Parcel Map No. 1217 for Lilly Lucchesi, recorded in Book 10 of Parcel Maps, Page 132, Humboldt County Records, said westerly line bearing South 14 degrees, 49 minutes, 00 seconds West.

A two-page plat depicting this description is attached hereto and made a part hereof as "Exhibit B".

END OF DESCRIPTION



David A. Crivelli
PLS 7015
License Expires 6/30/2008
Document Prepared 3/1/2007



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka

SECTION H6 PAGE NO. 1



**Agenda for Special Joint Meeting of HBMWD Board of
Directors with the Ruth Lake Community Services District
Board of Directors**
200 Headquarters Road, Mad River, CA
June 08, 2018

Convene at Eureka office to travel to Ruth Lake (6:00 am & depart by 6:15 am)

Visit Various Ruth Area Sites:

- **Hydroplant (8:30 a.m. – 9:30 am)**
- **Boat Tour-lakeshore inspections (9:45 a.m.-12:00 p.m.)**

Lunch at HBMWD District Headquarters with RLCSD and Guests (12:00 p.m.)

JOINT BOARD MEETING– 1:00 p.m.

**Meeting of the HBMWD and RLCSD Board of Directors to discuss issues or
events regarding Ruth Lake and the buffer strip of mutual interest**

1. Public Comment

2. Introductions

3. Updates from Guests:

- a. Trinity County - 5th District Supervisor and Staff
- b. US Forest Service
- c. Trinity County Volunteer Fire Department and /or STAR
- d. Trinity County Sheriff/OES
- e. Ruth Lake Leaseholders Association
- f. Any other guests

4. Ruth Lake CSD Topics

- a. Aquatic Invasive Species:
 - 1. 2017 Annual Report- discuss
 - 2. Dept. of Boating and Waterways Quagga Prevention Grants
 - a. 2015/16
 - b. 2016/17
 - c. 2017/18
 - 3. Any issues or areas of concern – discuss
- b. Lease Lots- area of concern



HUMBOLDT BAY MUNICIPAL WATER DISTRICT
828 7th Street, Eureka

SECTION H6 PAGE NO. 2



Agenda for Special Joint Meeting of HBMWD Board of
Directors with the Ruth Lake Community Services District
Board of Directors
200 Headquarters Road, Mad River, CA
June 08, 2018

5. HBMWD Topics

- a. Water Resource Planning - status report
- b. Timber Management – discuss
- c. Algae bloom - discuss
- d. Cannabis Cultivation in the Mad River Watershed
 - i. discussion re: current enforcement efforts
 - ii. input re: ideas or needs to address

ADJOURNMENT

Immediately following the Board meeting, there will be a staff-level meeting to discuss:

- a) HBMWD's Emergency Action Plan for Matthews Dam: Face-to-Face meeting with RLCSD, USFS, Trinity County Sheriff/OES and Fire Department staff to discuss EAP, especially notification flow charts

Note – start times listed above are estimates and may vary due to traffic delays or length of site visits. Members of the public are invited to address the Board on any items listed on the agenda above, or on issues affecting the operation of the District which are within the jurisdiction of the Board. Public comment may be limited to 5 minutes per person.

(Posted and mailed June 1, 2018)

New Business



H.B.M.W.D. APR 13 2018

1125 16th Street, Suite 202, Arcata, CA 95521
(707) 445-7508 / (707) 825-9181 fax
www.humboldtlafo.org

Date: April 11, 2018

To: Chair and Clerk to the Boards of:

Arcata Fire Protection District
Humboldt Bay Municipal Water District
Humboldt Bay Harbor, Recreation and Conservation District
North Humboldt Recreation and Park District
Fortuna Fire Protection District
Fortuna Cemetery District
Rohner Community Recreation and Park District

From: Colette Metz, LAFCo Administrator

Subject: OFFICIAL BALLOT – Special District Appointment to Humboldt County Consolidated Redevelopment Agency (RDA) Oversight Board

Previously, a call for nominations was sent to the above referenced special districts requesting nominations for a special district representative to the Humboldt County Consolidated RDA Oversight Board. The nomination period ended on March 30, 2018, with two (2) nominations received by the deadline.

Enclosed is an official ballot to vote for one nominee. **Ballots must be returned to Humboldt LAFCo, 1125 16th Street, Suite 202, Arcata, CA 95521 no later than 5:00 p.m. on June 15, 2018.**

Your district is encouraged to participate in this election process. For an election to be valid, at least a quorum of the above referenced special districts must submit valid ballots. The nominee receiving the most votes shall be deemed appointed as the special district representative to the Humboldt County Consolidated Redevelopment Agency Oversight Board. Any ballot received after the date specified is invalid, provided, however, that if a quorum of ballots is not received by that date, the Executive Officer shall extend the date to submit ballots by 60 days and notify all districts of the extension.

The successful candidate will be notified and election results mailed no later than June 29th. If you have any questions, please contact Colette Metz at 707-445-7508 or administrator@humboldtlafo.org.



OFFICIAL BALLOT

VOTING INSTRUCTIONS

1. Vote for one nominee.
2. A minimum of four (4) special districts must return ballots to LAFCo for a valid election.
3. The ballots must be received by LAFCo no later than 5:00 p.m. on June 15, 2018.

Please mail ballots to:

Humboldt LAFCo
1125 16th Street, Suite 202
Arcata, CA 95521

BALLOT

Name of Special District Voting: _____

Nominees (vote for one):

- J. Bruce Rupp, Board Member, Humboldt Bay Municipal Water District**
- Larry Oetker, Executive Director, Humboldt Bay Harbor, Recreation and Conservation District**

Board action taken on the ____ day of _____, 2018, by the following vote:

Ayes:
Noes:
Abstain:
Absent:

District Representative Signature

Printed Name

Humboldt Bay Municipal Water District

To: Board of Directors
From: John Friedenbach
Date: May 4, 2018
Subject: Timber Management/Timber Harvest Plan

The District owns approximately 3,000 acres of property around Ruth Lake. Much of this land is producing timber and is not actively managed by the District.

The District has passively managed timber removal via three timber harvest exemptions from CalFire:

1. Drought Mortality
2. Dead, Dying and Diseased Tree Removal
3. Public Agency, Public and Private Utility Right of Way

The last active management was through a timber harvest plan during the late 1990's. This season the District is utilizing the three exemptions listed above to remove some of the dead, dying and diseased trees that are proliferating in the timber that is owned by the District. Staff would like direction from the Board as to whether to continue to passively manage timber removal when there is little or no value at the point when trees are dead and dying or to pursue a more active timber management program which would benefit the District and headwaters ecosystem.

Why should the District consider a Timber Management or Timber Harvest and replanting plan and what are the objectives? A management plan serves as a living document that will establish the goals and intent of the District in order to ensure that current management goals are in-sync with the actual practices on the ground. While a management plan is not a regulatory document, it is instead a means of communicating land goals to District staff now and into the future. These goals and objectives can be adaptive and can be revisited over time to deal with changing physical conditions, weather, regulatory climate, etc.

The four broad goals are:

- Improve timberland productivity overall by increasing Maximum Sustained Production (MSP)
- Improve the headwaters ecosystem for water sustainability
- Reduce fuel hazards and fire risk throughout the property
- Maintain existing pastures and grasslands
- Enhance recreation potential and overall aesthetics

Specific objectives include:

- Maintain and enhance timber resources of the property in a way that does not diminish other qualities inherent to the property
- Timberland and woodland management goals meet many wildlife goals simultaneously
- Where potential fire risks are identified, implement fuel breaks near structures, along property boundaries, roads, and other areas where fire risk is elevated
- Monitor and evaluate road drainage structures and facilities periodically to assess their effectiveness at accommodating for hill slope processes and surface drainage to minimize erosion

Ideally, if the District had a Timber Management Plan/Timber Harvest Plan, we could potentially partner with the US Forest Service, especially since they own much of the area adjacent to Ruth Lake, to better enhance the sustainability of the headwaters ecosystem. There are grant opportunities that the District could seek to cover some or all of the costs to develop and implement a Timber Management Plan.

If the Board would like staff to move forward with the process, then the next step is to apply for grant funding to develop the Timber Management and/or Timber Harvest Plan.

Staff requests direction from the Board.

Humboldt Bay Municipal Water District

To: Board of Directors
From: John Friedenbach
Date: May 2, 2018
Re: **Mad River Watershed Zoning**

Discussion




Director Rupp requested that staff bring forward the topic of analyzing the zoning changes within the Mad River watershed that were recommended in the County's General Plan update 2017.


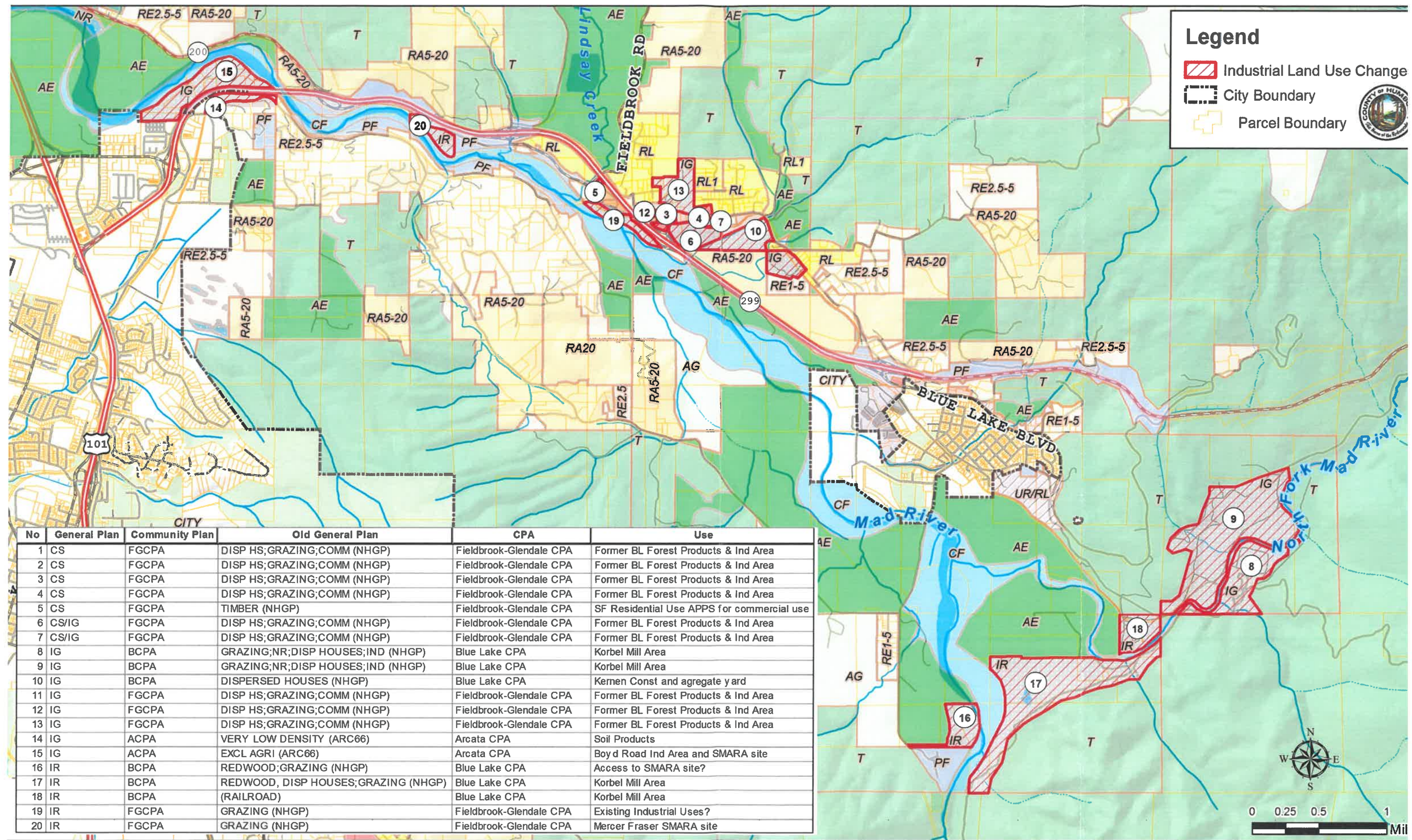
Staff has been provided the attached zoning maps by the County Building Department. The maps show various properties which are located up stream of our intakes at Essex that are zoned industrial in the General Plan.

Action

Staff requests direction from the Board on how it would like us to proceed with this information.




Legend


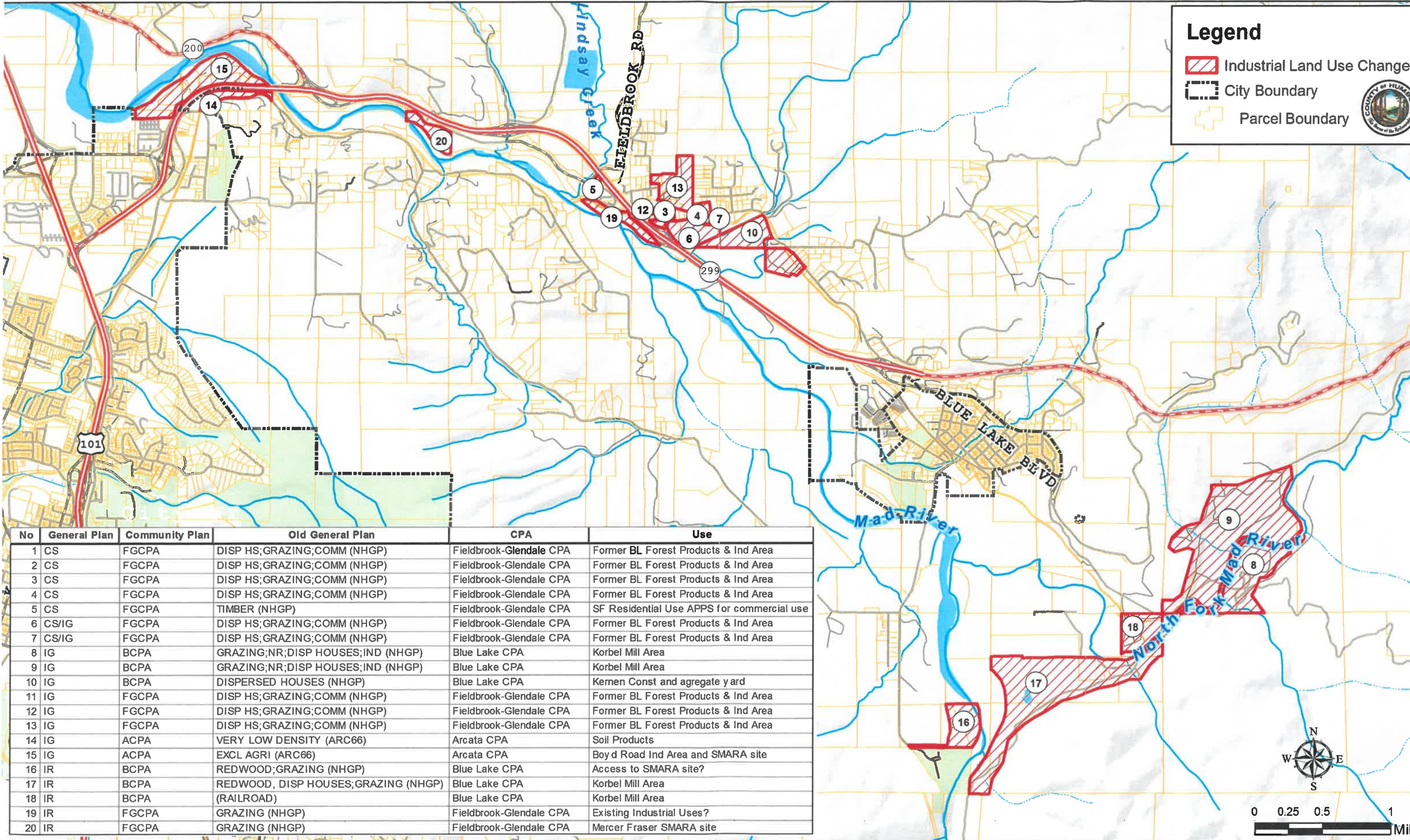
-  Industrial Land Use Change
-  City Boundary
-  Parcel Boundary

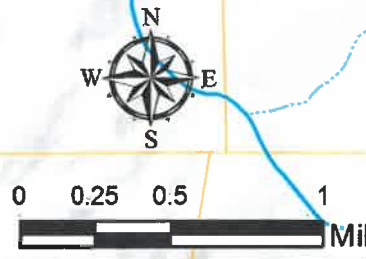
No	General Plan	Community Plan	Old General Plan	CPA	Use
1	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
2	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
3	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
4	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
5	CS	FGCPA	TIMBER (NHGP)	Fieldbrook-Glendale CPA	SF Residential Use APPS for commercial use
6	CS/IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
7	CS/IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
8	IG	BCPA	GRAZING;NR;DISP HOUSES;IND (NHGP)	Blue Lake CPA	Korbel Mill Area
9	IG	BCPA	GRAZING;NR;DISP HOUSES;IND (NHGP)	Blue Lake CPA	Korbel Mill Area
10	IG	BCPA	DISPERSED HOUSES (NHGP)	Blue Lake CPA	Kernen Const and agregate yard
11	IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
12	IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
13	IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
14	IG	ACPA	VERY LOW DENSITY (ARC66)	Arcata CPA	Soil Products
15	IG	ACPA	EXCL AGRI (ARC66)	Arcata CPA	Boyd Road Ind Area and SMARA site
16	IR	BCPA	REDWOOD;GRAZING (NHGP)	Blue Lake CPA	Access to SMARA site?
17	IR	BCPA	REDWOOD, DISP HOUSES;GRAZING (NHGP)	Blue Lake CPA	Korbel Mill Area
18	IR	BCPA	(RAILROAD)	Blue Lake CPA	Korbel Mill Area
19	IR	FGCPA	GRAZING (NHGP)	Fieldbrook-Glendale CPA	Existing Industrial Uses?
20	IR	FGCPA	GRAZING (NHGP)	Fieldbrook-Glendale CPA	Mercer Fraser SMARA site

Legend

-  Industrial Land Use Change
-  City Boundary
-  Parcel Boundary

No	General Plan	Community Plan	Old General Plan	CPA	Use
1	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
2	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
3	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
4	CS	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
5	CS	FGCPA	TIMBER (NHGP)	Fieldbrook-Glendale CPA	SF Residential Use APPS for commercial use
6	CS/IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
7	CS/IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
8	IG	BCPA	GRAZING;NR;DISP HOUSES;IND (NHGP)	Blue Lake CPA	Korbel Mill Area
9	IG	BCPA	GRAZING;NR;DISP HOUSES;IND (NHGP)	Blue Lake CPA	Korbel Mill Area
10	IG	BCPA	DISPERSED HOUSES (NHGP)	Blue Lake CPA	Kernen Const and agregate yard
11	IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
12	IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
13	IG	FGCPA	DISP HS;GRAZING;COMM (NHGP)	Fieldbrook-Glendale CPA	Former BL Forest Products & Ind Area
14	IG	ACPA	VERY LOW DENSITY (ARC66)	Arcata CPA	Soil Products
15	IG	ACPA	EXCL AGRI (ARC66)	Arcata CPA	Boyd Road Ind Area and SMARA site
16	IR	BCPA	REDWOOD;GRAZING (NHGP)	Blue Lake CPA	Access to SMARA site?
17	IR	BCPA	REDWOOD, DISP HOUSES;GRAZING (NHGP)	Blue Lake CPA	Korbel Mill Area
18	IR	BCPA	(RAILROAD)	Blue Lake CPA	Korbel Mill Area
19	IR	FGCPA	GRAZING (NHGP)	Fieldbrook-Glendale CPA	Existing Industrial Uses?
20	IR	FGCPA	GRAZING (NHGP)	Fieldbrook-Glendale CPA	Mercer Fraser SMARA site



Engineering

Humboldt Bay Municipal Water District
Mad River Pipeline Crossing Project

NOTICE TO PROCEED - AMMENDED

TO: Mercer-Fraser Company
200 Dinsmore Drive
Fortuna, CA 9540

PROJECT: Mad River Pipeline Crossing Project

You are hereby notified to commence Work in accordance with the Agreement on or before the fourth day of April, 2018, and you are to complete the Work within 21 plus 180 (201 total) consecutive calendar days thereafter.

The date of completion of all Work is therefore the 21st day of October, 2018.

You are required to return an acknowledged copy of this Notice to Proceed to the Owner.

Dated this 3rd day of April, 2018.

Owner: Humboldt Bay Municipal Water District

By:  Title: General Manager

ACCEPTANCE OF NOTICE

Receipt of the above Notice to Proceed is hereby acknowledged by:

MERCER-FRASER COMPANY
(Name of Contractor)

Dated this 19th day of April, 2018.

By:  Title: VICE-PRESIDENT



SECTION Ja PAGE NO. 2
HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO BOX 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COM

Website: www.hbmwd.com

BOARD OF DIRECTORS

SHERI WOO, PRESIDENT

NEAL LATT, VICE-PRESIDENT

J. BRUCE RUPP, SECRETARY-TREASURER

BARBARA HECATHORN, DIRECTOR

MICHELLE FULLER, DIRECTOR

GENERAL MANAGER

JOHN FRIEDENBACH

April 17, 2018

Mr. Lance Ford

Re: Revised Property Access Agreement

Dear Lance,

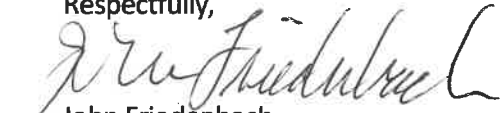
Per our recent discussions on the telephone, enclosed are two original and revised property access agreements for us to relocate the meter on your property. Kindly review and sign both originals. Retain one for your records and return the other to us in the envelope provided.

We will keep you apprised of the construction schedule once we know it from the contractor.

We sincerely appreciate your cooperation in this matter.

If you have any questions, please do not hesitate to call us.

Respectfully,


John Friedenbach,
General Manager

**ACCESS AGREEMENT AND
PERMISSION TO RELOCATE WATER METER**

Lance Ford and Rhonda Ford, hereinafter referred to as "Property Owners," and the Humboldt Bay Municipal Water District, a California public entity, hereinafter referred to as "District," hereby agree as follows:

Property Owners are the owners of that real property commonly known as _____ and _____ Glendale Drive, McKinleyville, Humboldt County, California 95519, Humboldt County Assessor Parcel Nos. 504-1 _____ and 504-1 _____ respectively;

Property Owners receive domestic water service from District and are connected to District facilities by a water meter located near the center of the parcel;

For the mutual convenience of both District and Property Owners, the parties wish to relocate the water meter from the current location to the edge of the property at the location of the District right of way;

Property Owners hereby agree to the relocation of the water meter and to allow District or its agents to access their property for purposes of relocating the meter;

District shall pay for all costs incurred in the relocation of the meter and shall restore the premises to substantially the same condition as reasonable following the relocation. Upon completion of the relocation, Property Owners shall be responsible for future maintenance and repair of the lateral line on their property beyond the meter;

District shall defend, indemnify and hold harmless Property Owners from any claims by third persons for claims of personal injury or property damage arising out of the relocation of the water meter caused by the sole negligence of the District, its employees, or its agents;

District plans to do the relocation work concurrently with the replacement of the District's main transmission line in the vicinity of Property Owners' premises. The parties acknowledge that the replacement of the transmission line will result in an interruption of water service for one to two days to the properties. District shall give Property Owners as much advance notice as practical as to the timing of the interruption of service and the estimated time of re-establishment of service.

DATED: _____, 2018

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

By: John Friedenbach, General Manager

DATED: _____, 2018

Lance Ford, Property Owner

Rhonda Ford, Property Owner



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO BOX 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COM

Website: www.hbmwd.com

BOARD OF DIRECTORS

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J. BRUCE RUPP, SECRETARY-TREASURER
BARBARA HECATHORN, DIRECTOR
MICHELLE FULLER, DIRECTOR

GENERAL MANAGER

JOHN FRIEDENBACH

PROJECT MAINTENANCE LETTER

April 27, 2018

California Governor's Office of Emergency Services
Hazard Mitigation Grants Program Unit
3650 Schriever Avenue
Mather, CA 95655

RE: DR-4344-0040 Project Subapplication

Dear State Hazard Mitigation Officer:

This is to confirm that Humboldt Bay Municipal Water District (HBMWD) is committed to perform the necessary maintenance for the entire useful life of this project (50 YEARS). The HBMWD already allocates funds to regularly maintain the reservoirs in good repair and operation. Therefore no additional annual budget allocation is necessary.

ENTITY RESPONSIBLE FOR THE MAINTENANCE:
Example: City of Townsville

PAST MAINTENANCE TASKS INVOLVED:

Explain the maintenance cost before mitigation and explain what the maintenance activities included in the past.

FUTURE MAINTENANCE TASKS INVOLVED:

Explain the maintenance cost after mitigation and explain what the maintenance activities will include in the future.

FUTURE MAINTENANCE SCHEDULE:
Example: Annually

FUTURE COST OF MAINTENANCE:
Example: \$10,000.00

SOURCE OF FUTURE MAINTENANCE FUNDS:
Example: Flood Control Funds

Please contact Business Manager Chris Harris with any questions.

Sincerely,

John Friedenbach
HBMWD General Manager
Phone: 707-443-5018
Fax: 707-443-5731
friedenbach@hbmwd.com



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 SEVENTH STREET, PO Box 95 • EUREKA, CALIFORNIA 95502-0095

OFFICE 707-443-5018 ESSEX 707-822-2918

FAX 707-443-5731 707-822-8245

EMAIL OFFICE@HBMWD.COM

Website: www.hbmwd.com

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 JOHN FRIEDENBACH

LOCAL MATCH FUND COMMITMENT LETTER

May 15, 2018

California Governor's Office of Emergency Services
 Hazard Mitigation Grants Program Unit
 3650 Schriever Avenue
 Mather, CA 95655

RE: DR-4344-0040 Subapplication Funding Match Commitment Letter

Dear State Hazard Mitigation Officer:

As part of the Hazard Mitigation Grant Program process, a local funding match of at least 25% is required. This letter serves as Humboldt Bay Municipal Water District's commitment to meet the local match fund requirements for the Hazard Mitigation Grant Program.

SOURCE OF NON-FEDERAL FUNDS:

LOCAL AGENCY FUNDING	OTHER AGENCY FUNDING	PRIVATE NON-PROFIT FUNDING	STATE AGENCY FUNDING
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

NAME OF FUNDING SOURCE:

HBMWD

FUNDS AVAILABILITY DATE:

May 15, 2018

PROVIDE EXACT MONTH/DATE/YEAR OF AVAILABILITY OF FUNDS

FEDERAL SHARE AMOUNT REQUESTED:

\$2,686,500

MUST MATCH \$ AMOUNT PROVIDED IN SUBAPPLICATION

LOCAL SHARE AMOUNT MATCH:

\$895,500

MUST EQUAL A MINIMUM OF THE 25% FEDERAL SHARE REQUESTED

FUNDING TYPE:

Cash from municipal customer water rates

EXAMPLES: ADMINISTRATION, CASH, CONSULTING FEES, ENGINEERING FEES,
 FORCE ACCOUNT LABOR, AGENCY PERSONNEL, PROGRAM INCOME, ETC.

If additional federal funds are requested, an additional local match fund commitment letter will be required.

Please contact Business Manager Chris Harris at 707-443-5018, harris@hbmwd.com with questions.

Sincerely,

John Friedenbach
General Manager
Phone: 707-443-5018
Fax: 707-443-5731
friedenbach@hbmwd.com

PRINT THIS PAGE – ORIGINAL SIGNATURE IS REQUIRED

PROJECT CONDITIONS

Indicate by checking each box below that you will adhere to these listed project conditions.

- If during implementation of the project, ground-disturbing activities occur and artifacts or human remains are uncovered, all work will cease and FEMA, Cal OES, and the State Historic Preservation Officer (SHPO) will be notified.
- If deviations from the approved scope of work result in design changes, the need for additional ground disturbance, additional removal of vegetation, or will result in any other unanticipated changes to the physical environment, FEMA will be contacted and a re-evaluation under NEPA and other applicable environmental laws will be conducted.
- If wetlands or waters of the U.S. are encountered during implementation of the project, not previously identified during project review, all work will cease and FEMA will be notified.
- Due to the Federally mandated Environmental and Historic Preservation (EHP) review; no construction will occur for this project prior to FEMA and Cal OES approval.

AUTHORIZATION

The undersigned does hereby submit this subapplication for financial assistance in accordance with the Federal Emergency Management Agency's (FEMA) Hazard Mitigation Grant Program (HMGP) and the State Hazard Mitigation Administrative Plan and certifies that the subapplicant (e.g., organization, city, or county) will fulfill all requirements of the program as contained in the program guidelines and that all information contained herein is true and correct to the best of our knowledge.

Subapplicant Authorized Agent

NAME: John Friedenbach

TITLE: General Manager

ORGANIZATION: HBMWD

SIGNATURE: _____

DATE: _____

FINANCIAL

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
Statement of Fund Balances at April 30, 2018

SECTION J2a PAGE NO. 1

Account Fund Balance at Month End	AT 4-30-18	AT 4-30-17
U.S. BANK ACCOUNTS		
- Commercial Account - General Fund Account	217,364.39	972,236.25
- Money Market Account (DWR Contract for SRF Loan) ①	299,473.27	297,888.44
- Certificate of Deposit (DWR Contract for SRF Reserve) ②	547,336.94	547,336.94
- CalPERS (UAL) Pension Trust ⑧	600,000.00	0.00
Subtotal	<u>1,664,174.60</u>	<u>1,817,461.63</u>
HUMBOLDT COUNTY:		
- Investment Account	1,793,466.39	2,537,629.47
- DWFP Reserve (in accordance with Ordinance 16) ④	233,368.21	470,888.14
- MSRA Reserve (Municipal Supplemental Reserve Account) ⑤	427,122.09	421,711.47
- SRF Loan Payment ⑥	94,972.30	94,206.24
- ReMat Account ⑦	180,634.01	0.00
- 1% Tax Account ③	393.64	352.38
Subtotal	<u>2,729,956.64</u>	<u>3,524,787.70</u>
L.A.I.F.	1,629.83	1,610.80
Cash on Hand	650.00	650.00
TOTAL CASH	<u>\$ 4,396,411.07</u>	<u>\$ 5,344,510.13</u>
Less: Encumbrances & Reserves (Funds Dedicated for Specific Purposes and Projects)		
RESTRICTED		
Municipal Customers PF2 Prior Year Reconciliation	(72,414.83)	(101,941.32)
1% Tax Account ③	(393.64)	(352.38)
Municipal Customer Adv. Chrg. - Ranney Collector 1 & 1A Rehabilitation	0.00	(24,118.85)
Municipal Customer Adv. Chrg. - Collector 1 Pump Motors	0.00	0.00
Municipal Customer Adv. Chrg. - 1MG Domestic Reservoir Roof	(88,661.37)	0.00
Municipal Customer Adv. Chrg. - Replace Ruth Bunkhouse	(403,365.00)	(195,000.00)
Municipal Customer Adv. Chrg. - SCADA System Upgrade	(83,452.98)	0.00
Municipal Customer Adv. Chrg. - Blue Lake/FGCSD River Crossing	0.00	0.00
Municipal Customer Adv. Chrg. - Surge Tower Replacement	0.00	0.00
DWR Reserve Fund for SRF Loan ②	(547,336.94)	(547,336.94)
DWR Contract Payment for SRF Loan for DWFP (Drinking Water Filtration Plant-PF1 Charges from Munis) ①	(299,473.27)	(297,888.44)
CalPERS (UAL) Pension Trust ⑧	(600,000.00)	
SUBTOTAL RESTRICTED RESERVES (Net Position)	<u>(2,095,098.03)</u>	<u>(1,166,637.93)</u>
UNRESTRICTED:		
Board Restricted:		
Paik-Nicely Development	(4,158.00)	(4,158.00)
DWFP Reserve ④	(233,368.21)	(470,888.14)
MSRA Reserve (Municipal Supplemental Reserve Account) ⑤	(427,122.09)	(421,711.47)
PG&E REMAT Deposit	(27,000.00)	(27,000.00)
PG&E REMAT Reserve (County Fund) ⑦	(180,634.01)	0.00
Unrestricted Reserves		
SRF Loan Payment ⑥	(94,972.30)	(94,206.24)
Municipal Customer Accumulation for Debt Service for US Bank		
Ranney & Techite Project Loan Payment	29,446.79	29,281.45
General Fund Reserve	<u>(1,363,505.22)</u>	<u>(3,189,189.80)</u>
SUBTOTAL UNRESTRICTED RESERVES (Net Position)	<u>(2,301,313.04)</u>	<u>(4,177,872.20)</u>
Total Net Position	<u>(4,396,411.07)</u>	<u>(5,344,510.13)</u>

HUMBOLDT BAY MUNICIPAL WATER DISTRICT
AT APRIL 30, 2018 (10 MONTH - 83.3%)

	APRIL RECEIPTS	YTD TOTAL AT 4-30-18	BUDGET	% OF BUDGET	YTD TOTAL AT 4-30-17
MISCELLANEOUS RECEIPTS (RETURNED TO CUSTOMERS VIA PF2)					
RETAIL WATER SALES	\$ 24,322.90	\$ 238,564.63	\$312,151	76%	\$ 310,249.71
SUBTOTAL RETAIL WATER SALES	\$ 24,322.90	\$ 238,564.63	\$312,151	76%	\$ 310,249.71
GENERAL REVENUES					
INTEREST (1)	9,007.32	25,955.02	\$12,000	216%	32,181.31
FCSD CONTRACT FOR MAINT. & OPERATIONS	44,472.66	209,026.36	175,000	119%	234,894.67
POWER SALES NET REMAT	26,674.23	109,350.31	197,000	56%	190,997.65
MISCELLANEOUS (SEE NEXT PAGE)	\$4,516.08	\$97,707.42	50,000	195%	\$ 53,684.35
SUBTOTAL GENERAL REVENUES	\$ 84,670.29	\$ 442,039.11	\$434,000	102%	\$ 511,757.98
TAX RECEIPTS					
1% TAXES (1)	393.64	507,700.85	775,000	66%	479,834.99
TOTAL PF 2 CREDIT	\$ 109,386.83	\$ 1,188,304.59	\$1,521,151	78%	\$ 1,301,842.68
WHOLESALE CONTRACT RECEIPTS					
INDUSTRIAL / HARBOR DISTRICT	\$0.00	\$612.40	\$10	6124%	\$1,108.28
TOTAL INDUSTRIAL	\$0.00	\$612.40	\$10	6124%	\$1,108.28
CITY OF ARCATA	\$ 89,540.37	\$ 916,281.58	\$1,162,728	79%	\$ 958,377.87
CITY OF EUREKA	212,927.73	2,172,860.48	2,758,065	79%	2,297,180.47
HUMBOLDT CSD	70,703.68	716,685.71	923,496	78%	772,328.08
MANILA CSD	3,588.54	43,649.47	74,513	59%	62,073.31
MCKINLEYVILLE CSD	71,114.22	731,111.82	935,846	78%	777,243.50
FIELDBROOK CSD	11,488.05	119,842.73	151,117	79%	126,441.58
BLUE LAKE	12,712.26	129,431.00	164,116	79%	135,974.07
TOTAL MUNIS	\$ 472,074.85	\$ 4,829,862.79	\$6,169,881	78%	\$ 5,129,618.88
REMAT REVENUE less Consultant fee (3)	39,047.43	202,749.89	300,000	68%	0
TOTAL RECEIPTS	\$ 620,509.11	\$ 6,221,529.67	\$7,691,042	81%	\$ 6,432,569.84

(1) LAIF Interest Jan - March 2018 and Humboldt County Accounts Oct - Dec 2017 Investment Account \$9,001.28 and 1% Taxes Account \$393.64

MISCELLANEOUS RECEIPTS

	APRIL	YEAR TO DATE
Administrative		
Parking Lot Rent	\$0.00	\$250.00
Employee Telephone	0.00	357.52
Employee Gas	0.00	548.14
Retirees' Reimbursement of Health Insurance Premium	4,157.37	29,758.22
COBRA Vision Ins & Admin Fee - Retiree	18.93	378.60
COBRA Dental Ins & Admin Fee - Retiree	66.50	1,413.48
Water Processing Fees	0.00	330.00
Hydrant Rental Deposit	0.00	525.00
Meter Installations	0.00	0.00
Retail Connection Charge	0.00	0.00
Mainline Connection Charge	0.00	0.00
Right of Way Fees	0.00	0.00
Special Event Liability Insurance	0.00	514.75
ACWA/JPIA Retrospective Premium Adjustment	0.00	45,846.22
ACWA/JPIA Insurance Claim	0.00	0.00
Dividend Check (Principal Life)	272.34	1,030.62
Bad Debt Recovery	0.00	81.20
Miscellaneous Payments for Copies &/or Postage Costs	0.94	215.26
Diesel Fuel Tax Refund	0.00	106.24
Park Use Fees	0.00	100.00
Sale of Surplus Equipment	0.00	7,950.00
Reimbursement for District Coffee Mugs	0.00	97.39
Reimbursement for personal charge on District credit card	0.00	103.00
Reimbursement for safety apparel	0.00	88.00
Reimbursement for District Hats	0.00	283.00
Lithia Dodge - Refund - Overpayment of DMV Fees	0.00	81.00
Scotia CSD - Reimbursement for emergency chemical supplies	0.00	112.20
County of Humboldt - Refund of Inspection Fees for Techite Pipeline Replacement Project	0.00	599.58
Ruth Area		
Use of Ruth Cabin	0.00	210.00
RLCSD-Water System Permit Fees	0.00	0.00
Ruth Area Water Use Permit	0.00	100.00
Buffer Strip Right of Way License Fee	0.00	0.00
Ruth Buffer Strip PG&E Right of Way Fees	0.00	100.00
Ruth Sale of Merchantable Timber	0.00	0.00
Ruth Sale of Surplus Gravel	0.00	0.00
Don Bridge Lease	0.00	768.00
FEMA Storm Damage Claim - Ruth Culvert	0.00	5,760.00
Miscellaneous		
Other	0.00	0.00
Total Miscellaneous Receipts	\$4,516.08	\$97,707.42
OTHER RECEIPTS or GRANTS		
Prop 84 - Ranney Collector 1	0.00	93,755.50
CalEMA Blue Lake/Fieldbrook Pipeline Crossing	0.00	0.00
Quagga Grant 2015/16 on behalf of RLCSD*	0.00	915.00

* Not included in PF2 Credits. No charges were expended by HBMWD.
Claim for expenditures was submitted by HBMWD on behalf of RLCSD.

-4-
HUMBOLDT BAY MUNICIPAL WATER DISTRICT
TOTAL EXPENDITURES
AT APRIL 30, 2018 (10 MONTHS - 83.3%)

	APRIL EXPENSES	YTD TOTAL 4/30/2018	BUDGET	% OF BUDGET	TOTAL 4/30/2017
PAYROLL: See next page for detail					
Total Compensation	\$174,080.94	\$1,816,418.18	\$ 2,273,365	80%	\$1,761,805.13
Taxes/Benefits	137,272.55	1,239,605.49	1,468,911	84%	1,181,972.37
TOTAL PAYROLL	\$311,353.49	\$3,056,023.67	\$ 3,742,276	82%	\$2,943,777.50
SERVICE & SUPPLY					
O & M					
Engineering	\$1,900.75	\$56,930.00	\$ 75,000	76%	\$37,883.00
Maint., Repairs, Supplies	19,333.28	187,865.77	115,000	163%	102,705.98
TRF Maint, Repairs, Supplies	11,963.18	46,067.75	62,000	74%	47,268.35
Lab	3,680.00	11,811.84	13,000	91%	9,594.70
Auto Maintenance	3,082.82	30,638.61	46,000	67%	24,533.29
Radio Maintenance	516.79	6,330.78	10,500	60%	8,926.19
USGS Meter Station	0.00	0.00	7,800	0%	0.00
Ruth Lake License	0.00	1,500.00	1,500	100%	1,500.00
A&G					
Accounting Services	5,222.00	16,355.00	\$ 25,000	65%	19,166.03
Legal	12,528.00	49,881.69	28,000	178%	4,157.43
Professional Services	0.00	2,880.43	20,000	14%	3,569.88
Insurance	0.00	88,698.75	105,000	84%	86,179.50
Telephone/Internet	5,157.46	49,492.89	51,000	97%	48,119.88
Office Building Maintenance	3,691.36	23,048.30	18,500	125%	15,879.79
Office Expense	4,497.26	40,825.82	54,000	76%	45,537.38
Travel & Conference	0.00	7,163.07	22,000	33%	5,355.85
Dues & Subscriptions	0.00	16,193.51	11,300	143%	15,238.78
CSDA Dues	0.00	8,039.00	5,200	155%	0.00
Technical Training	576.96	5,713.27	14,500	39%	6,755.56
General Manager Training	0.00	997.08	5,000	20%	0.00
Safety Apparel	0.00	3,307.08	3,000	110%	0.00
County Tax Fee	0.00	9,709.00	21,000	46%	9,522.00
County Property Taxes	0.00	998.60	1,100	91%	998.60
LAFCO	0.00	5,790.07	7,000	83%	7,447.28
Regulatory Agency Fees	31,948.30	98,247.83	76,000	129%	51,285.16
Ruth Lake Programs	0.00	0.00	5,000	0%	0.00
Miscellaneous	1,898.59	10,691.37	11,500	93%	17,995.40
TOTAL SERVICE/SUPPLIES W/OUT POWER	\$105,996.75	\$780,888.94	\$814,900	96%	\$569,620.03
POWER					
Essex Pacific Gas & Electric	\$42,632.21	\$491,138.17			\$502,118.55
Fuel For 2 MW Generator	0.00	0.00			2,513.59
Subtotal Essex Pumping	\$42,632.21	\$491,138.17	\$595,803	82%	\$504,632.14
All Other Pacific Gas & Electric	8,145.23	67,077.45	71,662		72,744.72
POWER EXPENSE SUBTOTAL	\$50,777.44	\$558,215.62	\$667,465	84%	\$577,376.86
TOTAL SERVICE/SUPPLIES WITH POWER	\$156,774.19	\$1,339,104.56	\$1,482,365.00	90%	\$1,146,996.89
PROJECTS, FIXED ASSETS & CONSULTING SERVICES					
	\$77,787.76	\$2,148,358.88	\$7,563,490.00	28%	\$2,380,432.54
TOTAL OPERATING	\$545,915.44	\$6,543,487.11	\$12,788,131.00	51%	\$6,471,206.93
DEBT SERVICE - SRF LOAN (1)	\$0.00	\$273,668.48	\$547,337.00	50%	\$273,668.48
TOTAL EXPENDITURES	\$545,915.44	\$6,817,155.59	\$13,335,468.00	51%	\$6,744,875.41
DEBT SERVICE - US Bank	\$0.00	\$162,188.10	\$162,200.00	100%	\$162,188.10

Humboldt Bay Municipal Water District
Salary & Employee Benefit Expenditures

April 2018

Ordinary Income/Expense	Apr 18	Budget	% of Budget	Jul '17 - Apr ...	YTD Budget	% of Budget	Annual Bud...
Expense							
SALARIES & EMPLOYEE BENEFITS							
00 · PAYROLL EXPENSE							
11 · Salaries & Wages							
01 · Wages-Regular	162,204.67	165,993.50	97.7%	1,550,492.51	1,659,935.00	93.4%	1,991,922.00
02 · Wages-Part-time	2,285.06	4,238.89	53.9%	30,480.85	44,211.11	68.9%	53,600.00
03 · Wages-Overtime	669.49	1,800.00	37.2%	17,294.30	20,400.00	84.8%	24,000.00
04 · Wages-Standby	6,352.66	7,500.00	84.7%	65,048.23	75,000.00	86.7%	90,000.00
05 · Wages-Holiday	0.00	0.00	0.0%	9,392.56	9,200.00	102.1%	11,000.00
07 · Shift Differential	866.56	1,000.00	86.7%	7,721.66	10,000.00	77.2%	12,000.00
08 · Director Compensation	1,440.00	2,170.83	66.3%	18,080.00	21,708.34	83.3%	26,050.00
09 · Secretarial Fees	262.50	262.50	100.0%	2,625.00	2,625.00	100.0%	3,150.00
Total 11 · Salaries & Wages	174,080.94	182,965.72	95.1%	1,701,135.11	1,843,079.45	92.3%	2,211,722.00
Z20 · Employer P/R Tax Expense	13,346.87	14,725.59	90.6%	135,734.40	147,685.82	91.9%	177,137.00
Total 00 · PAYROLL EXPENSE	187,427.81	197,691.31	94.8%	1,836,869.51	1,990,765.27	92.3%	2,388,859.00
158 · EMPLOYEE BENEFITS							
E. B. - Medical & Life							
162 · Employee Medical & Li...	52,136.43	56,231.33	92.7%	581,160.39	562,313.34	103.4%	674,776.00
173 · HSA	5,021.44	416.67	1,205.1%	32,080.11	4,166.66	769.9%	5,000.00
162a · Retiree Medical	6,136.99	5,825.67	105.3%	72,557.17	58,256.66	124.5%	69,908.00
Total E. B. - Medical & Life	63,294.86	62,473.67	101.3%	685,797.67	624,736.66	109.8%	749,684.00
E. B. - Dental	2,697.96	3,370.50	80.0%	28,888.06	33,705.00	85.7%	40,446.00
E. B. - Vision	612.09	631.00	97.0%	6,376.44	6,310.00	101.1%	7,572.00
E. B. - Retirement Benefits							
164 · 457b District Contribu...	2,550.00	2,550.00	100.0%	25,500.00	25,500.00	100.0%	30,600.00
PERS Expenses	35,831.67	36,345.83	98.6%	341,500.76	363,458.34	94.0%	436,150.00
Total E. B. - Retirement Benefits	38,381.67	38,895.83	98.7%	367,000.76	388,958.34	94.4%	466,750.00

SECTION 58e PAGE NO. 5

Humboldt Bay Municipal Water District
Salary & Employee Benefit Expenditures
 April 2018

	Apr 18	Budget	% of Budget	Jul '17 - Apr ...	YTD Budget	% of Budget	Annual Bud...
E. B. - Other Benefits							
159 - Workers' Comp. Ins.	17,533.54	17,643.00	99.4%	53,435.10	70,572.00	75.7%	70,572.00
168 - Long-Term Disability I...	1,330.36	1,442.92	92.2%	13,288.79	14,429.16	92.1%	17,315.00
172 - Employee EAP	75.20	89.83	83.7%	822.50	898.34	91.6%	1,078.00
Total E. B. - Other Benefits	18,939.10	19,175.75	98.8%	67,546.39	85,899.50	78.6%	88,965.00
Total 158 - EMPLOYEE BENEFITS	123,925.68	124,546.75	99.5%	1,155,609.32	1,139,609.50	101.4%	1,353,417.00
Total SALARIES & EMPLOYEE BEN...	311,353.49	322,238.06	96.6%	2,992,478.83	3,130,374.77	95.6%	3,742,276.00
Total Expense	311,353.49	322,238.06	96.6%	2,992,478.83	3,130,374.77	95.6%	3,742,276.00
Net Ordinary Income	-311,353.49	-322,238.06	96.6%	-2,992,478.83	-3,130,374.77	95.6%	-3,742,276.00

Humboldt Bay Municipal Water District
Overtime Pay
April 2018

	54TRF		54		56		58		TOTAL	
	Hours	Apr 18	Hours	Apr 18	Hours	Apr 18	Hours	Apr 18	Hours	Apr 18
Employee Wages, Taxes and Adjustments Gross Pay	7.25	355.48	2	66.02	2.75	137.35	2	110.64	14.00	669.49
Overtime	7.25	355.48	2	66.02	2.75	137.35	2	110.64	14.00	669.49
Total Gross Pay	7.25	355.48	2	66.02	2.75	137.35	2	110.64	14.00	669.49
Adjusted Gross Pay	7.25	355.48	2	66.02	2.75	137.35	2	110.64	14.00	669.49
Net Pay	7.25	355.48	2	66.02	2.75	137.35	2	110.64	14.00	669.49
Employer Taxes and Contributions		0.00		0.00		0.00		0.00		0.00

SECTION J2a PAGE NO. 7

I. CAPITAL PROJECTS	APRIL EXPENSES	YTD TOTAL 4/30/2018	BUDGET	% OF BUDGET
A. Projects Charged to All Customers via Price Factor 2 (BWF)				
Ranney Collectors Communication Upgrade	\$0.00	\$0.00	\$3,250	0%
Collector 1, Pump 3 & 4 Isolation Valve & Expansion Joint Replacement	0.00	6,481.02	7,750	84%
Collector 1, Replacement of Pressure Relief Valve	8,247.90	8,247.90	6,000	137%
Replace Collector 1 - Pump 1.1 Funded by Current Budget	0.00	116,458.05	134,000	87%
Replace Collector 1 - Pump 1.4 Funded by Current Budget	0.00	122,020.80	110,000	111%
Collector 4 Replacement of Check Valves for 4-1, 4-2	0.00	28,416.16	30,250	94%
Purchase Vehicle Lift	30.43	13,995.03	17,250	81%
Superintendent Office Remodel	0.00	0.00	6,000	0%
Ruth Hydro Protective Relay Replacement - Phase 1	544.00	544.00	42,000	1%
Ruth Dam Access Road Culvert System	4,321.56	4,321.56	4,750	91%
SUBTOTAL A:	\$13,143.89	\$300,484.52	\$361,250	83%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)				
TRF Video Surveillance System	\$0.00	\$0.00	\$23,000	0%
TRF Work Area - Phase 2	0.00	3,132.94	5,500	57%
TRF Storage Area Slab & Drainage System	0.00	0.00	7,500	0%
SUBTOTAL B:	\$0.00	\$3,132.94	\$36,000	9%
C. Projects Funded by Other Sources (BWF)				
Blue Lake/FGCSD River Crossing Funded by Prop 84 & FEMA Grants & Adv. Charges	\$2,718.00	\$336,530.67	\$3,579,750	9%
Surge Tower Replacement - CEQA, Bidding & Construction Assistance Funded by FEMA Grant	4,959.47	51,527.16	960,000	5%
1 Mg Domestic Water Reservoir Roof & Painting Funded by Advanced Charges	0.00	536,338.63	625,000	86%
Replace Collector 1 - Pump 1.1 Funded by Advanced Charges	0.00	50,000.00	50,000	100%
Replace Collector 1 - Pump 1.4 Funded by Advanced Charges	0.00	50,000.00	50,000	100%
SUBTOTAL C:	\$7,677.47	\$1,024,396.46	\$5,264,750	19%
TOTAL CAPITAL PROJECTS:	\$20,821.36	\$1,328,013.92	\$5,662,000	23%

While the total projects expenditures are budgeted at \$7,563,490, the actual customer charges are \$1,550,945. Capital Projects C, Professional & Consulting Services C and Industrial System Projects C is the listing of Projects Funded by Other Sources. In addition the Replacement projects have been partially funded with financing over 10 years. Only the annual debt service for these financed projects are being charge

I. FIXED ASSETS	APRIL		YTD TOTAL 4/30/2018	% OF	
	EXPENSES	BUDGET		BUDGET	BUDGET
A. Projects Charged to All Customers via Price Factor 2 (BWF)					
Essex- Replace Two Administrative Computers	\$0.00	\$6,250	\$4,966.05		79%
Spare Bottles for SCBAs	0.00	1,500	1,580.00		105%
Wall Mounted EyeWash Station	0.00	2,250	2,001.83		89%
Fall Protection Equipment	0.00	4,000	4,034.46		101%
Electrical Safety Equipment	0.00	3,000	1,425.32		48%
Control System Computer Backup Devices	0.00	3,250	1,917.39		59%
Customer Service - Metal Detector	0.00	1,250	1,097.66		88%
Customer Service - Dewatering Equipment	0.00	1,500	1,282.21		85%
Replace Unit 7	0.00	43,000	0.00		0%
Replace Unit 9	173.26	70,500	51,209.85		73%
Replace District Portable Radios	0.00	4,750	4,352.03		92%
Parts Cleaner - NonToxic Environmentall Safe	0.00	2,000	2,168.92		108%
Purchase Drone	0.00	3,000	0.00		0%
Chlorine System PLC	0.00	6,000	0.00		0%
AED Ruth Hydro	0.00	1,500	1,213.95		81%
Eureka - Replace Computer	0.00	3,000	0.00		0%
Replace Business Manager Desk	0.00	3,000	3,323.27		111%
Replace/Upgrade Eureka Computer Main Server	3,496.04	30,000	19,232.18		64%
Screens for Board of Directors	0.00	15,000	0.00		0%
SUBTOTAL A:	\$3,669.30	\$204,750	\$99,805.12		49%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)					
TRF Spare Parts Inventory	\$0.00	\$4,500	\$4,196.65		93%
Chemical Transfer Pump	0.00	1,500	1,602.63		107%
SUBTOTAL B:	\$0.00	\$6,000	\$5,799.28		97%
TOTAL FIXED ASSETS PROJECTS:	\$3,669.30	\$210,750	\$105,604.40		50%

II. MAINTENANCE PROJECTS		APRIL	YTD TOTAL	% OF
A. Charged to All Customers via Price Factor 2 (BWF)		EXPENSES	4/30/2018	BUDGET
Collector 2 Meter Calibration		\$0.00	\$0.00	0%
Pipeline Maintenance		593.73	2,654.28	20%
12KV Electric System Maintenance		0.00	0.00	0%
Mainline Meter Flow Calibration		0.00	0.00	0%
Replace HCSD Meter		0.00	6,590.90	80%
Technical Support & Software Updates to Include Control System		362.00	9,518.34	45%
Generator Service		0.00	710.22	20%
Hazard & Diseased Tree Removal		0.00	0.00	0%
Cathodic Protection		0.00	0.00	0%
Maintenance Emergency Repair		0.00	18,237.22	36%
Fleet Paint Repairs		0.00	1,223.73	24%
Lead Free Brass Inventory		0.00	6,786.46	90%
Essex Fire Alarm System Upgrade		0.00	7,722.63	97%
Essex Office Single Pane Windows Replacement		0.00	0.00	0%
Samoa Booster Pump Station Expansion Joint Replacement		0.00	5,061.09	84%
Construction Equipment Tire Replacement		0.00	0.00	0%
Asphalt Repair		0.00	3,375.56	48%
Ruth Lake - Brush Abatement		0.00	0.00	0%
Licensed Timber Operator		0.00	3,102.45	62%
Picketts Peak Radio System Modifications		0.00	7,617.21	85%
Ruth Spillway Review & Improvement		1,208.24	55,903.20	112%
Ruth Hydro - Repair PRV Discharge Pipe		4,441.02	4,441.02	59%
SUBTOTAL A:		\$6,604.99	\$132,944.31	56%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)				
TRF - Generator Service		\$0.00	\$189.40	38%
TRF Limitorque Valve Retrofit Supplies - Phase 1		0.00	16,210.06	97%
TRF- Removal of Sodium Hydroxide and waste Aluminum Sulfate		0.00	0.00	0%
SUBTOTAL B:		\$0.00	\$16,399.46	51%
TOTAL MAINTENANCE PROJECTS:		\$6,604.99	\$149,343.77	56%

III. PROFESSIONAL & CONSULTING SERVICES		APRIL	YTD TOTAL	% OF
A. Charged to All Customers via Price Factor 2 (BWF)		EXPENSES	4/30/2018	BUDGET
Collector 2 Underground Power & Fiber Optic Line	\$0.00	\$0.00	\$24,000	0%
Collector 1 Transformer & Electrical Evaluation	0.00	0.00	5,000	0%
Collector 1 Pump & Motor Upgrades	0.00	0.00	6,000	0%
Essex Control Building Expansion Plans & Specifications	0.00	0.00	44,000	0%
Crane Testing/Certification	0.00	6,507.14	7,500	87%
Control/SCADA Software Training	0.00	31,673.00	30,250	105%
Technical Training	1,900.00	5,453.86	7,500	73%
Backflow Tester Training	0.00	2,370.00	2,000	119%
HazMat Training	0.00	5,073.00	5,500	92%
Transformer Oil Testing	0.00	4,044.00	4,500	90%
GIS/Facilities Information System	0.00	0.00	12,000	0%
GIS/Facilities Information System - Ruth	0.00	0.00	4,750	0%
Essex Mad River Cross-Sectional Survey	0.00	9,345.75	10,000	93%
Essex Protective Relay Testing	0.00	11,195.00	12,000	93%
Mad River Watershed Regulatory Compliance	5,000.00	8,278.00	50,000	17%
Dune Monitoring Program - Component of Coastal Conservancy Climate Ready Grant	0.00	2,000.00	2,000	100%
Grant Applications	4,337.25	18,013.75	20,000	90%
Public Education	0.00	5,000.00	5,000	100%
Water Resources Planning	0.00	1,345.50	5,000	27%
Upgrade Accounting System	0.00	28,843.00		
Ruth Protective Relay Testing	0.00	11,565.00	12,000	96%
FERC Dam Safety Surveillance & Monitoring Report(DSSMR)/FERC Dam Safety Review (Pa	610.93	3,608.68	3,000	120%
FERC Chief Dam Safety Engineer	2,200.00	2,887.50	10,000	29%
FERC Matthews Dam Monument Survey	0.00	7,771.00	9,000	86%
FERC Matthews Dam Spillway Wall Survey	0.00	9,700.00	11,000	88%
FERC Matthews Dam Left Abutment Monitoring Survey	0.00	9,580.50	11,000	87%
Matthews Dam River Cross-Sectional Survey	0.00	3,843.50	5,000	77%
FERC Spillway Probable Failure	22,103.07	24,816.57		
FERC Geologic Spillway Assessment	9,321.50	9,321.50		
SUBTOTAL A:	\$45,472.75	\$222,236.25	\$ 318,000	70%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)				
Chlorine System Maintenance	\$281.46	\$10,151.40	\$16,100	63%
SUBTOTAL B:	\$281.46	\$10,151.40	\$ 16,100	63%
C. Projects Funded by Other Sources (BWF)				
Quagga Grant/RLCSD] CA Dept of Boating & Waterways	\$0.00	\$0.00	9,150	0%
Industrial System Single Line Mad River Slough Assessment] District Reserves	0.00	0.00	24,000	0%
Industrial & Domestic System Intertie] District Reserves	0.00	0.00	11,000	0%
SUBTOTAL C:	\$0.00	\$0.00	44,150	0%
TOTAL PROFESSIONAL & CONSULTING SERVICES	\$45,754.21	\$232,387.65	\$ 378,250	61%

IV. INDUSTRIAL SYSTEM PROJECTS			
A. Charged to All Customers via Price Factor 2 (BWF)	APRIL EXPENSES	YTD TOTAL 4/30/2018	% OF BUDGET
- Maintain Water Supply to Industrial Pump Station (Pump Station 6) During Low-Flow Months	\$0.00	\$1,111.50	8%
SUBTOTAL A.	\$0.00	\$1,111.50	8%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)			
SUBTOTAL B.	\$0.00	\$0.00	0%
C. Projects Funded by Other Sources (BWF)			
Industrial Reservoir Painting, Specs, Bidding & Construction Management	\$0.00	\$0.00	0%
SUBTOTAL C.	\$0.00	\$0.00	0%
TOTAL INDUSTRIAL SYSTEM PROJECTS:	\$0.00	\$1,111.50	1%

CARRY-OVER PROJECTS FROM 2016/17			
I. CAPITAL PROJECTS	APRIL EXPENSES	YTD TOTAL 4/30/2018	% OF BUDGET
A. Charged to All Customers via Price Factor 2 (BWF)			
Mainline Valve Replacement	\$0.00	\$0.00	0%
New Valve below 1 Mig Domestic Reservoir	0.00	0.00	0%
SUBTOTAL A:	\$0.00	\$0.00	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)			
SUBTOTAL B:	\$0.00	\$0.00	0%
C. Projects Funded by Other Sources (BWF)			
SCADA System Upgrade - Phase 2] Advanced Charges	\$0.00	\$94,110.64	31%
Replace Ruth Bunkhouse] Advanced Charges	135.00	135.00	0%
SUBTOTAL C:	\$135.00	\$94,245.64	13%
C. Projects Funded by Other Sources (DWTF)			
TRF SCADA System Upgrade - Phase 2] Advanced Charges	\$0.00	\$223,436.38	223%
SUBTOTAL C:	\$0.00	\$223,436.38	223%
TOTAL CAPITAL PROJECTS	\$135.00	\$317,682.02	34%

Carryover Projects continued						
I. FIXED ASSETS						
A. Projects Charged to All Customers via Price Factor 2 (BWF)						
Purchase Shop Manual & Diagnostic Equipment to service Heavy Fleet Vehicles	\$0.00	\$0.00	\$0.00	\$5,000	0%	0%
SUBTOTAL A:	\$0.00	\$0.00	\$0.00	5,000	0%	0%
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B:	\$0.00	\$0.00	\$0.00	0	0%	0%
TOTAL FIXED ASSETS	\$0.00	\$0.00	\$0.00	5,000	0%	0%
II. MAINTENANCE PROJECTS						
A. Charged to All Customers via Price Factor 2 (BWF)						
Repair/Upgrade Line Shed 6	\$802.90	\$4,848.01	\$15,000		32%	
SUBTOTAL A:	\$802.90	\$4,848.01	15,000		32%	
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B:	\$0.00	\$0.00	0		0%	
TOTAL MAINTENANCE PROJECTS	\$802.90	\$4,848.01	15,000		32%	
III. PROFESSIONAL & CONSULTING SERVICES						
A. Charged to All Customers via Price Factor 2 (BWF)						
CIP Financial Plan Update	\$0.00	\$3,383.88	\$7,500		45%	
SUBTOTAL A:	\$0.00	\$3,383.88	7,500		45%	
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B:	\$0.00	\$0.00	0		0%	
TOTAL PROFESSIONAL & CONSULTING SERVICES	\$0.00	\$3,383.88	7,500		45%	
IV. INDUSTRIAL SYSTEM PROJECTS						
A. Charged to All Customers via Price Factor 2 (BWF)						
- Maintain Water Supply to Industrial Pump Station (Pump Station 6) During Low-Flow Months	\$0.00	\$5,983.73	\$5,200		115%	
SUBTOTAL A:	\$0.00	\$5,983.73	5,200		115%	
B. Projects Charged to Municipal Customers via Price Factor 2 (DWTF)						
SUBTOTAL B:	\$0.00	\$0.00	0		0%	
TOTAL INDUSTRIAL SYSTEM PROJECTS:	\$0.00	\$5,983.73	5,200		115%	
2016/17 CARRYOVER PROJECTS TOTAL	\$937.90	\$331,897.64	967,200		34%	
PROJECTS GRAND TOTAL:	\$77,787.76	\$2,148,358.88	\$7,563,490		28%	
Less Projects Funded from Other Sources (Grants/Loans/Advanced Charges/Reserves)	\$7,812.47	\$1,342,078.48	\$6,174,745		22%	
PF2 Project Total Charged to Customers excluding Debt Service (US Bank)	\$69,975.29	\$806,280.40	\$1,388,745		58%	

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

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April 2018

Memo	Amount
101Netlink	
Ruth Data Link/Internet	-170.00
Total 101Netlink	-170.00
Advanced Security Systems	
repair fire detection system at Essex	-337.80
Ruth Hydro Quarterly Alarm System Monitoring	-76.50
Total Advanced Security Systems	-414.30
AirGas NCN	
carbon monoxide/gas detector maintenance	-306.08
Total AirGas NCN	-306.08
Almquist Lumber	
graffiti removal at Industrial Reservoir	-87.17
Total Almquist Lumber	-87.17
Altec Industries, Inc	
repair Altec Chipper	-143.37
Total Altec Industries, Inc	-143.37
Asbury Environmental Services	
dispose of TRF Generator oil waste	-1,350.00
Total Asbury Environmental Services	-1,350.00
AT & T	
Ruth HQ	-7.24
TRF	-8.45
Essex office	-457.53
Eureka office	-6.48
Ruth Hydro	-317.77
Valve Building Samoa	-101.47
Ruth HQ	
TRF	
Essex office	
Eureka office	-244.64
Ruth Hydro	
Valve Building Samoa	
Total AT & T	-1,143.58
AT&T	
Eureka/Essex Landline	-35.14
Arcata/Essex Landline	-35.14
Samoa/Essex Landline	-235.66
Blue Lake Meter Signal	-60.68
Eureka Office Modem	-153.02
Eureka Office Alarm	-39.72
Samoa Booster Pump	-88.09
Valve Building-Samoa	-153.02
Eureka Office	-356.54
Essex Office	-934.16
TRF	-152.69
Ruth Dataline	-148.60
Total AT&T	-2,392.46
AT&T Advertising Solutions	
white page listing	-21.00
Total AT&T Advertising Solutions	-21.00
ATS Communications	
Firewall support renewal for Ruth Hydro	-362.00
Total ATS Communications	-362.00
Biovir Laboratories, Inc	
lab tests	-1,315.00
Total Biovir Laboratories, Inc	-1,315.00

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

April 2018

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Memo	Amount
C & K Johnson Industries, Inc Ruth Dam Access Road Culvert upgrade	-4,321.56
Total C & K Johnson Industries, Inc	-4,321.56
Campton Electric Supply Annual Ruth Maintenance Annual Ruth Maintenance	-62.24 -62.24
Total Campton Electric Supply	-124.48
Chemtrac Systems, Inc TRF Particle Counter calibration	-795.00
Total Chemtrac Systems, Inc	-795.00
Citi Cards Eureka office supplies Employee Retirement Luncheon	-326.16 -61.89
Total Citi Cards	-388.05
City of Eureka Eureka office water/sewer	-74.46
Total City of Eureka	-74.46
Coast Counties Truck & Equipment Company Unit 10 repairs Unit 10 repairs	-584.32 -200.13
Total Coast Counties Truck & Equipment Company	-784.45
Coastal Business Systems Inc. Eureka office copy and fax machine	-908.73
Total Coastal Business Systems Inc.	-908.73
Corey Borghino auto mileage reimbursement Jan-Mar 2018	-97.66
Total Corey Borghino	-97.66
Dave Perkins auto mileage reimbursement	-228.25
Total Dave Perkins	-228.25
Dept Water Resources Annual Dam Fees	-28,571.00
Total Dept Water Resources	-28,571.00
Englund Marine Supply Unit 4 man bucket repair	-12.68
Total Englund Marine Supply	-12.68
Eureka Oxygen cylinder rental	-111.64
Total Eureka Oxygen	-111.64
Eureka Readymix pipeline maintenance Fieldbrook-Glendale CSD reservoir seismic upgrades	-164.59 -163.47
Total Eureka Readymix	-328.06
Fastenal Company Ruth Spilway repair Fieldbrook-Glendale CSD reservoir seismic upgrage	-530.36 -740.31
Total Fastenal Company	-1,270.67
FEDEX mail FERC DSSMR	-115.68

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

April 2018

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Memo	Amount
Total FEDEX	-115.68
Fembridge Tractor & Equipment Company	
inspect and diagnose TRF Generator	-266.04
JD 110 repair	-43.13
Total Fembridge Tractor & Equipment Company	-309.17
FleetPride	
install air compressor on Unit 8	6.21
Unit 2 trailer maintenance	-9.86
Ruth Hydro turbine maintenance	-175.40
vehicle maintenance	-14.09
Total FleetPride	-193.14
Fortuna Iron Corporation	
Fieldbrook-Glendale CSD reservoir seismic upgrades	-11,218.93
Eureka office walkway railing	-2,052.00
Total Fortuna Iron Corporation	-13,270.93
Frontier Communications	
Ruth HQ	-51.26
Ruth Hydro/Ruth Dataline	-160.62
Total Frontier Communications	-211.88
GEI Consultants, Inc	
Ruth Hydro FERC PFMA webinar and report	-756.25
FERC Ruth Hydro spillway assessment	-9,321.50
Ruth Hydro FERC PFMA webinar and report	-19,374.50
FERC DSSMR review and ODSE Training and review	-2,200.00
Total GEI Consultants, Inc	-31,652.25
GFS Chemicals, Inc	
TRF annual lab equipment calibration	-761.50
Total GFS Chemicals, Inc	-761.50
GHD	
(98055) Blue Lake/Fieldbrook River Crossing	-2,718.00
(97858) Surge Tower Replacement	-4,959.47
(98053) General Engineering - 2MG Reservoir inspection	-1,046.50
(98053) General Engineering - Essex	-251.25
(98053) General Engineering - Eureka	-603.00
(98053) General Engineering - FERC Spillway Probable Failure	-1,809.00
(98052) Assistance with FERC DSSMR	-495.25
(98054) Grant Application Submittal - Reservoir Seismic Retrofit	-4,337.25
Total GHD	-16,219.72
Hach Company	
TRF lab supplies	-87.76
Total Hach Company	-87.76
Harbor Freight Tools	
maintenance shop supplies	-54.18
New Unit 9 equipment	-15.18
Total Harbor Freight Tools	-69.36
Harrington Industrial Plastics LLC	
TRF chemical pumps maintenance	-266.15
TRF chemical pumps maintenance	-324.18
Total Harrington Industrial Plastics LLC	-590.33
Hensel Hardware	
Park restroom maintenance/tool maintenance	-112.76
maintenance shop supplies	-44.38
graffiti removal/no trespassing signs/security camera maintenance	-113.70
lab sample station maintenance	-80.24
Annual Ruth Maintenance	-26.00
Annual Ruth Maintenance	-26.01

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

April 2018

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Memo	Amount
maintenance supplies - item return	4.88
Total Hensel Hardware	-398.21
Hensell Materials	
poly bags for sand	-7.60
Total Hensell Materials	-7.60
Henwood Associates, Inc	
Consultant Services Agreement	-2,067.62
Total Henwood Associates, Inc	-2,067.62
Humboldt County Health Department	
Hazardous Materials Facility Fee	-3,377.30
Total Humboldt County Health Department	-3,377.30
Humboldt Fasteners	
safety supplies	-94.68
air compressor maintenance	-66.73
tool maintenance	-38.07
Line Shed 6 upgrade	-25.76
Annual Ruth Maintenance	-27.01
Annual Ruth Maintenance	-27.00
Total Humboldt Fasteners	-279.25
Humboldt Redwood Company, LLC	
Mt Pierce Lease site	-266.79
Total Humboldt Redwood Company, LLC	-266.79
Humboldt Waste Management Authority	
disposal of TRF fiberglass tank	-104.40
Total Humboldt Waste Management Authority	-104.40
Industrial Electric	
installation of vehicle lift	-30.43
chlorine booster pump repair	-77.19
Total Industrial Electric	-107.62
Integra Chemical Company	
dechlorination chemicals	-1,187.50
Total Integra Chemical Company	-1,187.50
JTN Energy, LLC	
Consultant Services Agreement	-2,067.62
Total JTN Energy, LLC	-2,067.62
Ken's Auto Parts	
Unit 5 pressure gauge	-36.24
Total Ken's Auto Parts	-36.24
Kemen Construction	
park road maintenance	-289.85
Line Shed 6 upgrade	-317.59
Total Kemen Construction	-607.44
Mad River Alliance	
Mad River Alliance Water Quality Monitoring support	-5,000.00
Total Mad River Alliance	-5,000.00
McMaster-Carr Supply	
TRF valve and chemical tank maintenance	-232.00
maintenance supplies	-52.63
Annual Ruth Hydro maintenance	-243.71
Total McMaster-Carr Supply	-528.34
Mendes Supply Company	

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

April 2018

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Memo	Amount
Eureka office maintenance	-89.91
Total Mendes Supply Company	-89.91
Miller Farms Nursery	
Emergency Repair TRF Generator	-47.14
Ruth HQ chainsaw safety supplies	-86.15
Essex chainsaw safety supplies	-42.43
equipment maintenance	-34.14
Total Miller Farms Nursery	-209.86
Mission Linen	
maintenance supplies	-77.90
Uniform Rental	-474.55
Total Mission Linen	-552.45
Mitchell, Brisso, Delaney & Vrieze	
Legal Services Eureka - March 2018	-93.00
Total Mitchell, Brisso, Delaney & Vrieze	-93.00
Munnell & Sherrill, Inc.	
chlorine booster pump motor maintenance	-281.46
Total Munnell & Sherrill, Inc.	-281.46
Napa Auto Parts	
vehicle maintenance	-71.86
Unit 5 repair	-82.76
Unit 1 service	-72.82
equipment maintenance/Unit 2 maintenance	-15.61
Annual Ruth Maintenance - Ruth Hydro standby generator	-45.86
Total Napa Auto Parts	-288.91
National Power Equipment	
Annual Ruth Maintenance	-475.65
Annual Ruth Maintenance	-475.66
Total National Power Equipment	-951.31
Network Management Services	
Essential Care Computer Support Service for Eureka office	-342.00
Guard-IT Security Service for Eureka office	-139.99
Recover-IT Backup Solution	-438.00
Domain Management	-3.00
Umbrella Security	-30.00
replace Eureka office server	-3,496.04
Total Network Management Services	-4,449.03
Norcal Molecular, Inc.	
repair PRV discharge pipe @ Ruth Hydro	-2,845.05
Total Norcal Molecular, Inc.	-2,845.05
North Coast Cleaning Services, Inc	
Eureka office building maintenance	-545.00
Total North Coast Cleaning Services, Inc	-545.00
North Coast Journal, Inc	
position advertisement - Maintenance Worker	-164.00
Ruth bunkhouse remodel - advertisement for bids	-135.00
Total North Coast Journal, Inc	-299.00
North Coast Laboratories	
lab tests	-970.00
lab tests - TRF Generator	-1,395.00
Total North Coast Laboratories	-2,365.00
Northern California Safety Consortium	
membership fee	-50.00

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

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Memo	Amount
Total Northern California Safety Consortium	-50.00
NTU Technologies, Inc	
TRF chemical supplies	-621.00
Total NTU Technologies, Inc	-621.00
Occupational Health Services of Mad River	
Annual Hearing and Respirator Exams	-1,350.00
Total Occupational Health Services of Mad River	-1,350.00
Pacific Gas & Electric Co.	
Eureka Office	-534.94
Jackson Ranch Rectifier	-14.84
299 Rectifier	-88.15
West End Rd. Rectifier	-112.38
TRF	-6,779.50
Ruth Valve Control	-24.38
Ruth Hydro	-64.41
Samoa Booster Pump Station	-479.62
Samoa Dial Station	-47.01
Essex Pumping 3/1/2018 to 3/31/2018	-42,632.21
Ruth Bunkhouse	
Total Pacific Gas & Electric Co.	-50,777.44
Peterson Tractor Co.	
rental of generator for TRF	-2,667.89
rental of generator for TRF	-2,667.89
Total Peterson Tractor Co.	-5,335.78
Pierson Building Center	
maintenance shop roof repair	-70.51
Total Pierson Building Center	-70.51
Pioneer Law Group, LLP	
Legal Services	-12,435.00
Total Pioneer Law Group, LLP	-12,435.00
R.J. Ricciardi, Inc, CPAs	
Annual Financial Audit FY16/17	-5,222.00
Total R.J. Ricciardi, Inc, CPAs	-5,222.00
RazurSharp Saw Chain Service	
equipment maintenance	-221.61
Total RazurSharp Saw Chain Service	-221.61
Rebecca J. Moyle	
Eureka office supplies	-13.21
FERC-DSSMR Binding supplies	-3.80
FERC - PFMA Spillway WebX	-45.00
Employee Recognition - C. McKibben Retirement	-83.70
Total Rebecca J. Moyle	-145.71
Recology Arcata	
Essex Garbage Service	-383.07
Total Recology Arcata	-383.07
Recology Humboldt County	
Eureka office garbage/recycling service	-85.40
Total Recology Humboldt County	-85.40
Renner Petroleum	
TRF Emergency Generator repair	-978.93
cardlock fuel - pumping & control	-413.71
cardlock fuel - water quality	-413.71
cardlock fuel - maintenance	-413.71
cardlock fuel - customer service	-413.70

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

SECTION J2a PAGE NO. 20

April 2018

Memo	Amount
Total Renner Petroleum	-2,633.76
Ryan Chairez expense reimbursement - containers for spill kits	-52.01
Total Ryan Chairez	-52.01
Sitestar Nationwide Internet Essex Internet	-52.90
Total Sitestar Nationwide Internet	-52.90
Staples Essex office supplies Eureka office supplies	-91.95 -282.65
Total Staples	-374.60
Streamline Website maintenance membership fee Website maintenance membership fee	-450.00 -450.00
Total Streamline	-900.00
Sudden Link TRF Internet Eureka office Internet Fieldbrook-Glendale CSD Internet Essex Internet	-105.34 -204.95 -271.02 -124.95
Total Sudden Link	-706.26
SWRCB-DWOCP D5 Distribution Certification Renewal -Neaz Ahmad	-105.00
Total SWRCB-DWOCP	-105.00
T.P. Tire Service, Inc repair flat Units 13 and 16	-30.00
Total T.P. Tire Service, Inc	-30.00
Telstar Instruments, Inc TRF lab supplies	-570.76
Total Telstar Instruments, Inc	-570.76
The Mill Yard Line Shed 6 upgrade maintenance supplies	-104.52 -22.74
Total The Mill Yard	-127.26
The Times-Standard position advertisement-maintenance worker	-1,248.86
Total The Times-Standard	-1,248.86
Thrifty Supply tools for new Unit 9 pipeline maintenance Collector 1 Pressure relief valve replacement Repair PRV discharge pipe @ Ruth Hydro	-158.08 -429.14 -8,247.90 -1,595.97
Total Thrifty Supply	-10,431.09
Times Printing envelopes	-290.89
Total Times Printing	-290.89
Trinity County General Services Pickett Peak site lease	-250.00
Total Trinity County General Services	-250.00
Trinity County Solid Waste Ruth HQ dump fees	-7.63

Humboldt Bay Municipal Water District
Expenses by Vendor Detail

SECTION J2a, PAGE NO. 21

April 2018

Memo	Amount
Ruth Hydro dump fees	-7.62
Total Trinity County Solid Waste	-15.25
U.S. Bank Corporate Payment System	
TRF Emergency Generator repair	-157.46
position advertisement on Craigs List - Maintenance Worker	-10.00
Conference Call - FERC Probable Failure Mode Analysis	-8.32
TRF Emergency Generator repair	-65.08
District History Presentation by John Winzler attended by Directors and Staff	-209.00
Dam Safety Training- R. Chairez	-950.00
Dam Safety Training- D. Davidsen	-950.00
PFMA WebEx Training	-110.00
JPIA Leadership Training - M. Palmero	-235.98
JPIA Leadership Training - L. Raschein	-235.98
Essex office supplies	-151.09
position advertisement on Craigs List- Maintenance Worker	-10.00
Eureka office computer supplies	-282.09
past due robo call subscription for Fieldbrook-Glendale CSD	-13.50
ebay listing of surplus equipment	-107.10
service charge	-4.04
Total U.S. Bank Corporate Payment System	-3,499.64
United Rentals, Inc	
Spillway Review and Improvements	-677.88
Line Shed 6 upgrade	-355.03
Total United Rentals, Inc	-1,032.91
USTI, Inc	
eBill charges Humboldt Bay retail	-3.68
eBill charges Fieldbrook-Glendale CSD	-7.92
bill cards	-123.00
Total USTI, Inc	-134.60
Vectorex Corporation	
Ruth Hydro Protective Relay replacement	-544.00
Total Vectorex Corporation	-544.00
Verizon Wireless	
General Manager	-37.48
Customer Service	-51.10
Operations 2	-0.59
Electrician	-0.22
Unit 6	-23.63
Unit 6	-23.64
Operations 1	-0.22
Total Verizon Wireless	-136.88
West Coast Plumbing	
maintenance shop bathroom maintenance	-37.96
equipment maintenance	-6.49
Total West Coast Plumbing	-44.45
William B. Newell	
expense reimbursement for marking flags	-9.75
Annual Ruth Maintenance	-65.71
Annual Ruth Maintenance	-65.71
Total William B. Newell	-141.17
TOTAL	-238,229.09



COUNTY OF HUMBOLDT

JOHN BARTHOLOMEW
TREASURER-TAX COLLECTOR

825 FIFTH STREET ROOM 125
EUREKA, CALIFORNIA 95501

PHONE: 707-476-2450
FAX: 707-445-7608
TOLL FREE: 877-448-6829
EMAIL: taxinfo@co.humboldt.ca.us

Subject: Interest Apportionment Rate and Other Considerations

April 3, 2018

Honorable Board Members,

Your fund balances in the County Treasury from October through December 2017 (Fiscal 17/18 2nd Quarter) earned an annualized interest rate of 1.32%. For comparison purposes, the LAIF (Local Agency Investment Fund) rate was 1.20%.

Jerome H. Powell, the new Chair of the Federal Reserve said on March 21: "Today, unemployment is low, the economy is growing and inflation is low, through our decisions on monetary policy, we will support continued economic growth, a healthy job market and price stability." He also announced a 25 basis point (1/4 of 1%) Fed Funds rate increase and signaled a continued gradual approach to additional rate increases over the next 21 months which is in line with the policies set by his now retired predecessor Janet Yellen. Based on his statements, and the current state of the economy, market polling indicates the probability of 2 more rate increases during 2018.


The national unemployment rate remains at 4.1%, the same as at the end of 2017, so the economy remains strong; but credit card, auto, and mortgage loan delinquencies are creeping higher and as interest costs gradually rise so too will those delinquency rates. Therefore the economy (largely driven by the consumer) may not continue to be as robust as it has been over the last few years. That said, most economists believe the economy will remain strong for the rest of the current year ... but head winds are beginning to pick up so expect more volatility as economic beliefs become less firm and more nervous.

We anticipate the county treasury pool interest apportionment rate to gradually rise throughout the 2018 year; and be influenced by the Fed Funds rate, but hampered or enhanced by other broad economic forces as the future unfolds.

As always our goals are Safety, Liquidity and Yield; with a laddered portfolio of maturity schedules for stable, consistent, returns and low volatility.

Let us know how we may be of service.

Sincerely,


John Bartholomew
Treasurer Tax Collector

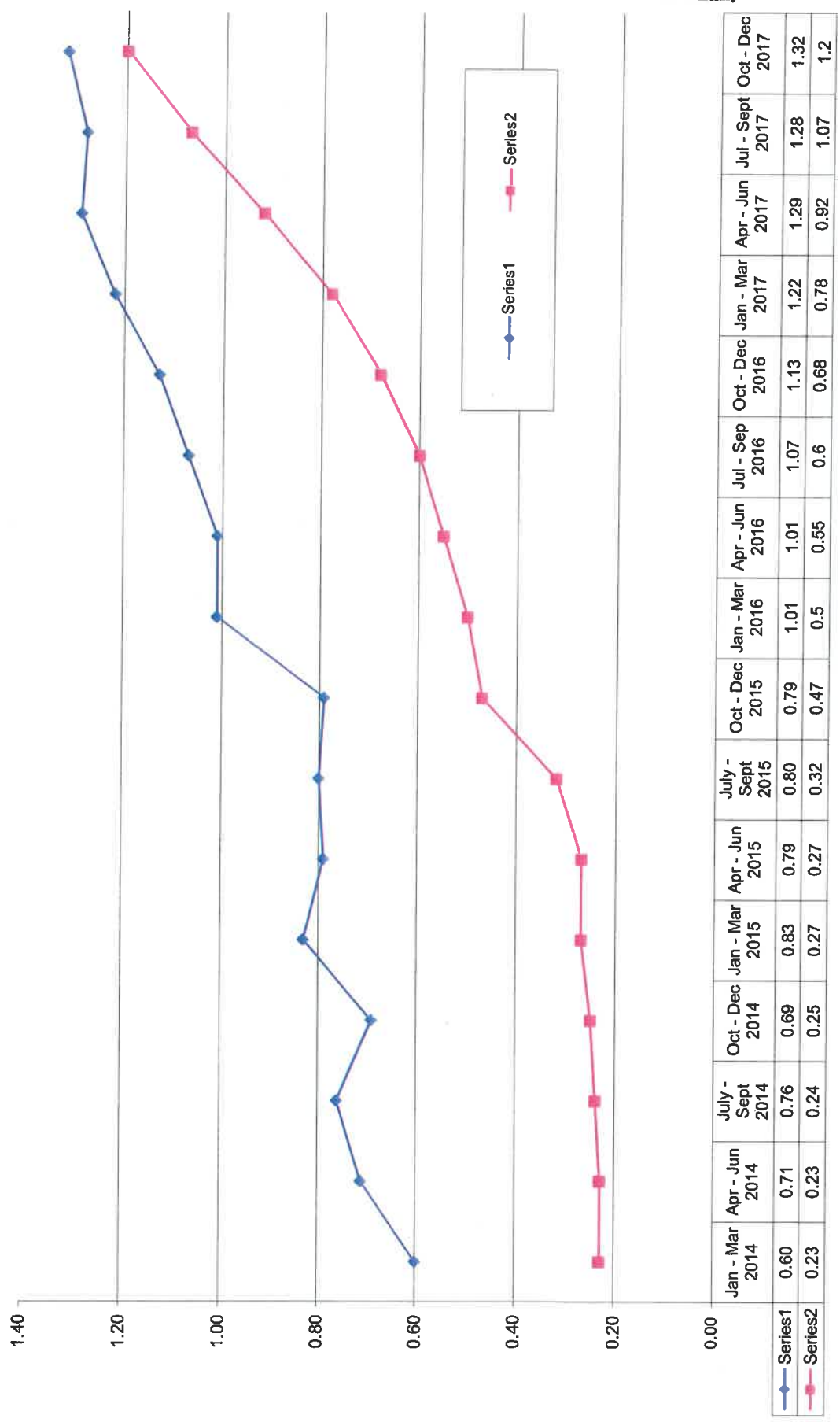
Humboldt County Treasury Team:
Whitney Morgan – Treasury Assistant
Amy Christensen – Treasury Assistant

FUND BALANCES
Allocation Account Activity
January 1, 2018 - January 1, 2018

Interest October - December 2017

Account	Fund	Security ID	Current Transaction Rate	Date	Receipt	Trans. Type	Contributions / Transfer In	Disbursements / Transfer Out / Fees	Allocated Earnings	Balance
Fund Participant	2710	SYS								
1% Taxes			1.323	01/01/2018		AllocFee			393.64	439,725.58
Subtotal and Ending Balance			1.323				0.00	0.00	393.64	440,119.22
MSRA	2711	2711				AllocFee			1,419.14	440,119.22
Subtotal and Ending Balance			1.323	01/01/2018			0.00	0.00	1,419.14	425,702.95
Remat	2712	2712				AllocFee			1,419.14	427,122.09
Subtotal and Ending Balance			1.323	01/01/2018			0.00	0.00	187.78	69,264.48
Investment Account	3873	3873				AllocFee			9,001.28	69,452.26
Subtotal and Ending Balance			1.323	01/01/2018			0.00	0.00	187.78	69,452.26
DwFP	3874	3874				AllocFee			9,001.28	2,504,465.11
Subtotal and Ending Balance			1.323	01/01/2018			0.00	0.00	9,001.28	2,513,466.39
SRF Payment	3876	3876				AllocFee			775.38	232,592.83
Subtotal and Ending Balance			1.323	01/01/2018			0.00	0.00	775.38	233,368.21
Subtotal and Ending Balance			1.323	01/01/2018			0.00	0.00	208.66	3,570.78
Subtotal and Ending Balance			1.323				0.00	0.00	208.66	3,779.44

Comparison of County Treasury and State LAIF Investment Earning Rates
January 2014 - December 2017



To: Board of Directors
 From: Chris Harris
 Date: May 15, 2018
 Re: FY2018/19 Budget Introduction and Discussion

Review

On an annual basis, staff presents the proposed budget for the upcoming fiscal year to the Board for review, discussion, and consideration. The three components of the Districts’ annual budget listed in order of financial impact are:

- 1. Special Projects Budget (+/- \$9.0 M) To be reviewed and discussed May 30th
- 2. Salaries & Employee Benefits Budget (+/- \$3.9 M) Initial review May 18th
- 3. Service and Supply Budget (+/- \$1.5 M) Initial review May 18th

Today the proposed FY2018/19 budget for *Salaries & Employee Benefits* and *Service & Supply* will be introduced and discussed. Based on the many individual accounts encompassed in these two budgets, staff has separated key areas and assembled additional information on important topics within this staff report to supplement the presentation that will be provided during the meeting.

- **Overview of Salaries & Employee Benefit Budget**
- Total proposed changes result in an increase of \$188,150 or 4.57%
- - Proposed changes in Salary & Wage Expenses = \$38,850
 - Includes new request for Operation & Maintenance Tech (O&M Tech) Position
 - Includes new request for COLA
 - Proposed and *required* changes in Employee Benefit Expenses = \$149,300
 - Includes required rate increases for Workman’s Comp, CalPERS, and Health Insurance
 - Includes new request for AirMedCare Medical Flight Insurance

In an attempt to offer as much background and detailed information as possible, the *Salary & Wage Budget* and the *Employee Benefit Budget* are reviewed separately in the following pages.

Salary and Wage Expense	Change FY2018/19
Review of Special Pay Budgets (Stand-By, Shift-Differential, and Overtime/Holiday)	<\$15,000>
Review of Part-Time Wage Budget (Still allows for 2 summer help)	<\$18,300>
Staffing Changes (Retirements and new hires)	<\$59,940>
Misc. Step Increases, Other Longevity Increases	\$3,400
30yr. Longevity Increase (Approved FY18)	\$8,210
NEW REQUEST – Operation & Maintenance Tech Position (Wages only)	\$59,700
NEW REQUEST – COLA (3% used in calculation, additional options provided in presentation)	\$60,780
TOTAL IMPACT FY2018/19 BUDGET	\$38,850

NEW REQUEST – Operation & Maintenance Position**Summary**

Recent regulatory requirement changes from State Water Resources Control Board (SWRCB) have necessitated this request. The approval of another Operation & Maintenance Tech (O&M Tech) position as well the approval of the new “Operator-in-Training” job description would afford the Operations Department increased control over the newly extended timeframe required for additional operator certification levels (specifically certification between levels T-2 to T-3).

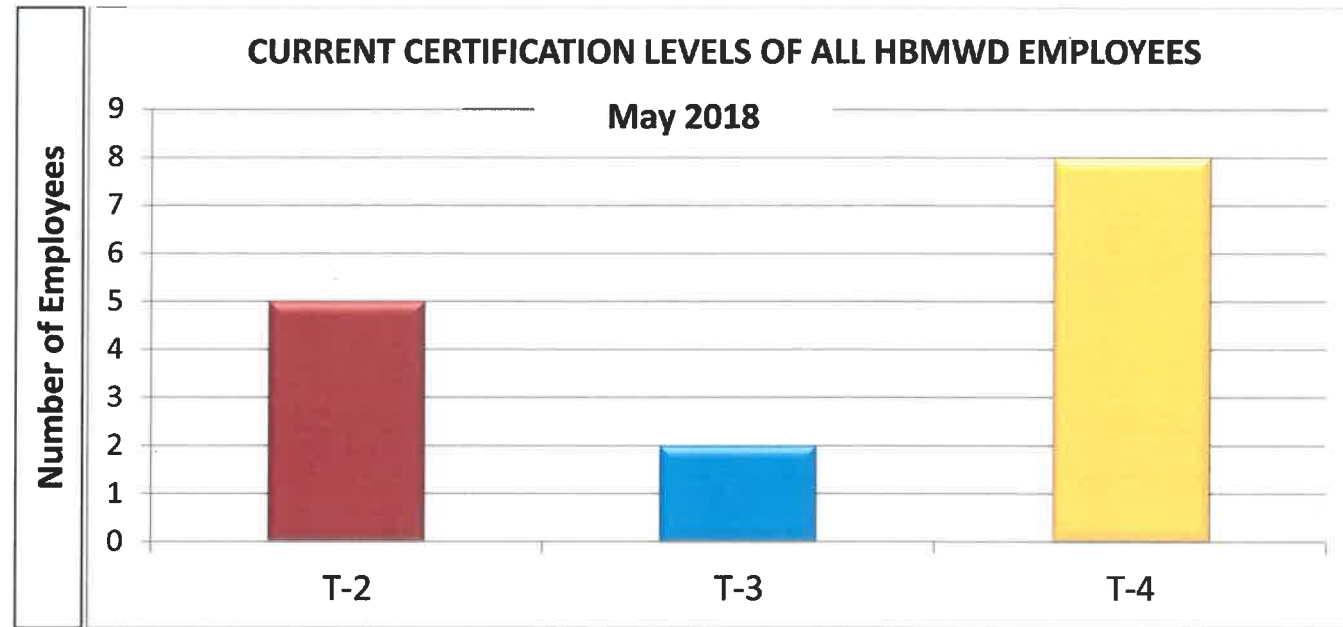
Background

- All water treatment and water distribution facilities are “classified” by the SWRCB based on a points system. Points are allocated based on source water, microbiological quality, disinfection treatment, turbidity points, as well as several other factors.
 - There are five water treatment facility classification levels (T-1 through T-5). The assigned classification level also determines the certification level of the staff required to operate the facility.
 - HBMWD operates under a T-4 designation. This designation requires the District to maintain a T-4 Certified Operator as Chief Operator, and T-3 Certified Operators as Shift Supervisors. Operators certified at lower levels can work operational shifts, but must be supervised by either T-3 or T-4 Operators. HBMWD is the only facility in the area requiring T-4 certification.
 - Certification for T-1 and T-2 Operators is exam based. Certification for a T-3 Operator requires successful completion of the T-3 exam, plus additional operator experience hours gained while working on the job as an operator. Since the Districts’ operators are responsible for both water treatment and distribution, the recent regulatory changes now require hours worked to be divided between treatment and distribution certification. This has effectively doubled a previous two-year requirement to four-years.¹ Prior to the regulation changes, District operators were able to count all of their experience hours worked towards both treatment and distribution certification.

Prior Staffing Additions

- Over the past fourteen years, HBMWD has added the following positions:
 - Prior to 2004 20 positons (various)
 - 2004 3 Operations positions (New TRF & SWRCB began requiring certified operators)
 - 2008 2 Administration positions (Business Manager, Exec. Assistant/Board Secretary)
 - 2008 1 Operations position (Asst. Operations Supervisor)
 - 2013 2 Maintenance positions (2 part-time positions eliminated)
 - 2015 1 Maintenance position (Asst. Maintenance Supervisor)
 - 2015 1 Administrative position (Customer Service position expanded to full-time)

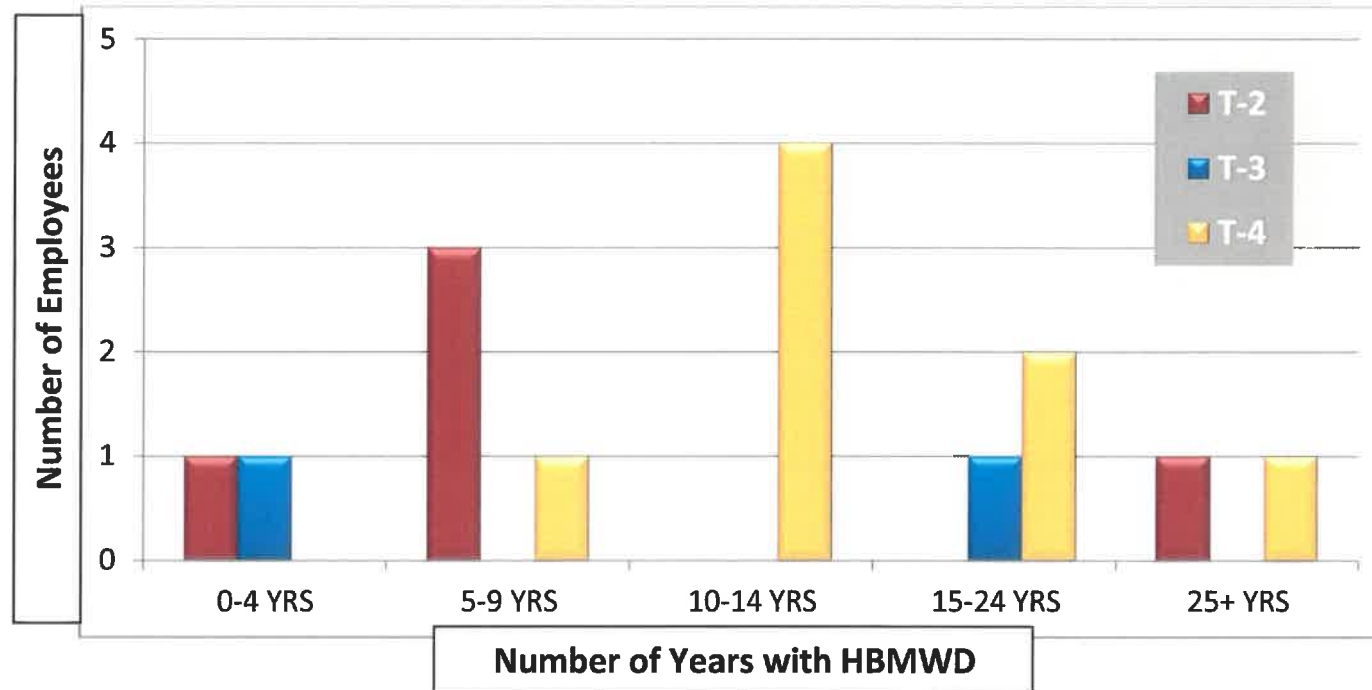
¹ “Water Treatment Minimum Qualifications for Certification” Grade T-3 (attached)



Current Status

- Based on the recent regulatory changes by SWRCB and the Districts' current Operations and Maintenance Tech (O&M Tech) job description, the T-3 applicant is required to ***divide their experience hours between treatment and distribution***. This regulatory requirement increases the total work experience of the T-3 certification to four years.
 - Four years of training is comprised of one year working as a T-2 Operator, and an additional one year working as a "treatment" operator. Based on the current O&M Tech job description, each "one" year currently takes two years due to the new requirement of equally dividing the worked hours between treatment and distribution.
- Operations (Treatment & Distribution) staffing for HBMWD uses a minimum of four employees at all times. While the TRF is in operation (typically October-May), operations staffing expands to six employees at all times. This schedule is maintained 24 hours/day, 365 days/year, and is separate from the Maintenance Department staffing.
 - HBMWD does not currently have sufficient staffing coverage to allow for an "operator in training". Since a T-2 Operator cannot supervise a shift, they must work with other T-3 and T-4 Operators, potentially duplicating labor hours and costs while in training.
 - Since the District also does not have any "extra" operators, when an operator is sick or takes vacation, many staff are impacted by the rearranging of schedules required to cover the necessary shifts. This often impacts Maintenance Department staff as well since they may be reassigned to the Operations Department to help cover operator shifts.
 - Based on the timing and notification of shift coverage needs, there are times staff receives notice of schedule changes within hours of the actual change. These sudden shift coverage requirements are burdensome to employees and cause a disruption of their personal and family time. These shift changes can also create unavoidable overtime costs.

- Approval of the job description for the Operator-in-Training.
 - a. Approval of the job description at this time will allow the District to implement the *Operator-in-Training* job description immediately.
 - b. This will permit a T-2 Certified Operator who is working towards their T-3 Certification to immediately begin attributing 100% of their work experience hours towards the T-3 Certification.
 - c. This will further strengthen succession planning within the Operations Department, allowing T-2 Operators to be more efficiently trained to a T-3 level at a rate nearly twice as fast as currently possible. Increasing the certification of current employees is a looming challenge as HBMWD has many certified operators (T-3 and T-4) that will be potentially considering retirement in the near future.
 - d. Once the staff in the *Operator-in-Training* position has achieved the T-3 certification, they would be moved to a standard O&M Tech position (both job descriptions would share the same pay rate).



- Approval of an additional Operations & Maintenance Tech position.
 - a. Approval of this position would give the District seven O&M Tech positions.
 - b. This position would function as a “floater” position, offering management greater ability to cover shifts during times of vacation and sick leave.
 - c. The addition of this position would reduce the burden on all operations staff and maintenance staff, and has the potential to reduce overtime expense.
 - d. When necessary, this added position would be used as an “Operator-in-Training” position, to facilitate additional certification levels for operations staff.

The Operator-in-Training job description and the added Operations & Maintenance Tech position are two separate items necessary to improve the efficiency of the Operations Department. It is essential for the District to be proactive regarding the training and education of the required operator certifications.

There are no local agencies that are required to maintain the same certification levels as HBMWD. For future hiring purposes (and based on past experience), local applicants with prior water experience typically have a T-2 Certification level – with the changes in the SWRCB regulations, the District needs to be able to effectively assist the staff to attain their required certification levels.

NEW REQUEST – COLA

To assist with the Cost of Living Allowance discussion, staff is providing copies of the following charts, which are also included with the PowerPoint presentation. This is intended as a preview only, additional materials and information will be provided during the meeting.

- CPI Rates for the end of 2017:

2018 Consumer Price Index Overview	
U. S. City Average	2.1%
West Region	3.1%
West Region Size Class B/C	2.8%
San Francisco/Oakland/San Jose	3.6%

- What other agencies/municipalities are doing:

AGENCY	COLA FOR FY19
M.C.S.D.	2.75%
H.C.S.D.	2.80%
City of Arcata	2.5%, plus 1% add'l CalPERS paid by Employees
City of Eureka	1.0% 01/2018
	1.0% 01/2019

- The financial impact of various rates:

Potential COLA Rates	Potential Impact
2.1% COLA	\$42,532
2.5% COLA	\$50,633
2.75% COLA	\$55,697
2.8% COLA	\$56,710
3.0% COLA	\$60,780
3.1% COLA	\$62,786
3.25% COLA	\$65,824
3.5% COLA	\$70,887
3.6% COLA	\$72,912

- Overview of Employee Benefits Budget

Employee Benefit & Payroll Tax Expense	Change FY2018/19
Payroll Tax Expense (Based on changes in salary/wage expenses)	<\$4,700>
NEW REQUEST – AirMedCare Flight Insurance	\$2,200
Worker’s Comp. Insurance	\$14,200
Medical Insurance Rate Increase (net, JPIA estimates = 3%-8%)	\$23,800
Retiree Health Expense (Maximum District contribution \$640/mo.)	\$24,900
CalPERS (Includes current rate increase and UAL)	\$44,400
NEW REQUEST – Operation & Maintenance Tech Position (Benefits Only)	\$44,500
TOTAL IMPACT FY2018/19 BUDGET	\$149,300

Many of the impacts in the Employee Benefits Budget are not within control of the District. Increases in CalPERS and Medical insurance rates are the biggest contributors to the increased budget requirements.

The **new request** for AirMedCare Flight Insurance will be reviewed at length during the budget presentation.

- **Overview of Service & Supply Budget**
- Total Proposed change is an increase of \$25,849 or 1.74%
- Greatest influencer – Power Expense – increase of \$13,349 or 2.0%

No budget adjustments proposed for the following accounts:

General Engineering	Laboratory Services
Radio Communication System Maint.	Accounting Services
Legal Services	Professional Services
Insurance	Travel/Conference
Technical Training & Development	Safety Apparel Allowance
County Administration Fee	County Property Tax
Ruth Lake Programs	Miscellaneous Expenses
USGS Stations	Ruth Lake License

Reduced budget proposed in the following accounts:

Maintenance & Repairs – General	Maintenance & Repairs – TRF
Auto Operations & Maintenance	Office Maintenance
General Manager Training	

Increased budget proposed in the following accounts:

Office Expense	Telephone/Internet Expense
Dues & Subscriptions	LAFCO Fees
Regulatory Agency Fees	Power Expense

Details and explanation for these proposed Service & Supply Budget changes will be provided during the Board Meeting.

Staff Recommendations

Staff recommends approval of the Operator-in-Training job *description at this time*. Approving the job description will allow staff currently gaining experience hours for operator certification to count all of their hours as treatment hours.

Staff requests feedback and guidance regarding the remaining budget items (to be reviewed in further detail during the meeting).

Attached

SWRCB Water Treatment Qualifications Sheet
Job Description – Operator-in-Training Position



Water Treatment Minimum Qualifications for Certification

Grade	Minimum Qualifications for Certification
T1	Successful completion of the Grade T1 operator examination within the three years prior to submitting the application for certification
T2	Successful completion of the Grade T2 operator examination within the three years prior to submitting the application for certification
T3	Successful completion of the Grade T3 operator examination within the three years prior to submitting the application for certification, AND: <u>One year</u> of operator experience working as a certified T2 operator for a T2 facility or higher (may be substituted with (3) below) AND: <u>One additional year</u> of operator experience working as a certified treatment operator (may be substituted with (1), (2) or (4) below)
T4	Successful completion of the Grade T4 operator examination within the three years prior to submitting the application for certification, AND: <u>One year</u> of operator experience working as a shift or chief operator, while holding a valid T3 operator certificate for a T3 facility or higher (may be substituted with (3) below) AND: <u>Three additional years</u> of operator experience working as a certified treatment operator (may be substituted with (1) or (4) below)
T5	Successful completion of the Grade T5 operator examination within the three years prior to submitting the application for certification, AND: <u>Two years</u> of operator experience working as a shift or chief operator, while holding a valid T4 operator certificate for a T4 facility or higher (no substitutions) AND: <u>Three additional years</u> of operator experience working as a certified treatment operator (may be substituted with (1) or (4) below)

Experience substitutions for certification, as referenced above.

1) A relevant degree earned at an accredited academic institution may be substituted as follows:

- a) Associate Degree or Certificate in Water or Wastewater Technology that includes at least 15 units of physical, chemical, or biological science may be used to fulfill **1 year of additional operator experience.**
- b) Bachelor Degree in biology, chemical engineering, chemistry, civil engineering, environmental engineering, microbiology, public health, and sanitary engineering may be used to fulfill **1.5 years of additional operator experience.**
- c) Masters Degree in biology, chemical engineering, chemistry, civil engineering, environmental, microbiology, public health, and sanitary engineering may be used to fulfill **2 years of additional operator experience.**

2) A certified operator may substitute, on a day-for-day basis, experience gained while working with lead responsibility for water quality related projects or research (i.e., pilot plant).

3) If an applicant has a Bachelor of Science or Master of Science Degree, completion of a comprehensive operator training program, pursuant to Section 63800 (h), may be substituted for the required experience.

4) Experience gained as a certified wastewater treatment operator may be used to substitute up to 2 years of the additional experience requirement. Wastewater treatment operator experience is credited on a two-for-one basis (2 months in wastewater = 1 month in drinking water).

Humboldt Bay Municipal Water District**TREATMENT OPERATOR IN TRAINING (OIT) – OM5****GENERAL PURPOSE**

Under general supervision, operates and maintains the District's water treatment facilities; performs basic laboratory testing and sample collection; performs preventative maintenance checks and repairs of District treatment facilities. Serves as the District's Treatment Operator pursuant to California safe drinking water regulations with direct supervision of a Shift Operator.

ESSENTIAL FUNCTIONS AND DUTIES

1. Performs water treatment operations duties and responsibilities as the District's treatment Operator on an assigned shift schedule. Operational duties include:
 - o Monitoring and controlling the operation of the water treatment facilities to achieve proper processing and treatment of water within mandated operating requirements;
 - o Starting and controlling plant processes and chemical systems to treat water in accordance with DHS' Permit and other operating requirements;
 - o Assisting in handling and storage of water treatment chemicals;
 - o Performing water sample collection and various laboratory testing and analytical procedures within the water treatment facility;
 - o Responding to alarms, identifying operating problems, and initiating or implementing appropriate response and corrective actions.
2. Monitors, starts and controls power generation equipment in a safe manner.
3. Inspects and maintains a variety of water treatment equipment.
4. Maintains and cleans facilities such as backwash water recovery basins and sludge handling facilities, related equipment.
5. Records operation and maintenance actions including flows, chemical dosages, filtration rates, and other information in appropriate log sheets/books. Notes operational or maintenance problems and writes work orders for repairs.
6. Uses personal computers to enter operational data into spreadsheets for calculation of average flows, chemical dosages, CT values and water usage. Prepares a variety of operating and statistical reports. Creates simple graphs using spreadsheet programs such as Microsoft Excel to compare and demonstrate trends and attributes of processes. Produces simple written reports and memoranda.

REQUIRED KNOWLEDGE, SKILLS, and ABILITIES

- Operation of water treatment facilities
- State and Federal water quality regulations, standards, and practices

- Interpreting gauges, recording devices, and other monitoring equipment for plant and facility operations
- Basic water sample collection and laboratory testing procedures within the water treatment facility
- Repair and maintenance of water treatment plant equipment
- Knowledge of our safety program and safe work practices
- Operation of computers, and other office equipment, using both standard and specialized application software
- Foster cooperative working relationships. Utilize teamwork to solve practical problems and coordinate work among a small, close-knit workforce

TRAINING AND EXPERIENCE:

Any combination of training and experience that provides the required knowledge and abilities is qualifying. A typical way to obtain the requisite knowledge and abilities would be:

- High school diploma or GED
- Community College, technical or other course work relevant for this position is beneficial.
- Three-to-five years of increasingly responsible experience in the operation and maintenance of water pumping and treatment facilities;
- Grade II Treatment certificates

SPECIAL REQUIREMENTS

1. Must possess the category of California Driver's license required by the State Department of Motor Vehicles to perform the essential duties of the position. Job incumbents must maintain a driving record acceptable to the District and its insurance carrier. Compliance with these requirements and established District vehicle operation standards are a condition of continuing employment.
2. In order to wear respiratory protection or other safety equipment facial hair must be maintained to provide a seal fit between the skin and the facepiece sealing surface (such as stubble beard growth, beard, mustache or sideburns).
3. Must be able to participate in confined space operations.
4. Must possess and maintain a Grade II Water Treatment Operator's Certificate pursuant to State drinking water regulations and obtain a Grade III Water Treatment Operator's Certificate within 2 years. Also the incumbent must obtain a Grade II Distribution Operator's Certificate within 2 years. If an incumbent does not initially possess this level of certification; the District will allow a period of time for the incumbent to obtain the required certifications. Job incumbents must also meet the State's continuing education requirements to maintain certifications. Compliance with the State certification requirements is a condition of continuing employment.
5. Must acquire basic American Red Cross First Aid/CPR certificates during the initial year of employment.

ESSENTIAL PHYSICAL ABILITIES

Persons selected for appointment to this position must pass a pre-employment medical examination which the District pays for. Because this position is considered "safety sensitive" in nature, the person selected for appointment to this position must pass a pre-employment drug screening which the District also pays for.

The medical examination and drug screening is intended to evaluate the applicant's ability to meet the physical and health requirements for this classification.

A person employed in this position must be able to:

- a) sit for extended periods of time;
- b) operate a variety of office equipment (computer, copy machine, fax, etc.);
- c) operate motor vehicles and other equipment;
- d) operate a variety of hand and electric tools;
- e) perform a variety of physical activities which may involve reaching, bending, squatting, kneeling, crouching, crawling, and climbing, and also manual dexterity;
- f) perform additional physical activities to position or move tools, equipment, and supplies which may involve lifting, and pushing or pulling motions;
- g) wear a respirator and other personal protective equipment;
- h) understand and carry out oral and written directions;
- i) communicate well with others, verbally and in writing;
- j) work cooperatively and get along well with other people;
- k) Investigate and resolve a complex problem which involves the ability to perform visual inspections, ability to hear normal versus abnormal noises, ability to view and respond to operational control screens including alarms, and ability to think critically.

OPERATIONS

Memo to: HBMWD Board of Directors
From: Dale Davidsen, Superintendent
Date: May 3, 2018
Subject: Essex/Ruth April 2018 Operational Report

SECTION J3a PAGE NO. 1

Upper Mad River, Ruth Lake, and Hydro Plant

1. The flow at Mad River above Ruth Reservoir (Zenia Bridge) was 306 cfs on April 1st. The high flow for the month was on April 7th at 4040 cfs. On April 30th the flow was back down to 101 cfs.
2. The conditions at Ruth Lake for the month of April were as follows:
 - a. The lake level on April 30th was 2654.26 feet which is:
 1. 0.86 feet lower than March 31st, 2018
 2. 0.43 feet lower than April 30th, 2017
 3. 0.12 feet lower than the ten year average
 4. 0.26 feet above the spillway
3. There was 7.56 inches of recorded rainfall for April 2018 at Ruth Headquarters.
4. Ruth Hydro produced 924,600 kWh in March with 0 shutdowns and 0 kWh lost power.
5. The high discharge flow from the lake for the month was 3048 cfs on April 7th. On April 30 the maintenance crew shut down the hydro plant. This brought the discharge down to 79 cfs.

Lower Mad River, Winzler Control, and TRF

6. The river at Winzler Control Center reached a high recorded flow of 15300 cfs and a level of 28.6 feet on April 7th. The low river flow was on April 27th with a flow of 973 cfs and a level of 23.1 feet.
7. The domestic water conditions were as follows:
 - a. The monthly turbidity average was 0.06 NTU, which meets Public Health Secondary Standards.
 - b. For the month of April we pumped 244.58 million gallons at an average of 8.152 MGD.
 - c. The maximum metered daily municipal customer use was 8.655 MGD on April 5th.
8. The Turbidity Reduction Facility ran 30 days in April. The conditions were as follows:
 - a. Average monthly source water turbidity was 1.39 NTU.
 - b. Average monthly filtered water turbidity was 0.06 NTU.
 - c. We did 58 backwashes on the TRF filters in the month of April.

9. April 2nd – Seth's first day as O & M Tech
10. April 3rd – Carol McKibbens retirement lunch
11. April 4th – John, Chris and I held our annual employee meeting at Essex.
12. April 5th- 6th – Maintenance staff did the required 90 day truck inspections per DOT Regulations
13. April 9th – 13th – Ryan and I went to a Dam safety training seminar in Sacramento. This was a very informative seminar; it covered all types of dams and typical problems associated with each type of dam, and what to be looking for to get early warnings of potential problems.
- 14.
15. April 16th
 - a. Lynn Dillon started removing Dead, Dying Diseased trees, Drought affected trees, Trees along the power line Right of Way at Hobart Creek Campground and area. Wed also have hazard trees at the Marina, Ruth Rec and Headquarters,
 - b. Some Essex employees attended First Aid and CPR refresher training at NCSC.
16. April 17th – Maintenance Worker, Ryan Schneider's first day.
17. April 18th – Ryan provided our annual Confined Space and Heat Illness Prevention training.
18. April 19th – Removed graffiti from IW reservoir.
19. April 23rd – Maintenance Staff repaired a service line leak in Fieldbrook.
20. April 25th – Maintenance crew removed the Arcata meter for routine calibration.
21. Current Projects
 - a. Prepped and loaded for Ruth Annual Maintenance week, April 30th – May 4th
 - b. Supervisors and I are working on the 18/19 budget development process.
 - c. SCADA upgrade – See completion letter Pg 3 and Change Order #2 Pg. 4
 - d. Started Ruth relay replacement project – Phase 1 (Planning)
 - e. Ruth Bunkhouse remodel – Out to Bid.
 - f. Timber Management at Ruth – We are working on Hazardous, Dead, Dying and Diseased, Drought and Utility Right-of-Way tree management at Hobart Creek CG, the Marina, Ruth Rec and Headquarters.



C10 Contractor License #422364

CONTROL SYSTEM INTEGRATION • INSTRUMENTATION SALES & SERVICE
SCADA • PLC/HMI • Telemetry • Calibration • Maintenance

May 3, 2018

Dale Davidsen, Superintendent
Humboldt Bay Municipal Water District
828 7th Street
Eureka, CA 95501

RE: SCADA System Upgrade Project, Letter of Completion

Dear Dale,

Telstar deems all Work under the Contract for the SCADA System Upgrade Project to be completed in accordance with the project Plans and Specifications as of the date of this correspondence, and hereby notify the District in writing of such completion status.

We appreciate the opportunity to work with you on this project, and look forward to working with your team in the future.

Sincerely,

A handwritten signature in black ink that reads "Ben Herndon". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Ben Herndon
Sacramento Branch Manager
Telstar Instruments



CHANGE ORDER #2

Date 3/12/2018

**PROJECT: Humboldt Bay Municipal Water District
SCADA System Upgrade Project**

CONTRACTOR: Telstar Instruments Inc.

Description of Change:

In the contract, Page 17331-2, Part 2, Section 2.1-C-a-v It states 500GB hard drives. 500GB hard drives were not available at time of purchasing and 300GB drives were installed. At completion of the project the server drives are at 91% of capacity. To meet contract specification, Telstar is providing and installing four (4) 300GB drives, 2 in each server and the District is paying for one-third of the drives. Change order is for value of 100GB of drive storage space over contract specifications.

Adjustment of Contract Sum		Adjustment of Contract Completion Date	
Original Sum of Contract	\$ 495,000.00	Original Contract Completion Date	
Prior Adjustments	\$ (2,548.00)	Prior Adjustments in Calendar Days	0
Contract Sum Prior to this Change	\$ 492,452.00	Adjustment in Calendar Days for this Change Order	0
Adjustment for this Change	\$ 666.60	Revised Contract Completion Date	
Revised Contract Sum	\$ 493,118.60		

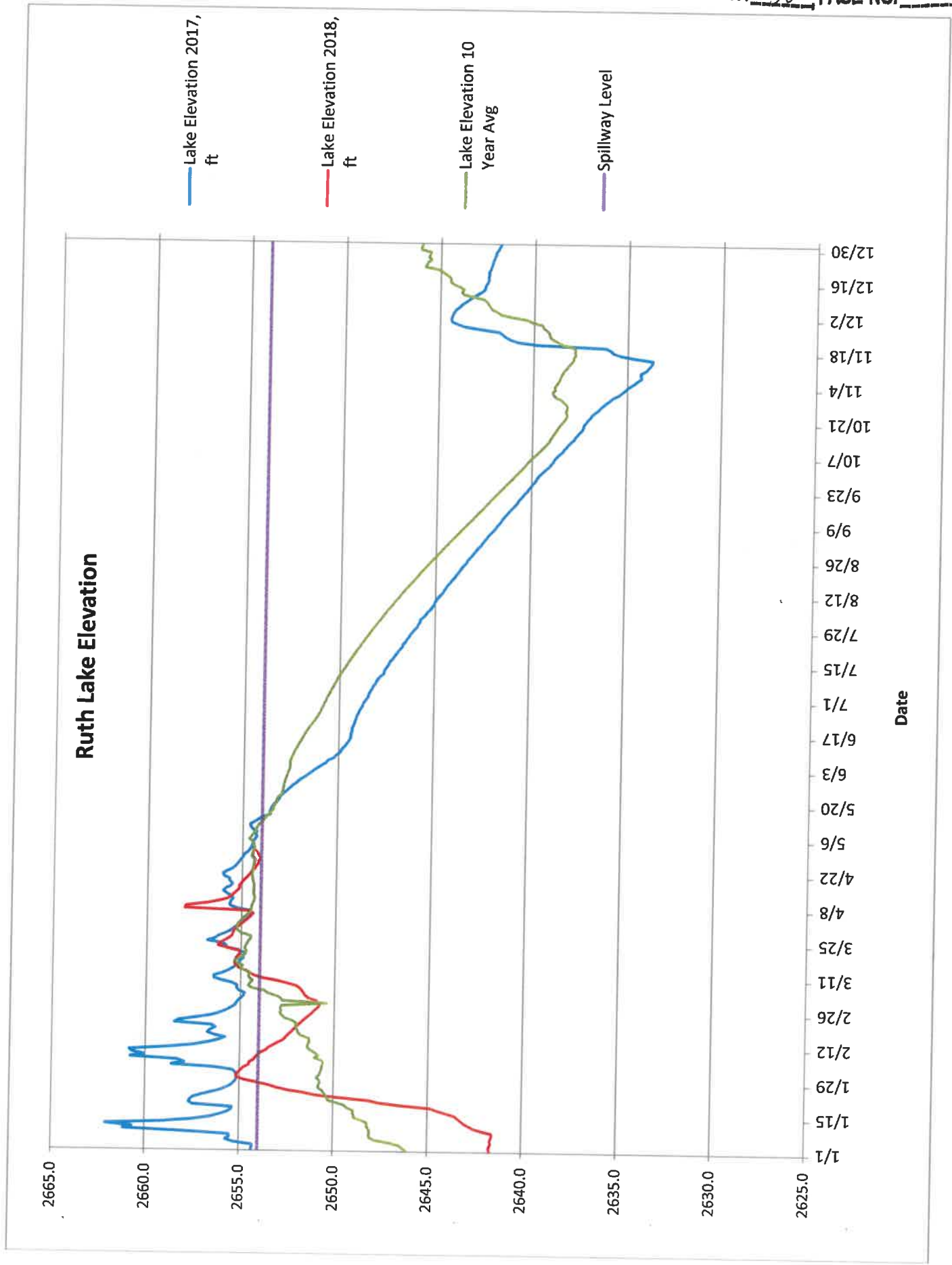
Note:

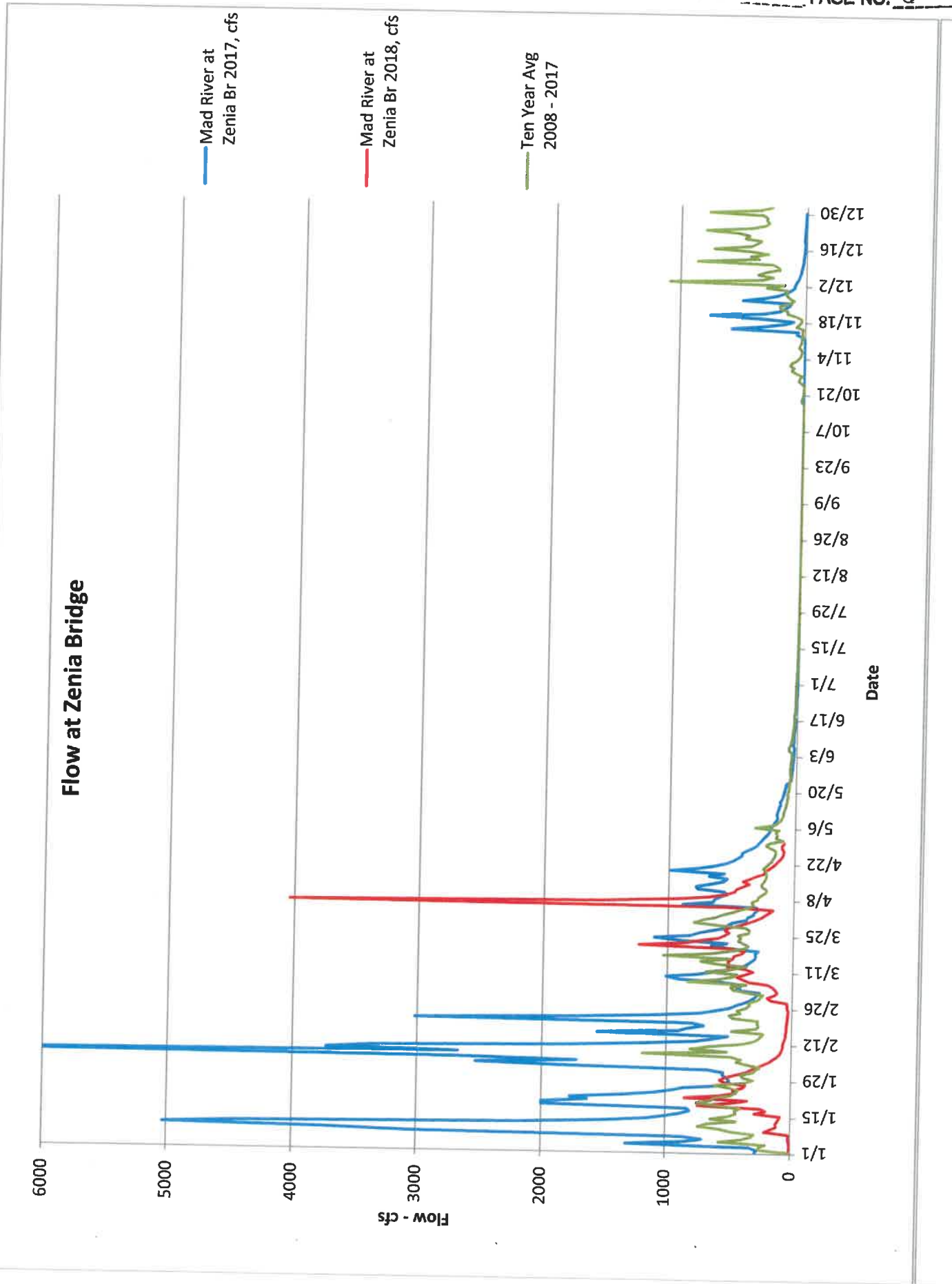
CONTRACTOR WAIVES ANY CLAIM FOR FURTHER ADJUSTMENTS FOR THE CONTRACT SUM RELATED TO THE ABOVE DESCRIBED CHANGE IN THE WORK.

RECOMMENDED BY: Ralph Davidson DATE 3-12-18
 Superintendent

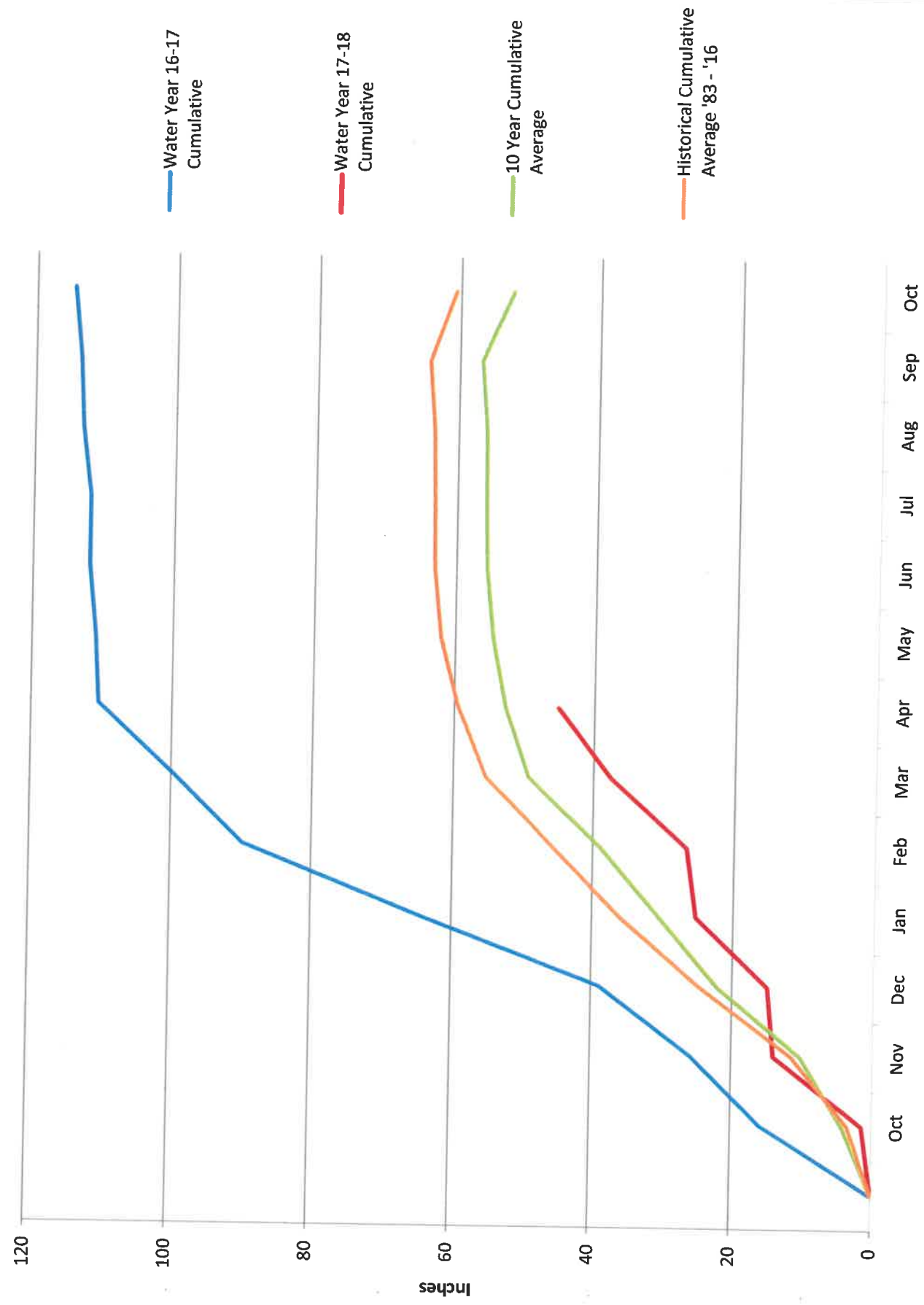
APPROVED BY: [Signature] DATE 3-12-18
 Owner

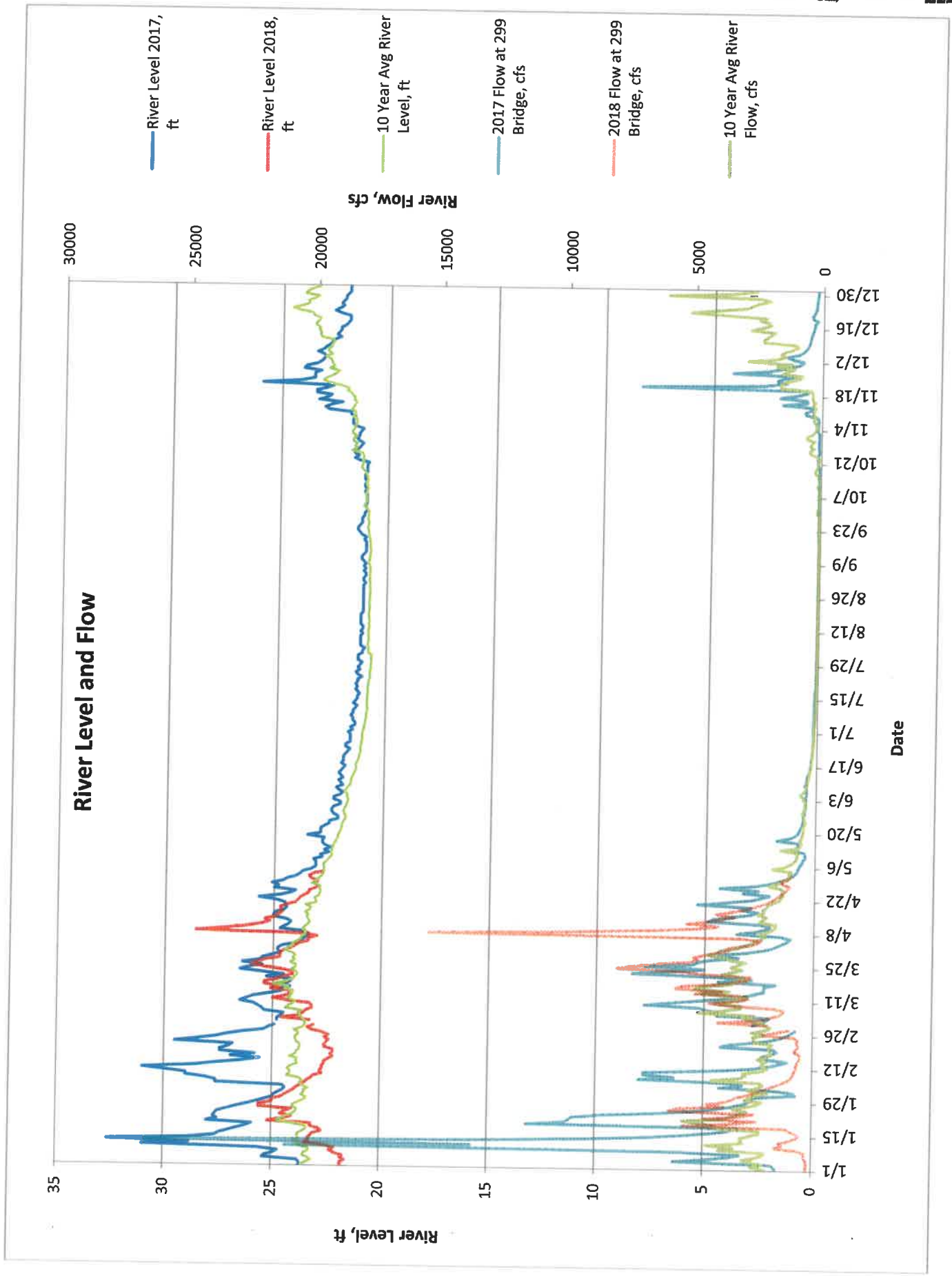
ACCEPTED BY: [Signature] DATE 5-3-18
 Contractor



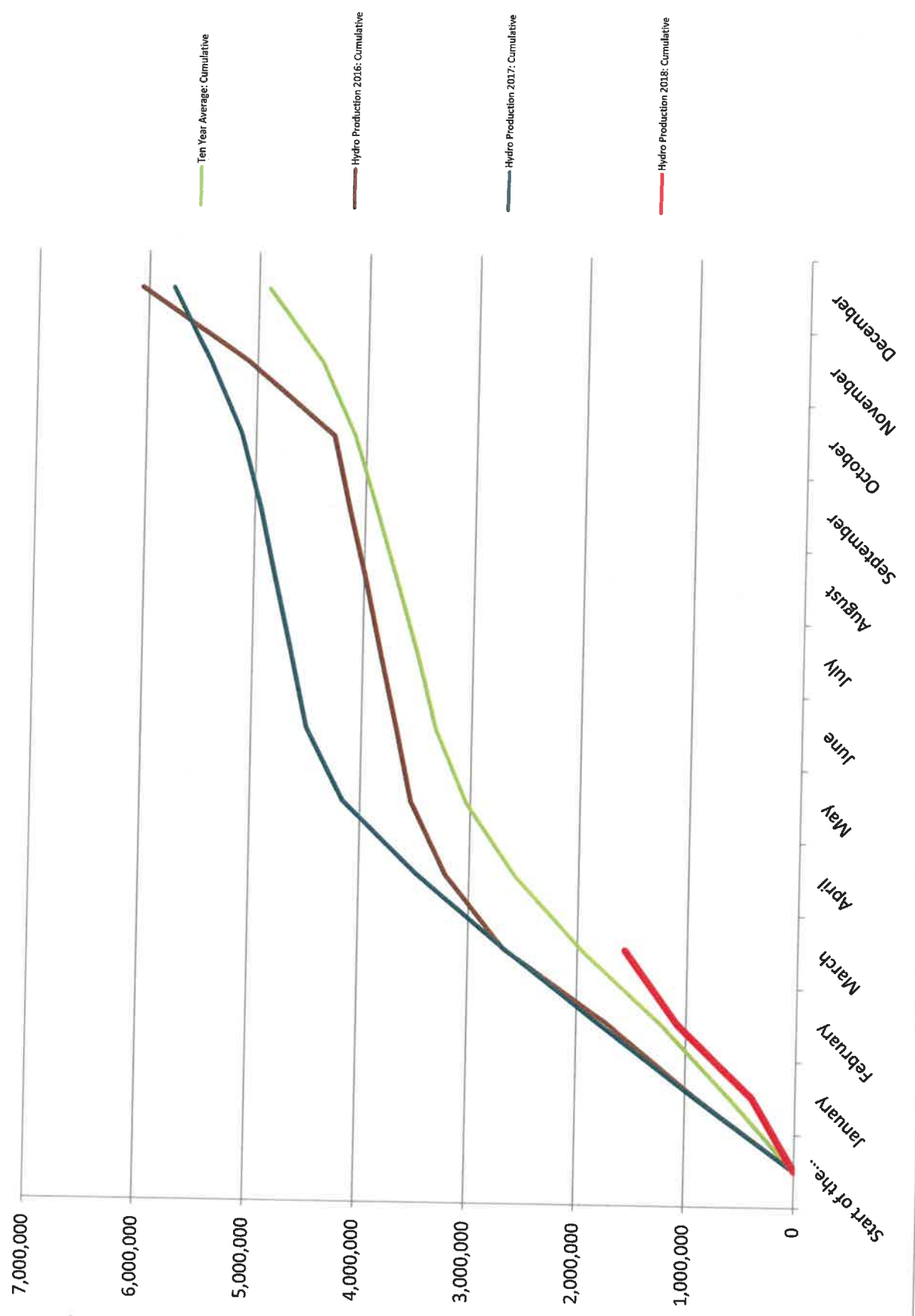


Ruth Rainfall - Water Year 2016-2017





Ruth Hydro Production: kW per Month





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

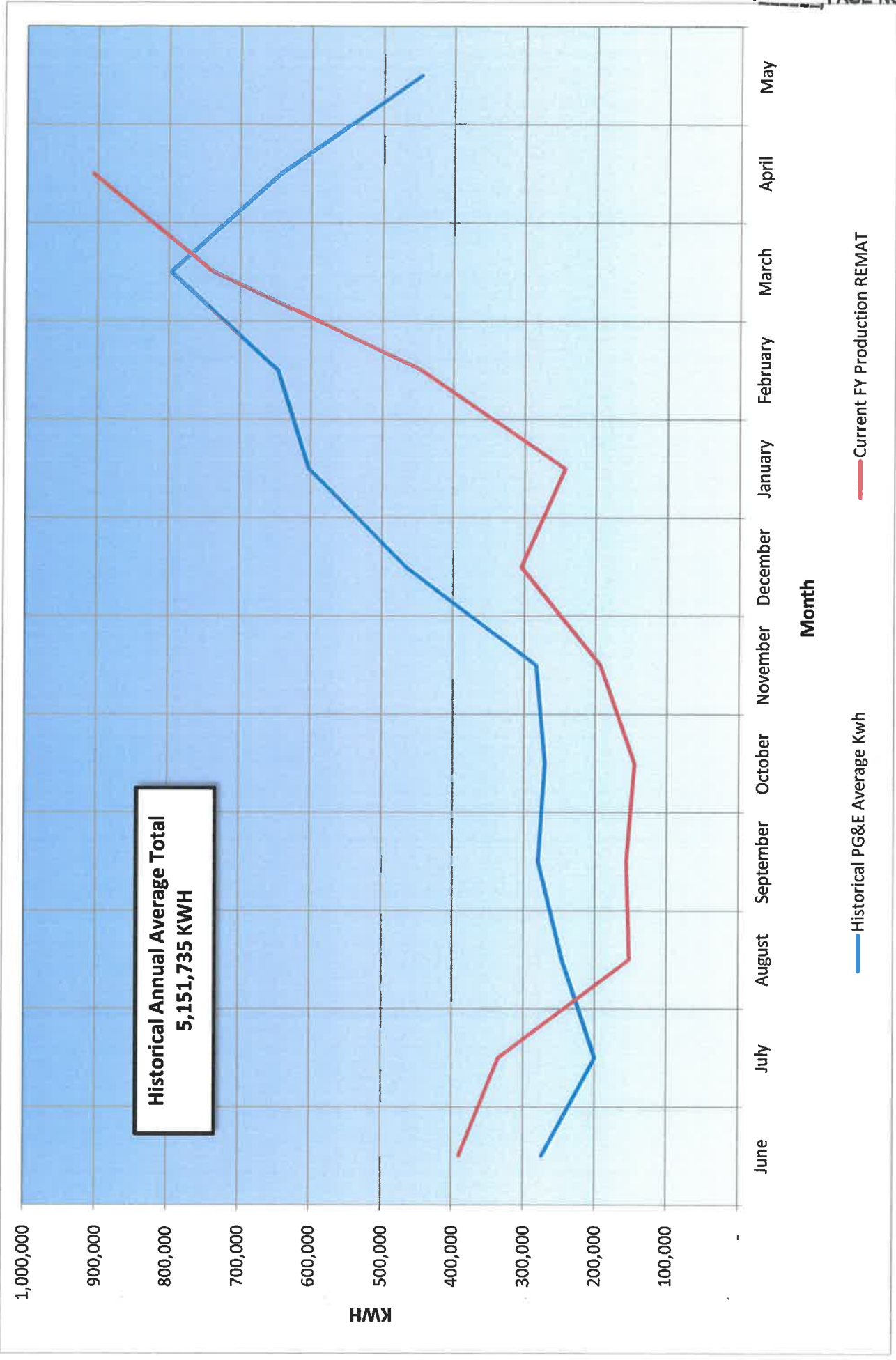
PG&E June 1983 through May 14, 2017

	Total Kwh Production	Average Monthly KWH Production
On Peak	11,630,086	28,575
Part Peak	58,575,072	143,919
Off Peak	83,856,378	206,035
Super Off Peak	26,796,680	65,840
Grand Total	180,858,216	444,369
	Pre REMAT Total Revenues	\$ 8,790,377.99
	No. of Months of Operation	407.5
	Average \$/Kwh	\$ 0.0486

**REMAT
May 15, 2017 to March 2018**

2017/2018 Month	Production KWH			Totals Total KWH	Monthly Revenues	REMAT #of Mos	Total No. of Months of Operation	Cumulative REMAT Revenues	Grand Total Revenues to Date	Avg \$/Kwh REMAT
	Day	Shoulder	Night							
May	96,070.1	113,974.6	179,458.6	389,503.3	\$ 30,388.07	0.5	407.5	\$ 30,388.07	\$ 8,820,766.06	\$ 0.0932
June	81,535.2	96,802.0	155,848.2	334,185.4	\$ 26,120.87	1	408	\$ 56,508.94	\$ 8,846,886.93	\$ 0.0932
July	37,839.9	43,978.6	69,926.9	151,745.4	\$ 14,146.42	2	409	\$ 70,655.36	\$ 8,861,033.35	\$ 0.0932
August	39,075.2	45,418.9	71,539.6	156,033.7	\$ 14,543.49	3	410	\$ 85,198.85	\$ 8,875,576.84	\$ 0.0932
September	36,363.2	42,226.0	66,220.2	144,809.4	\$ 13,497.57	4	411	\$ 98,696.42	\$ 8,889,074.41	\$ 0.0932
October	48,570.2	56,566.9	87,605.6	192,742.7	\$ 18,457.96	5	412	\$ 117,154.38	\$ 8,907,532.37	\$ 0.0958
November	77,434.5	88,110.3	138,532.3	304,077.1	\$ 29,180.65	6	413	\$ 146,335.03	\$ 8,936,713.02	\$ 0.0960
December	83,746.8	100,34.0	158,937.6	242,684.4	\$ 32,775.44	7	414	\$ 179,110.47	\$ 8,969,488.46	\$ 0.1351
January	115,215.3	130,408.9	198,873.2	444,497.4	\$ 42,647.97	8	415	\$ 221,758.44	\$ 9,012,136.43	\$ 0.0959
February	180,500.0	214,085.6	343,849.9	738,435.5	\$ 70,673.06	9	416	\$ 292,431.50	\$ 9,082,809.49	\$ 0.0957
March	228,557.2	265,473.5	412,331.2	906,361.9	\$ 70,797.29	10	417	\$ 363,228.79	\$ 9,153,606.78	\$ 0.0781

Historical vs. Actual Cumulative Production
Gosselin Hydroelectric Plant at Ruth lake
All Data in Kilowatt Hours



Calculation of PG&E ReMat & Muni Funds FY2017/18
March 1-31, 2018

PERIOD	KWH	\$/KWH	ReMat Payment Received	Muni PG&E Base Rate	Rebate To Muni's	JTN Energy	Henwood Assoc., Inc.	Balance To ReMat Fund (County)
DAY/PEAK	228,557.20	0.11332210	25,900.58	0.02943	\$ 26,674.23	\$ 2,537.81	\$ 2,537.81	
SHOULDER/MID-DAY	265,473.50	0.0249844	6,632.70					
NIGHT	412,331.20	0.09279920	38,264.01					
	906,361.90		\$ 70,797.28					\$ 39,047.43

Professional Services related to ReMat Contract \$0.0056 Contract is split 50/50*

Verify

Current Blended Rate Per Kwh \$ 0.08

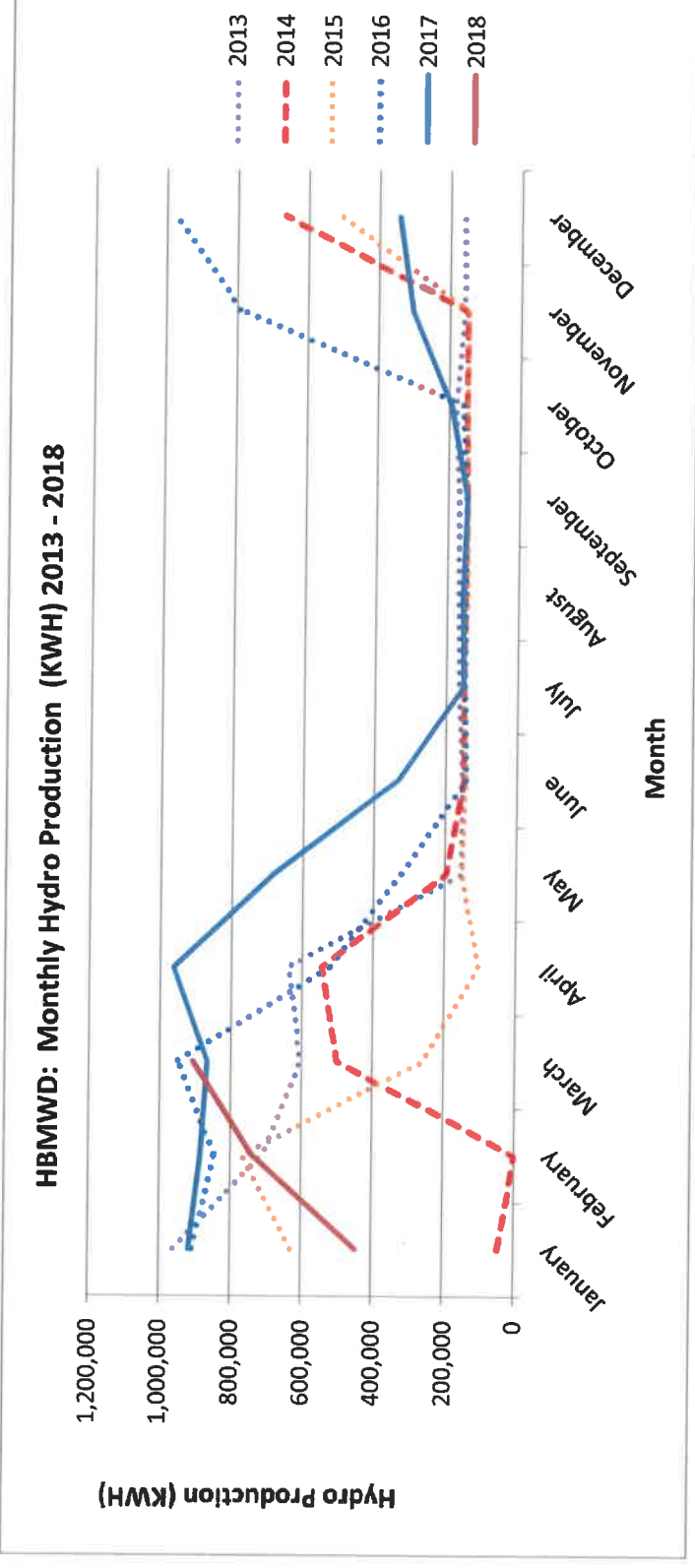
Current t

*Separate checks are issued to JTN Energy & Henwood Associates, Inc. AFTER payment for month is received from PG & E

G/Accounting/ReMat Analysis/ReMat Revenue & Payment

Humboldt Bay Municipal Water District
 Monthly Hydro Electric Production (KWH) for CY2013 - 2018

Month	2013	2014	2015	2016	2017	2018
January	962,724	47,002	632,611	907,103	916,562	444,497
February	713,055	0	769,170	848,575	884,477	738,436
March	605,327	501,812	261,555	950,250	866,400	906,362
April	642,402	545,893	106,258	523,573	962,033	
May	152,795	196,968	151,803	323,636	682,547	
June	152,044	147,630	143,055	142,248	334,185	
July	164,775	149,503	150,599	147,564	151,745	
August	168,428	148,220	140,977	147,531	156,034	
September	169,768	145,020	145,468	148,770	144,809	
October	178,812	148,715	147,574	159,930	192,743	
November	157,195	148,816	145,196	793,097	304,077	
December	160,936	665,823	510,915	978,889	342,718	
Total Annual	4,228,261	2,845,402	3,305,181	6,071,166	1,801,039	1,182,933



MANAGEMENT



**California Special
Districts Association**

Districts Stronger Together

April 30, 2018

SECTION K1a PAGE NO. 1

CSDA Welcomes Humboldt as Newest Affiliated Chapter



to our team!

On April 20, the CSDA Board of Directors voted unanimously to sign an affiliation agreement with the new Humboldt Area Chapter. The Humboldt Chapter is CSDA's 17th affiliated chapter and joins the Plumas County Chapter and the Butte County Special District Association as the 3rd local chapter in CSDA's Northern Network.

The approval of the affiliation agreement completes a process started in 2015. That year, special district representatives in Humboldt held their first meeting to discuss forming a chapter and enhancing the interaction between local districts and CSDA. Now, the Chapter meets every other month to network, engage in local and state advocacy, inform the public of the role of special districts, participate in state and local organizations that advance the interests of districts, and provide training to Board members and staff.

CSDA is committed to establishing relationships with special districts throughout California through its District NetWorks Program. CSDA is pleased to welcome the Humboldt Area Chapter and looks forward to providing resources to the chapter and its member districts. In approving the affiliation agreement, the CSDA Board of Directors expressed their appreciation to the individuals who have lead the chapter formation process since 2015.

The Humboldt Area Chapter's next meeting will take place on June 4th from 3:00 p.m. to 5:00 p.m. at the North Coast Air Quality Management District Office in Eureka. Additional information, including contact information for the Chapter officers, will be available on the [CSDA's Chapters & Networks page](#) in the coming weeks.



May 2018

All bills with a fiscal impact needed to pass their respective policy committees by April 27. These bills must now pass the fiscal committee, known as the Appropriations Committee, in their respective houses by May 25. Read on for the latest details on legislation impacting special districts and visit csda.net/take-action to learn more. Be sure to join us in Sacramento for Special Districts Legislative Days May 22-23. Visit legislatedays.csda.net to register.



Inside this edition of the Grassroots Action Brief:

- Progress Made on RDA as one Bill Dies and Another is Amended.....2
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Contact a local CSDA representative near you!

Dane Wadlé
Colleen Haley
Steven Nascimento
Chris Palmer

Northern & Sierra Networks
Bay Area Network
Central Network
Coastal & Southern Network

danew@csda.net
colleenh@csda.net
stevonn@csda.net
chrisp@csda.net



➤ REVENUE, FINANCES, AND TAXATION

CSDA's long range policy priority on revenue, finances, and taxation is to ensure adequate funding for special districts' safe and reliable core local service delivery. Protect special districts' resources from the shift or diversion of revenues without the consent of the affected districts. Promote the financial independence of special districts and afford them access to revenue opportunities equal to that of other types of local agencies.

Progress Made on RDA as One Bill Dies and Another is Amended

As the first legislative deadline approached, CSDA closely followed the progress of two measures seeking to revive redevelopment agencies (RDAs). One measure, AB 1778 (Holden), did not receive a hearing prior to the April 27 deadline, as the scheduled hearing was canceled at the request of the author. AB 1778 would have established RDAs similar to those dissolved in 2012.

CSDA joined with a broad and active coalition consisting of local government and labor organizations to communicate our opposition, and we are pleased to see AB 1778 fail to move forward.

Another measure, AB 3037 (Chiu), also seeks to revive RDAs, but creates a "passthrough" mechanism in an attempt to make all local agencies financially whole. Unfortunately, our coalition found the first iteration of the passthrough provision inadequate and continued to communicate our message that any future RDAs:

- should not divert local property taxes away from other local agencies without their consent and,
- all local agencies that voluntarily participate in RDAs should have representation on the RDA board.

Short of that, a clear passthrough mechanism that ensures local agencies are kept 100 percent whole would be necessary.

AB 3037 (Chiu) was heard in the Assembly Housing and Community Development Committee on April 11 and successfully passed to its second policy committee. In the Assembly Local Government Committee on April 25, the author agreed to take several amendments that CSDA and its coalition partners are currently reviewing. This is an encouraging step and we are cautiously optimistic. The coalition will continue to work in good faith with the author and his staff, who have worked proactively to foster a productive dialogue.

Members of the Legislature, the author, and the committees have received numerous letters of concerns and opposition from several districts highlighting the potential impact of RDAs on their communities.

The measure will be heard next in its fiscal committee while CSDA and its partners vet the new amendments.

CSDA will continue to work in partnership with the Legislature and other stakeholders to find tools that meet the challenges facing our State and local communities without requiring the diversion of local revenue from other local agencies delivering essential services and infrastructure.

For more information, please contact the CSDA Legislative Representative Anthony Tannehill, anthonyt@cda.net.



➤ GOVERNANCE AND ACCOUNTABILITY

CSDA's long range policy priority on governance and accountability is to enhance special districts' ability to govern as independent, local government bodies in an open and accessible manner. Encourage best practices that avoid burdensome, costly, redundant, or one-size-fits all approaches. Protect meaningful public participation in local agency formations, dissolutions, and reorganizations, and ensure local services meet the unique needs, priorities, and preference of each community

Legislation Would Change the Rules on Pension Liabilities

Assembly Member Freddie Rodriguez (D- Pomona) has introduced AB 1912 which would require member agencies of any existing or future Joint Powers Authority (JPA) to be liable for the pension obligations of the JPA should the JPA fail. If this law is signed by the Governor, it would have immediate detrimental effects statewide on JPAs, their member agencies, their employees, and the public that utilize or benefit from JPA services.

While numerous drafting errors make it difficult to tell exactly how the bill would work in its current form, the author's intent is clear: to prevent JPA employees from having their pension benefits cut, as they were following the failure of the East San Gabriel Valley Human Services Consortium. Specifically, AB 1912 would mandate the member agencies of a JPA agree to assign themselves proportional liability for the pension liabilities of the JPA, and if they can't agree on the specific proportions, the public pension system contracted by the JPA would assign joint and several liability to each of the member agencies. Additionally, if the JPA failed, the pension system would be forced to sue the member agencies to recover the unpaid pension obligation. These obligations include Other Post-Employment Benefits (OPEB) obligations.

This legislation will result in a whole host of issues for JPAs, their members, and their employees. In some cases, existing JPAs are significantly larger than their member agencies and those members will have to withdraw from the JPA rather than continue to accrue liabilities. There will also be instances of former JPA member agencies suddenly on the hook for potentially millions of dollars should the JPA they left years ago fail. The bond ratings for member agencies may also be impacted by the required financial reporting for unfunded liabilities in accordance with GASB 68. Additionally, JPAs not at risk of failure may see their member agencies withdraw because they can't take on the liability, resulting in job losses for JPA employees.

This legislation is an overreaction to an isolated event of a JPA failure and would have greater detriments to the public and public employees than benefits. While what happened to the pensions of almost 200 employees of the East San Gabriel Valley Human Services Consortium was nothing short of terrible, AB 1912 will do nothing to help those former employees. Instead, it will likely result in the dissolution of many JPAs throughout the state and diminish the value of a JPA as an effective tool for multiple agencies to cooperate in meeting the needs of their communities.

TAKE ACTION: If you are a member of a JPA, CSDA would like to know your thoughts on this legislation and how you think your agency might respond should AB 1912 be signed into law. Let CSDA know what this means for your agency and the communities you serve. Will your district remain a member of a JPA? Will you willingly accept the liability? Please contact CSDA Senior Legislative Representative Dillon Gibbons at dillong@cdda.net to share your thoughts and/or concerns.

**➤ HUMAN RESOURCES AND PERSONNEL**

CSDA's long range policy priority on human resources and personnel is to promote policies related to hiring, management, and benefits and retirement that afford flexibility, contain costs, and enhance the ability to recruit and retain highly qualified, career-minded employees to public service. As public agency employers, support policies that foster productive relationships between management and employees, both represented and non-represented.

Sexual Harassment is a Leading Topic in the Legislature in 2018

It should come as no surprise that with all the publicity of the #MeToo movement and industries plagued with sexual harassment, including the State Legislature, that there was a significant number of bills related to sexual harassment introduced in the Legislature this year. While there were close to two dozen bills introduced on the issue, the following highlighted bills are directed at employers, including special districts.

- AB 2366 (Bonta) – **Oppose**: Current law allows employees that are victims of domestic violence, sexual assault, or stalking to take time off to access related services or counseling, without fear of retaliation from their employers (25 or more employees). This bill would allow this time off for victims of sexual harassment and immediate family members of victims of sexual harassment.
- AB 2770 (Irwin) – **Support**: Sponsored by the CalChamber, this bill would allow an employer to share with another employer who is doing a background investigation on a potential hire, whether the potential hire was the subject of complaints of sexual harassment, and that the discussion would not constitute malice.
- AB 3081 (Gonzalez Fletcher) – **Oppose**: Current law prevents an employer from discharging or in any manner discriminating or retaliating against an employee because of the employee's status as a as a victim of domestic violence, sexual assault, or stalking, if the victim provides notice to the employer of the status or the employer has actual knowledge of the status. This bill would add sexual harassment to that list, but also adds a rebuttable presumption of unlawful retaliation if an employer denies, discharges, threatens to discharge, demotes, suspends, or in any manner discriminates against the employee within 90-days of them filing a sexual harassment claim with the employer.
- SB 1038 (Leyva) – **Oppose**: This bill would impose personal liability on an employee of an entity for Fair Employment and Housing Act (FEHA) violations related to discharging or discriminating against a person who has opposed any practices prohibited by FEHA or has filed a complaint, testified, or assisted in any proceeding for a violation of FEHA, regardless of whether the employer or covered entity knew or should have known of the conduct.
- SB 1300 (Jackson) – **Oppose**: This bill would allow a plaintiff's assertion of sexual harassment or discrimination to be deemed valid, whether they prove it or not, if the plaintiff can prove that an employer did not take "all reasonable steps necessary to prevent discrimination or harassment from occurring."
- SB 1343 (Mitchell) – **Support if Amended**: This bill would require every employer, with five or more employees, to provide their employees with two-hours of sexual harassment prevention training once every two years. Additionally, the bill would require the Department of Fair Employment and Housing to develop a training video that employers could use to provide the training.

Should you have any questions about this legislation, or other sexual harassment legislation, please contact CSDA Senior Legislative Representative Dillon Gibbons at dillong@cda.net.



➤ INFRASTRUCTURE, INNOVATION, AND INVESTMENT

CSDA's long range policy principal regarding infrastructure, innovation, and investment is to encourage prudent planning for investment and maintenance of innovative long-term infrastructure. CSDA supports the development of fiscal tools and incentives to assist special districts in their efforts to meet California's changing demands, ensuring the efficient and effective delivery of core local services.

Accessory Dwelling Unit Bills Scaled Back in Committee

Three bills that would ban all local agency fees on Accessory Dwelling Units (ADUs) were significantly scaled back in policy committees this month. As amended, SB 831 (Wieckowski) and SB 1469 (Skinner) would ban impact fees, but would allow water and sanitary districts to continue to charge fees for establishing new connections and capacity charges. These agencies are still bringing their fee schedules into compliance with SB 1069 (2016) and SB 229 (2017), which placed limits on the amount a district can charge for connection and capacity fees. The third ADU bill, AB 2890 (Ting), took amendments that entirely removed the language banning local agency fees.

SB 831 and SB 1469 still ban impact fees, which account for the impacts on the usage of local public services other than water and sewer. Many park districts and fire protection districts rely on these fees to subsidize the indirect costs of growth. Exempting ADUs from impact fees would encourage developers to build more housing specifically as ADUs to evade local fees. The bills exempt ADUs up to 1,200 square feet.

Due to the remaining language impacting fire and park districts, CSDA will maintain opposition to SB 831 and SB 1469. If you have any questions, please contact Rylan Gervase at rylang@csda.net.

➤ LEGAL ADVOCACY

CSDA is the leading legal advocacy voice for all special districts regarding public policy in California and actively tracks and reviews cases of significance affecting special districts in state and federal courts. Under the guidance of CSDA's Legal Advisory Working Group, CSDA files amicus briefs and opines on court cases when appropriate.

Court Rules on Public Records Act Attorney's Fees

On April 12, the Second District Court of Appeal upheld a decision to substantially limit the attorney's fee awarded to the *Los Angeles Times (Times)* under California Public Records Act (CPRA) litigation against the City of Pasadena (City). The case, *Pasadena Police Officers Association, et al. v. City of Pasadena* [B275566], supports the argument that public agencies should not be liable for the entirety of attorney's fees and costs in reverse-CPRA cases, but may be liable for fees in a dispute over the scope of the public agency's redactions. Ultimately, the Court of Appeal upheld a lower court's ruling as to the City, and reduced the newspaper's fee award from the more than \$350,000 requested to roughly \$45,000.

In 2017, CSDA joined the California Law Enforcement Association of Records Supervisors, California State Association of Counties and the League of California Cities in an amicus brief to the Second District Court of Appeal in support of the City. The case involved the issue of whether the *Times* was entitled to its legal fees during writ proceedings related to a reverse-CPRA action in addition to litigation fees related to the City's redaction of documents. A reverse-CPRA litigation involves an interested third party taking legal action to block the release of documents requested from a public agency pursuant to the CPRA.



Pursuant to the CPRA, a records requester can recover attorney's fees from a public agency if the requester is the prevailing plaintiff in the CPRA action, resulting in the disclosure of public records by the public agency. The Private Attorney General Statute however, allows private litigants to recover attorney's fees associated with lawsuits that protect an important right or significant public benefit. This statute may entitle attorney's fees awards to the plaintiff from the private third party engaging in the reverse-CPRA, potentially shifting these types of fee awards away from local agencies.

Background

In 2012, a shooting incident involving two Pasadena Police Department Officers resulted in several investigations, one of which was conducted by the City. The City's investigation yielded a 70-page report, which was requested by the *Times*. The City released the report, after determining that 14 pages should remain redacted as they contained confidential personnel information regarding the officers. The Pasadena Police Officers Association (PPOA) filed a reverse-CPRA action to prevent the release of the report, however the Superior Court ordered the report's disclosure and preserved the City's redacted pages.

The PPOA appealed this decision, and the Court of Appeal held that the City over-redacted pages in the report, returning the case to the Superior Court who ordered the disclosure of five additional pages of the report. The *Times* sought to recover attorney's fees totaling \$350,422 against the City, however the court awarded only \$45,472 for the narrow matter of fees which were incurred during the appellate review regarding the over-redacted documents. Additionally, the *Times* sought attorney's fees against PPOA under the Private Attorney General Statute, which the trial court denied.

The *Times* appealed the decision, but the Court of Appeal found the lower court committed no abuse of its discretion in the fee award amount against the City, affirming the reduced fee award for the narrow matter related to the redacted documents. These fees are chargeable to the public agency if the CPRA action "prompts" the disclosure of public records.

However, the appellate court held that attorney's fees against the PPOA and two individual officers could be recovered under the Private Attorney General Statute. The Court reasoned that the PPOA and officers attempted to restrict the public's right of access to public records, and because the case relates to public officials and employees pursuing litigation in relation to police officers, it involves significant public rights and interests. This portion of the decision may discourage the filing of reverse-CPRA actions against public agencies by third parties, because plaintiffs will be forced to consider whether they may be liable for the PRA requester's attorney's fees under the Private Attorney General Statute if the reverse-CPRA action is defeated.

Impact

Under the CPRA, it is the duty of public agencies to disclose non-exempt responsive records, and plaintiffs may statutorily seek their attorney's fees and costs if an agency fails to disclose responsive documents absent litigation. A reverse-CPRA action leaves public agency in legal limbo until competing interests are appropriately balanced against the public's interest in disclosure. The Court of Appeals decision to uphold the narrowed fee to the scope of the City's redactions establishes a positive precedent of limited liability for public entities engaged in reverse-CPRA actions.

For questions about CSDA's involvement in this case or any others, contact CSDA Legislative Analyst - Attorney Mustafa Hessabi at mustafah@cdda.net.



➤ DISTRICTS MAKE THE DIFFERENCE

Districts Make the Difference was created to increase public awareness and understanding of special districts across California. The campaign website, www.districtsmakethedifference.org provides a public place to learn more about special districts and the positive effect they have on their communities, while also serving as a resource for districts to download useful materials, collateral, and information.

More Public Outreach Tools Underway

Stay tuned as the Districts Makes the Difference campaign is currently developing several new outreach projects that will continue to promote public awareness and reflect the significance of special districts throughout California.

In the meantime, CSDA encourages you to share our current DMTD content, including our full suite of videos, and shareable infographics.

Also, CSDA is always looking for good content to share! Don't forget to use the hashtag **#DistrictsMakeTheDifference** when posting your stories on social media.



[www. DistrictsMakeTheDifference.org](http://www.DistrictsMakeTheDifference.org)

Learn more about our public outreach campaign at www.DistrictsMakeTheDifference.org and engage with us on social media:

- Like us on [Facebook.com/CASpecialDistricts](https://www.facebook.com/CASpecialDistricts)
- Follow us on Twitter [@CA_Districts](https://twitter.com/CA_Districts)
- Subscribe to us on [www.YouTube.com/c/CaSpecialDistrictsDMTD](https://www.youtube.com/c/CaSpecialDistrictsDMTD)
- Download the logo to your homepage and link to www.DistrictsMakeTheDifference.org

If you have any questions about how to better utilize CSDA's public outreach campaign, or if you have any ideas for new materials we should provide, please contact CSDA's Public Affairs Team at pr@cda.net.

**➤ HOT LEGISLATION**

Here is where the hottest bills affecting special districts sit in the California Legislature this month:

- **Small System Water Authority —AB 2050 (Caballero):** Creates the Small System Water Authority Act of 2018 and authorizes the creation of independent special districts, dubbed “small system water authorities”, that will have powers to absorb, improve, and competently operate noncompliant public water systems.
CSDA’s position: Support
Bill Location: Assembly Appropriations
- **Surplus Land—AB 2065 (Ting):** Includes special districts in the list of local agencies that have to follow certain requirements for the disposal of surplus land. These requirements include offering the land for use for affordable housing, park and recreational facilities, and school construction. Amends the definition of “disposal” to include the sale, lease, or other conveyance of surplus land.
CSDA’s position: Oppose Unless Amended
Bill Location: Assembly Appropriations
- **Accessory Dwelling Units—SB 831 (Wieckowski):** Would eliminate impact fees charged by a local agency, school district, special district, or water corporation for accessory dwelling units (ADUs). These one-time fees are paid by developers to local agencies to account for the impacts on the usage of local parks, fire station services, and other public services that will be used by the new residents.
CSDA’s position: Oppose
Bill Location: Senate Appropriations
- **LAFCO Grant Funding and Increased Protest Threshold—AB 2258 (Caballero):** This bill would require the Strategic Growth Council, for 5 years, to establish and administer a local agency formation commissions (LAFCO’s) grant program. It would also increase the current 10% protest threshold to 25% for those LAFCO initiated actions that resulted from the same grant funded study.
CSDA’s position: Concerns
Bill Location: Assembly Appropriations Committee
- **Local government: Public Broadband Services—AB 1999 (Chau):** This bill would give Community Service Districts, County Service Areas, and Public and Municipal Utility District’s far broader authority to construct and operate broadband services, provided they adhere to net neutrality principals.
CSDA’s position: Support
Bill Location: Assembly Communications and Conveyance



➤ OTHER WAYS TO TAKE ACTION

Learn

Register now for **Special District Legislative Days, May 22 – 23**. Legislative Days is an interactive two-day conference in our State Capitol that includes pre-arranged meetings with State Legislators and staff and a keynote address from CalPERS CEO Marcie Frost. Visit legislatedays.csdanet.net to register today.

Engage

CSDA has launched a new online forum for members. CSDA Communities provide our members with an easy-to-use venue for discussing ideas, finding solutions, sharing documents, and building relationships. Use your email address to login at csdanet.net and get started.

Give Feedback

Join an Expert Feedback Teams to provide CSDA staff with invaluable insights on policy issues. Email marcusd@csdanet.net to inquire about joining one of the following teams:

- Budget, Finance and Taxation
- Environment
- Formation and Reorganization
- Human Resources and Personnel
- Governance
- Public Works and Contracting

Stay Informed

In addition to the many ways you can **TAKE ACTION** with CSDA's advocacy efforts, CSDA offers a variety of tools to keep you up-to-date and assist you in your district's legislative and public outreach. Make sure you're reading these resources:

- CSDA's weekly e-Newsletter
- Districts in the News
- CSDA's CA Special District Magazine

Email advocacy@csdanet.net for help accessing these additional member resources.

ACWA



YOUR BEST PROTECTION

Unapproved Minutes

Employee Benefits Committee Meeting

ACWA JPIA Executive Conference Room
2100 Professional Drive,
Roseville, CA 95661
(800) 231-5742

April 4, 2018

This meeting consisted of a simultaneous WebEx teleconference call at the ACWA JPIA, 2100 Professional Drive, Roseville, CA 95661 and the following remote sites:

- Boatman – 4004 Salem Street, Concord
- Linthicum – 1021 E Miramar Ave, Claremont
- Peterson – 2936 Triunfo Canyon Rd., Agoura Hills

MEMBERS PRESENT

Chairman: J. Bruce Rupp, Humboldt Bay Municipal Water District
Vice-chair: Melody McDonald, San Bernardino Valley Water Conservation District
Bette Boatman, Contra Costa Water District (via WebEx)
Stephanie Dosier, Orange County Water District
Karen Gish, Amador Water Agency
James Linthicum, Three Valleys Municipal Water District (via WebEx)
Sandy Olson, Walnut Valley Water District
Glen Peterson, Las Virgenes Municipal Water District (via WebEx)

MEMBERS ABSENT

Randy Shilling, Kings River Conservation District

STAFF PRESENT

Chief Executive Officer/Secretary: Walter "Andy" Sells
Sonya Baker, Benefits System Analyst
Veronica Cobian, Benefits Administrator II
Linda Craun (WebEx Coordinator)
David deBernardi, Director of Finance
Robert Greenfield, General Counsel
Allison Hartill, Benefits Analyst I
Ben Hayden, Lead Benefits Analyst
Sandra Smith, Employee Benefits Manager
Daniel Steele, Lead Accountant
Michelle Stites, Benefits Administrator I (recording secretary)
Dianna Sutton, Finance Manager
Karen Thesing, Director of Insurance Services
Melody Tucker, Workers' Compensation Claims Manager (left at 11:20)
Bobbette Wells, Executive Assistant to the CEO

OTHERS IN ATTENDANCE

Thomas A Cuquet, South Sutter Water District
David A. Drake, Rincon del Diablo Municipal Water District (via WebEx)
David Hodgins, Scotts Valley Water District (via WebEx)
W.D. "Bill" Knutson, Yuima Municipal Water District
Kimberly Miller Alliant
Thomas Sher, Alliant
Kathy Tiegs, Cucamonga Valley Water District

WELCOME

Chairman Rupp welcomed everyone in attendance.

CALL TO ORDER AND ANNOUNCEMENT OF QUORUM

Chairman Rupp called the meeting to order at 10:03 a.m. He announced there was a quorum.

ANNOUNCEMENT RECORDING OF MINUTES

Chairman Rupp announced that the meeting would be recorded to assist in preparation of minutes. Recordings are only kept 30 days following the meeting, as mandated by the California Brown Act.

PUBLIC COMMENT

Chairman Rupp noted that, as the agenda stated, members of the public would be allowed to address the Employee Benefits Program Committee on any agenda item prior to the Committee's decision on that item. Comments on any issues on the agenda, or not on the agenda, were also welcomed. No comments were brought forward.

INTRODUCTIONS

Chairman Rupp welcomed all in attendance.

ADDITIONS TO OR DELETIONS FROM THE AGENDA

Chairman Rupp asked for any additions to, or deletions from, the agenda; none requested.

CONSENT AGENDA

Chairman Rupp called for approval of the Consent Agenda or approval of the minutes of the last meeting October 25, 2017:

M/S/C (McDonald/Dosier) (Boatman-Yes, Dosier-Yes, Gish-Yes,
Linthicum-Yes, McDonald-Yes, Olson-Yes, Peterson-Yes, Rupp-Yes):
That the Employee Benefits Program Committee approve the minutes of
October 25, 2017 as presented.

REPORT ON MEETINGS ATTENDED ON BEHALF OF JPIA

None reported.

PRELIMINARY RATE PROJECTIONS FOR 2019

Ms. Smith presented a summary of medical plan design changes implemented over the past five years, along with rate history, and 2019 projections. Ms. Smith reviewed the savings estimates for each plan design change. She also reviewed the value added services incorporated for JPIA members.

Ms. Smith noted that there were two participants people enrolled in the CDHP in 2012. There are now 44 districts that offer the CDHP, with a total of 244 Anthem participants and 54 Kaiser participants. Ms. Smith thanked Mr. Hayden for his continued efforts in promoting and educating members about the CDHP, including guiding them through implementation. Several Committee members commented that collaboration between the district and JPIA is a necessity for a successful implementation of the CDHP plans.

Mr. Sher informed the Committee that based on the Anthem Book of Business trends and Alliant Book of Business trends, 2019 appears to be trending lower than expected, due to the economy. Current projections indicate a cost increase of 6.1% for the PPO program.

PHARMACY BENEFIT MANAGER

JPIA's Anthem PPO and HMO medical plans utilize Express Scripts as the Pharmacy Benefit Manager (PBM) for the plans' prescription claims. Prescription expenses make up approximately 25% of JPIA's self-funded plan claims costs. The PBM not only processes prescription drug claims, but also negotiates pricing and rebates with drug manufacturers and maintains drug formulary lists. JPIA's use of Express Scripts is indirect, through contract with Anthem. Anthem will no longer contract with Express Scripts for PBM services effective January 1, 2020.

JPIA will need to secure a new PBM contract by January 1, 2020 because the current arrangement will no longer be an option. Staff is evaluating options and will present more information at the next Committee meeting.

RESERVE TARGET GOALS

Mr. deBernardi explained to the Committee that for the past three years, JPIA has used \$18.5 million as the target goal for the Employee Benefits reserves. This number was based on a January 2015 actuary report using a 99% confidence level.

As of February 28, 2018, the Employee Benefits Program reserves were \$41.3 million. The \$41.3 million figure includes \$7.9 million dollars for estimated incurred but not reported (IBNR) claims. The new actuarial findings estimate the reserve fund would cover total losses at 99% confidence level with \$19.2 million, a \$700,000 increase from the previous estimate.

M/S/C (McDonald/Gish) (Boatman-Yes, Dosier-Yes, Gish-Yes, Linthicum-Yes, McDonald-Yes, Olson-Yes, Peterson-Yes, Rupp-Yes): That the Employee Benefits Program Committee recommend that the Executive Committee approve to change the reserve goal to \$19.2 million.

SOLERA DIABETES PREVENTION PROGRAM

Ms. Smith presented the Solera Diabetes Prevention Program. Diabetes is a notable contributor to plan costs, according to utilization data provided by both Anthem and Kaiser. Anthem Blue Cross offers an option to add a Diabetes Prevention Program at no cost to the participant. The cost to the plan is about \$400 per person who participates in the program. Costs are anticipated to be offset by reduced medical and prescription claims expenses.

JPIA's Anthem PPO and HMO plans began offering the Solera Diabetes Prevention Program in February 2018. The program launched with a weekly drawing for a \$100 Amazon gift card during the first four weeks. Over 800 participants took the online quiz to see if they qualified for the benefit. Staff will update the Committee as utilization data becomes available.

CARRUM HEALTH UPDATE

Ms. Smith spoke about Carrum Health's bundled surgery benefit available under the PPO plans. Plan savings for surgeries through Carrum Health are passed along to participants by waiving costs, and travel expenses are covered. Communication efforts to get the word out about this feature have included an employer webinar, flyers, and videos on the JPIA website for distribution during open enrollment and at hire, Carrum presence at health fairs and HR group meetings, emails to HR staff to forward to employees, and a postcard mailed directly to Anthem PPO plan participants.

To date, two surgeries have been completed through Carrum Health. Both patients reported high satisfaction, rating the experience a 10 out of 10. Another patient will be having surgery soon, with several more in the beginning phases of arranging their surgeries.

Carrum Health has a data feed with Anthem and is working to identify patients who may be recommended for orthopedic, cardiac, or bariatric surgery. Direct member outreach is occurring to identify patients and is expected to increase as analytics are honed. Staff will provide more utilization data to the Committee as it becomes available.

CLAIMS DATA ANALYSIS UPDATE

Mr. Hayden presented an update on the Claims Data Analysis to the Committee. Medical premiums vary based on two criteria: Standard or Incentive Rates and five geographic regions. Price differentials have changed very little since JPIA began administering Employee Benefits.

JPIA has been reviewing and analyzing detailed claims costs for the self-funded medical plans dating back to 2015. JPIA has validated the four percent differential between Standard and Incentive rates along with the regional pricing differences.

Further analysis to identify which criteria have the greatest impact on claims is ongoing.

STAFFING UPDATE

Ms. Smith informed the Committee that due to a recent retirement there is an opening for an Employee Benefits Account Manager. The position will be adjusted to include more member outreach and service. It is anticipated the employee would work remotely from Southern California which would facilitate more face-to-face interaction and reduce travel expenses. Recruitment is currently underway.

EMPLOYEE BENEFITS MARKET PLACE

Mr. Sher discussed the impacts of current and pending legislation related to healthcare.

NEXT MEETING DATE

Availability for Upcoming Meeting(s)

The next scheduled Employee Benefits Program Committee meeting is Monday, July 9, 2018. No conflicts were noted.

The Employee Benefits Program Committee meeting adjourned at 12:09 p.m.

John Friedenbach

From: ACWA Region Events <anaj@acwa.com>
Sent: Friday, April 27, 2018 1:58 PM
To: friedenbach@hbmwd.com
Subject: Registration Open! ACWA Region 1 Tour and Program

Click [here](#) if you are having trouble viewing this message.



REGISTRATION NOW OPEN!

ACWA Region 1

Russian River Watershed Health Tour & Program

Date: Friday: June 15, 2018
Time: 8:00 a.m.–3:00 p.m. (Check-in begins at 7:30 a.m.)

Locations & Start Times

Part 1: 8:00 a.m. - River's Edge Kayak & Canoe Trips (#1 Healdsburg Avenue, Healdsburg, CA 95448)
Part 2: 12:30 p.m. - Sonoma County Water Education Center (9703 Wohler Road, Healdsburg, CA 95448)

ACWA Region 1 is hosting a Russian River Watershed Health tour and program that includes a five mile canoe trip on the Russian River that will allow you to view the health of the watershed from a rare vantage point.

PART 1 – CANOE TRIP ON THE RUSSIAN RIVER (optional – full registration required)

Participants will paddle their own 2-person canoe (included in registration) on a 2-3 hour group-guided route (this section of river is calm; class 1 flow, average depth is knee to waist deep). Upon completion of the canoe tour, participants will drive their own vehicles 10 miles to the Sonoma County Westside Water Education facility for the afternoon program.

****ALL FULL EVENT PARTICIPANTS MUST BE AWARE OF THE FOLLOWING****

- All paddle tour participants must be able to:

- **Walk unassisted**
- **Be able to swim**

ACWA REGION 1 BOARD

2018-2019

Chair

Brad Sherwood,
Sonoma County Water
District

Vice Chair

Dennis Mayo,
McKinleyville Community
Services District

Board Members

David Bentley,
North Marin Water District

Jennifer Burke,
City of Santa Rosa

Matthew D. Froneberger,
Forestville District

Marvin Talso,
Redwood Valley County
Water District

Wesley Scribner,
Weaverville Community
Services District

QUESTIONS

Contact Brian Sanders,
Regional Affairs Representative

- Possess full range of motion of extremities
- Be unimpaired by any substances

- This is NOT a "float" and there is always a potential to flip or wedge your boat.
- There may be shallow sandbars causing you to briefly get out of your canoe to pass through.
- Previous experience with canoes/kayaks is preferred.
- There will be 2 people per canoe and the trip is rated as Class 1 flow.
- Release of Liability Waiver must be signed prior to participating

****RECOMMENDED PERSONAL PROTECTION ATTIRE FOR CANOE TRIP****

Sun hat, sun glasses, sun screen, fast drying clothes, and water appropriate shoes are highly recommended for this tour

PART 2 – WATER EDUCATION CENTER TOUR AND PROGRAM (partial registration required)

All attendees will convene at the Sonoma County Westside Water Education facility where we will have lunch, a tour of the facility and speakers discussing the overall watershed health, wildfire impacts, current and future challenges facing the watershed.

REGISTRATION INFORMATION

[REGISTER HERE](#)

****FULL EVENT REGISTRATION****

Pre-Registration Fee: ACWA Member \$60 | Non-member \$90

Onsite Registration Fee: ACWA member \$75 | Non-member \$115

(Onsite registrations will be accommodated as space permits.)

Registration Fee Includes: Paddle gear, canoe rental, lunch, Sonoma County Westside Water Education facility tour and program

****PARTIAL EVENT REGISTRATION (does not include canoe trip)****

Pre-Registration Fee: ACWA Member \$35 | Non-member \$55

Onsite Registration Fee: ACWA member \$50 | Non-member

\$75 *(Onsite registrations will be accommodated as space permits.)*

Registration Fee Includes: Lunch, Sonoma County Westside Water

at: brians@acwa.com

or (916) 441-4545

**EVENT UNDERWRITTEN BY
ACWA REGION 1 AND
SPONSORED BY:**



Education facility tour and program

Online Registration Deadline: June 8, 2018 or until space is full.

Cancellations Deadline: June 8, 2018, 5 p.m. (PST) to receive reimbursement. Cancellation must be in writing. Substitutions can be made by requesting it in writing by June 8. After that date, substitutions can be handled onsite at the event. Event details are subject to change and registrants will be notified by e-mail if changes occur.

Tour participants are required to sign an ACWA Voluntary Release and Waiver, available [HERE](#)

SUGGESTED HOTEL ACCOMMODATIONS

Holiday Inn - Windsor Sonoma Wine County
8755 Old Redwood Highway
Windsor, CA 995492
(707) 837-0808
starting rate at \$159 + tax.
Mention ACWA Region 1 to receive room block rate

[ACWA Regions](#) | [ACWA Events](#) | [ACWA](#)



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Association of California Water Agencies.
910 K Street, Suite 100, Sacramento, CA 95814
phone: 916.441.4545 | email: events@acwa.com



We hope you enjoy receiving email notices and updates from ACWA. At any time you can click [here](#) to unsubscribe or update your email preferences.

CONFERENCE AGENDA

ACWA JPIA - MONDAY, MAY 7

- 8:30 - 10:00 AM**
• ACWA JPIA Program Committee
- 10:15 - 11:15 AM**
• ACWA JPIA Executive Committee
- 1:30 - 4:00 PM**
• ACWA JPIA Board of Directors
- 4:00 - 5:00 PM**
• ACWA JPIA Town Hall
- 5:00 - 6:00 PM**
• ACWA JPIA Reception

TUESDAY, MAY 8

- 8:00 AM - 9:45 AM**
• Agriculture Committee
- 8:00 AM - 6:00 PM**
• Registration
- 8:30 AM - Noon**
• ACWA JPIA Seminars
- 9:00 AM - 4:00 PM**
• Legal Affairs Committee CLE Spring Workshop
- 10:00 - 11:45 AM**
• Groundwater Committee
• Local Government Committee
- 11:00 AM - Noon**
• Outreach Task Force
- Noon - 2:00 PM**
• ACWA 101 & Luncheon
• Committee Lunch Break
- 1:00 - 2:45 PM**
• Energy Committee
• Finance Committee
• Scholarship & Awards Subcommittee
• Water Management Committee
- 1:30 - 3:30 PM**
• ACWA JPIA: Sexual Harassment Prevention for Board Members & Managers (AB 1825)
- 3:00 - 4:45 PM**
• Communications Committee
• Federal Affairs Committee
• Membership Committee
• Water Quality Committee
- 5:00 - 6:30 PM**
• Welcome Reception in the Exhibit Hall

WEDNESDAY, MAY 9

- 7:30 AM - 5 PM**
• Registration
- 8:00 - 9:45 AM**
• Opening Breakfast *(Ticket Required)*
- 8:30 AM - Noon & 1:30 - 5:00 PM**
• Exhibit Hall
- 10:00 - 11:30 AM**
• Attorneys Program
• Energy Committee Program
• Exhibitor Demos
• Finance Program
• Region Issue Forum
• Statewide Issue Forum
• Water Industry Trends Program
- 11:30 - 11:45 AM**
• Networking in the Exhibit Hall
- 11:45 AM - 1:45 PM**
• General Session Luncheon *(Ticket Required)*
- 2:00 - 3:15 PM**
• Attorneys Program
• Communications Committee Program
• Energy Committee Program
• Exhibitor Case Study
• Region Program
• Statewide Issue Forum
• Water Industry Trends Program
- 3:30 - 4:45 PM**
• Exhibitor Case Study
• Finance Program
• Statewide Issue Forums
• Water Industry Trends Program
- 3:30 - 5:30 PM**
• Legal Affairs Committee
- 5:00 - 6:00 PM**
• Prize Drawing Fiesta Night in the Exhibit Hall
- 5:30 - 7:00 PM**
• CalDesal Hosted Mixer
• CH2M Hosted Reception

THURSDAY, MAY 10

- 7:30 AM - 4 PM**
• Registration
- 7:45 - 9:15 AM**
• Regions 6-10 Membership Meetings

8:00 AM - Noon

- Exhibit Hall
- 8:00 - 9:15 AM**
• Networking Continental Breakfast, Exhibit Hall *(Ticket Required)*

9:30 - 11:00 AM

- Attorneys Program
- Exhibitor Demos
- Finance Program
- Region Issue Forum
- Statewide Issue Forum

9:30 - 11:45 AM

- Ethics Training (AB 1234) - *Limited Seating*

11:00 - 11:30 AM

- Prize Drawings in the Exhibit Hall

11:45 AM - 1:45 PM

- General Session Luncheon *(Ticket Required)*

2:00 - 3:15 PM

- Attorneys Program
- Exhibitor Case Studies
- Federal Issues Forum
- Town Hall
- Water Industry Trends Program

3:30 - 5 PM

- Regions 1-5 Membership Meetings

6:00 - 7:00 PM

- Gen Jam Reception

7:00 - 10:00 PM

- Dinner & Entertainment *(Ticket Required)*

FRIDAY, MAY 11

8:00 - 9:30 AM

- Registration

8:30 - 10:00 AM

- ACWA's Hans Doe Past Presidents' Breakfast in Partnership with ACWA JPIA *(Ticket Required)*

OTHER EVENTS

TUESDAY, MAY 8

- 7:00 AM - 4 PM**
• ACWA Spring Conference Golf Tournament

THURSDAY, MAY 10

- 6:45 - 8:30 AM**
• San Joaquin Valley Agricultural Water Committee

All conference programs are subject to change.

RREDC/RCEA



Redwood Coast Energy Authority

633 3rd Street, Eureka, CA 95501

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

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

SECTION L4 PAGE NO. 1

MEETING AGENDA

Humboldt Bay Municipal Water District Office
828 7th Street, Eureka, CA 95501

April 16, 2018
Monday, 3:15 p.m.

RCEA will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Lori Taketa or front office staff at RCEA, 633 3rd Street, Eureka, or by calling 269-1700, or by e-mail at Ltaketa@redwoodenergy.org, by noon the day of the meeting.

OPEN SESSION Call to Order

1. REPORTS FROM MEMBER ENTITIES

2. ORAL COMMUNICATIONS

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

3. CONSENT CALENDAR

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

3.1 Approve Minutes of March 28, 2018, Special Board Meeting.

3.2 Approve Disbursements Report.

3.3 Accept Financial Reports.

4. REMOVED FROM CONSENT CALENDAR ITEMS

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

5. OLD BUSINESS

5.1 Update on Offshore Wind Development Partnership Negotiations

6. NEW BUSINESS

6.1 Offshore Wind Project Grid Interconnection Study

Approve Agreement to Share Grid Interconnection Study Costs Between Principle Power, Aker Solutions, EDPR Offshore North America, and Redwood Coast Energy Authority and authorize the Executive Director to execute the agreement and any associated documents.

6.2 FY 17-18 Budget Adjustments

Approve proposed adjustments to the FY17-18 RCEA Annual Budget.

6.3 USDA Loan Application

Direct Staff to prepare a loan application to the U.S. Department of Agriculture's Rural Utility Services for a loan guarantee to finance the construction of a 2.25MW-solar electric and battery storage system at the California Redwood Coast – Humboldt County Airport.

Adopt Resolution 2018-3 of the Redwood Coast Energy Authority Authorization to Certify and Submit Required Data to the U.S. Department of Agriculture Loan.

Authorize the Board Chair to sign USDA RUS Program Certificate of Authority to Submit or Grant Access to Data naming Matthew Marshall as Certifier and Lori Biondini as Security Administrator.

COMMUNITY CHOICE ENERGY (CCE) BUSINESS (Confirm CCE Quorum)

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighted voting as established in the RCEA joint powers agreement.

7. OLD CCE BUSINESS

7.1 Energy Risk Management Policy - Minor Administrative/Operational Updates

Adopt Resolution 2018-4 to adopt updates to Redwood Coast Energy Authority Energy Risk Management Policy.

8. NEW CCE BUSINESS

8.1 Review/Update Board Guidelines on CCE-Funded Customer Programs

Consider updates to the CCE customers program guidelines.

8.2 CCE Customer Programs Approval Process

Adopt CCE-funded customer program evaluation and selection process.

END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS

9. STAFF REPORTS

9.1 Executive Director

- International Offshore Wind Partnering Forum
- CEC IEPR Workshop Friday, April 20
- Community Advisory Committee Update

10. ADJOURNMENT

NEXT REGULAR MEETING: Monday, May 21, 2018, 3:15 p.m., Humboldt Bay Municipal Water District Office, 828 7th Street, Eureka, CA.95501.



Redwood Coast Energy Authority

SECTION 14 PAGE NO. 3

633 3rd Street, Eureka, CA 95501

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

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

SPECIAL MEETING MINUTES

**Humboldt Bay Municipal Water District Office
828 7th Street, Eureka, CA 95501**

**March 28, 2018
Wednesday, 3:15 p.m.**

RCEA will accommodate those with special needs. Arrangements for people with disabilities who attend RCEA meetings can be made in advance by contacting Lori Taketa or front office staff at RCEA, 633 3rd Street, Eureka, or by calling 269-1700, or by e-mail at Ltaketa@redwoodenergy.org, by noon the day of the meeting.

ROLL CALL

Board Vice Chair Winkler called the meeting to order at 3:19 p.m.

Present: Michael Sweeney, Frank Wilson, Dwight Miller, Bobbi Ricca, Michael Winkler, Estelle Fennell

Absent: Sheri Woo, Dean Glaser, Austin Allison

1. REPORTS FROM MEMBER ENTITIES - None

2. ORAL COMMUNICATIONS

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

Wendy Ring, member of the public, presented information on greenhouse gas impacts of biomass and proposed composting mill waste as an alternative.

Vice Chair Winkler stated that Schatz Energy Research Lab is conducting a biomass study which will address environmental and public health impacts.

3. CONSENT CALENDAR

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

3.1 Approve Minutes of February 26, 2018, Regular Board Meeting.

3.2 Approve Disbursements Report.

3.3 Accept Financial Reports.

3.4 Approve Amendment No. 3 to Agreement for Employment of Executive Director with Matthew Marshall, Revising Salary from Step 1 to 2 Effective February 1, 2018.

Director Fennell did not attend the previous meeting and stated she would abstain from voting on its minutes.

M/S: Ricca, Miller: Approve consent calendar items with the exception of 3.1.

Ayes: Unanimous.

Noes: None

Absent: Woo, Glaser, Allison

Abstain: None

M/S: Ricca, Miller: Approve consent calendar item 3.1.

Ayes: Sweeney, Miller, Wilson, Winkler, Ricca

Noes: None

Absent: Woo, Glaser, Allison

Abstain: Fennell

4. REMOVED FROM CONSENT CALENDAR ITEMS – None

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

5. OLD BUSINESS

5.1 Offshore Wind Energy Development Partners Request for Qualifications

Select for agreement negotiations the respondent team of Principle Power Inc, Aker Solutions Inc, EDPR Offshore North America LLC, HT Harvey & Associates, and Herrera Environmental Consultants Inc, and direct the Executive Director to negotiate an agreement subject to final Board approval.

Executive Director Marshall stated that RCEA received six exceptional responses that included experienced, international renewable energy producers. Community review team members offered diverse perspectives and their participation did not imply any organization's endorsement of the offshore wind project.

Director Fennell stated Principle Power's presentation showed dedication to the community and that the project is very important for Humboldt County.

Director Wilson reported public support for offshore wind energy and asked whether RCEA will be competing with other entities. Executive Director Marshall stated that he anticipates competitive interest and that the Bureau of Ocean Energy Management will be opening a competitive process. He pointed out that this is an early phase, and some respondents who were not selected expressed interest in partnering with RCEA in potential future phases of development. On inquiry by Director Wilson, Executive Director Marshall stated that out-of-area entities could purchase the power generated offshore and Sonoma Clean Power has indicated preliminary interest.

Director Wilson attended a Harbor District presentation a month ago where the offshore wind project was discussed as potentially bringing harbor development to Humboldt County.

Director Sweeney pointed out that media coverage also focused on an aging local grid infrastructure in need of substantial upgrades to be able to export energy.

Director Winkler reported that Schatz Energy Research Laboratory is working on a grant to study grid infrastructure upgrades with an offshore line to Cottonwood and a major north-south underwater line from the Oregon border to San Francisco with potential tie-ins along the coast as future possible scenarios.

Principle Power representative Antoine Peiffer thanked RCEA for running the RFQ process well on a tight timeline. Peiffer thanked the local community who came together during the RFQ process and promised to gather community input to create a good project.

Jim Zoellick of the Schatz Energy Research Laboratory, Jeff Hunerlach of Operating Engineers Local 3, Sharon Kramer of H.T. Harvey and Associates and Colin Fiske congratulated RCEA for a quick, transparent and professionally run selection process. Public comment emphasized the successful respondents' willingness to work with the community as being very important.

M/S: Fennell, Wilson: Select for agreement negotiations the respondent team of Principle Power Inc, Aker Solutions Inc, EDPR Offshore North America LLC, HT Harvey & Associates, and Herrera Environmental Consultants Inc, and direct the Executive Director to negotiate an agreement subject to final Board approval.

Ayes: Unanimous

Noes: None

Absent: Glaser, Allison, Woo

Abstain: None

5.2 Community Advisory Committee (CAC) Membership

Appoint members to the Community Advisory Committee.

The CAC at-large candidate subcommittee stated they were impressed with the number of strong applicants and nominated four candidates. The subcommittee further suggested that Director Fennell consider Tom Hofweber of Loleta to fill the remaining County seat. Director Wilson stated he was encouraging some Rio Dell residents to consider serving.

M/S: Miller, Sweeney: Reappoint Kathy Srabian to fill the Eureka seat; appoint Jerome Carman, Colin Fiske, Larry Goldberg and Pam Halstead to fill the four at-large seats; and appoint Tom Hofweber to fill the remaining County seat on the Community Advisory Committee.

Ayes: Unanimous

Noes: None

Absent: Woo, Glaser, Allison

Abstain: None

6. NEW BUSINESS

6.1 Regulatory Support Services

Approve Legal Services Agreement with Braun Blaising Smith Wynne, P.C. (BBSW) for regulatory support and legal services in support of RCEA's CCE program and authorize the Executive Director to engage and direct BBSW on specific matters as needed based on his determination, subject to sufficient budgetary allocations.

RCEA Counsel Nancy Diamond reported that RCEA's current contract with the Energy Authority (TEA) provides for regulatory legal counsel but not adjudicatory counsel. Counsel Diamond advises that RCEA retain specialized legal counsel given the potential need to respond quickly to events such as CPUC filings. TEA's legal subcontractors Braun, Blaising, Smith and Wynne, P.C. has already assisted RCEA on compliance issues. Counsel Diamond drafted a scope of services to complement TEA's legal contract and advised formalizing RCEA's attorney-client relationship with BBSW. Counsel Diamond pointed out that Marin Clean Energy, a larger CCA, has three on-staff attorneys, two of which deal exclusively with CPUC interaction.

On inquiry by Director Fennell, Counsel Diamond and Executive Director Marshall clarified that: TEA's contract with BBSW covers contracts and other routine operation matters; RCEA is jointly represented by attorneys retained through the CalCCA group for concerns affecting the entire group, such as CCA regulation lobbying efforts; and RCEA's BBSW contract would cover any CPUC matters solely affecting RCEA.

M/S: Sweeney, Ricca: Approve Legal Services Agreement with Braun Blaising Smith Wynne, P.C. (BBSW) for regulatory support and legal services in support of RCEA's CCE program and authorize the Executive Director to engage and direct BBSW on specific matters as needed based on his determination, subject to sufficient budgetary allocations.

Ayes: Unanimous

Noes: None

Absent: Woo, Glaser, Allison

Abstain: None

COMMUNITY CHOICE ENERGY (CCE) BUSINESS (Confirm CCE Quorum)

Items under this section of the agenda relate to CCE-specific business matters that fall under RCEA's CCE voting provisions, with only CCE-participating jurisdictions voting on these matters with weighted voting as established in the RCEA joint powers agreement.

7. OLD CCE BUSINESS - None.

8. NEW CCE BUSINESS

8.1 Approval of Multi-Year Resource Adequacy Procurement

Approve procurement by TEA of multi-year resource adequacy for the period January 2019-December 2022, subject to bid acceptance and negotiation with PG&E.

Power Resources Director Engel reported that RCEA is required by the state to procure resource adequacy, which insures that all CCA's procure enough electricity to ensure adequate grid loads. This insurance is usually sold in one-year increments but RCEA had the opportunity to procure for multiple years at set prices. Competitive bids for half of the adequacy needs were made after consultation with TEA. Executive Director Marshall added that procurement is routine and falls within TEA and the risk management team's purview. The Board is being consulted per the risk management policy because of the length of time involved.

On inquiry by Director Sweeney, staff Director Engel stated that since rates tend to rise, there is an advantage to locking in prices.

M/S: Miller, Fennell: Approve procurement by TEA of multi-year resource adequacy for the period January 2019-December 2022, subject to bid acceptance and negotiation with PG&E.

Ayes: Unanimous

Noes: None

Absent: Glaser, Allison, Woo (non-voting)

Abstain: None

END OF COMMUNITY CHOICE ENERGY (CCE) BUSINESS

9. STAFF REPORTS

9.1 Executive Director

- California Offshore Wind Industry Symposium

Executive Director Marshall and Dave Carter of the Schatz Energy Research Lab spoke at the Sacramento symposium. Humboldt County was of interest at the event since the Navy set limits on offshore wind development in southern California. Executive Director Marshall will attend an offshore wind conference in New Jersey in April and will meet with the acting Bureau of Ocean Energy Management director.

- Terra-Gen Proposed Monument Ridge Wind Project

Executive Director Marshall reported on Terra-Gen's terrestrial wind project, which is of interest to the CCE program. Terra-Gen is conducting grid interconnection evaluations and environmental studies southeast of Scotia and Ferndale and is potentially interested in selling electricity to Humboldt County customers through RCEA. Terra-Gen may make a future presentation to the board. Director Fennel stated she has spoken with the company and looks forward to their presentation.

9.2 Director of Operations

- Electric vehicle DC fast-charging station update

Director of Operations Dana Boudreau reported that the CEC awarded \$2.7 million in grant funding for DC fast charging stations where EV owners can charge their vehicles to 80 percent levels in half an hour. RCEA is assisting in developing stations along the Oregon border to San Francisco and is planning a ribbon cutting this fall. Staff Director Boudreau clarified that while Tesla's proprietary level 3 charging stations are exclusively for Tesla drivers, these charging stations are for use by all compatible EVs, including Teslas. Charging costs will vary depending on the site owners.

10. ADJOURNMENT

Vice-Chair Winkler adjourned the meeting at 4:20 p.m.

Respectfully submitted,

Lori Taketa
Clerk of the Board

NEXT REGULAR MEETING
Monday, April 16, 2018, 3:15 p.m.
Humboldt Bay Municipal Water District Office
828 7th Street, Eureka, CA 95501



Redwood Region Economic Development Commission
Prosperity Center 520 E Street, Eureka, California 95501
Phone 707.445.9651 Fax 707.445.9652 www.rredc.com

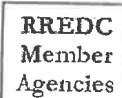
SECTION 14 PAGE NO. 9

REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION
Regular meeting of the Board of Directors
At the Prosperity Center 520 E Street, Eureka
April 23, 2018 at 6:30 pm
AGENDA

- I. **Call to Order & Flag Salute**
- II. **Approval of Agenda and Minutes**
 - A. Approval of Agenda for April 23, 2018
 - B. Approval of Minutes of the Board of Directors Meeting February 26, 2018
- III. **Public Hearing for Draft FY 2018/2019 RREDC Budget**
- IV. **Public Input for non-agenda items**
- V. **Program – Introductions to Bill McKown, Interim Airport Manager, California Redwood Coast-Humboldt County Airport; and Kenny Spain, Executive Director, Headwaters Fund**

Cassandra Hesseltine, Humboldt Del Norte Film Commissioner – Positive Economic Impact of the Television & Film Industries on our region
- VI. **Consent Calendar**
 - A. Acceptance of Agency-wide Financial Reports: February 28, 2018 and March 31, 2018
- VII. **Reports – No Action Required**
 - A. Loan Portfolio Report: February 2018 and March 2018
 - B. Executive Director's Report
- VIII. **Old Business**
 - A. Discussion of Agency Priorities for FY 2019
- IX. **New Business**
 - A. Report on Housing Forum and Appointment of Ad-Hoc Planning Committee
 - B. Approval of FY 2018/2019 RREDC Budget
- X. **Member Reports**
- XI. **Agenda/Program Requests for future Board of Directors Meetings**
- XII. **Adjourn**

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



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Community Services Districts Humboldt · Manila · McKinleyville · Orick · Orleans · Redway · Willow Creek
Humboldt Bay Harbor, Recreation and Conservation District · Humboldt Bay Municipal Water District
County of Humboldt · Hoopa Valley Tribe · Redwoods Community College District