



HUMBOLDT BAY MUNICIPAL WATER DISTRICT

828 7th Street, Eureka



Minutes for Meeting of Board of Directors

September 14, 2017

A. ROLL CALL

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

B. FLAG SALUTE

President Woo led the flag salute.

C. ACCEPT AGENDA

Mr. Friedenbach requested the Board consider Item H5, Spillway Plan with the discussion under Engineering, Item J1g, Spillway Assessment. On motion by Director Hecathorn, seconded by Director Fuller, the Board voted 4-0 to approve the agenda as amended.

D. MINUTES

On motion by Director Hecathorn, seconded by Director Latt, the Board voted 4-0 to approve the minutes of August 10, 2017.

E. PUBLIC COMMENT

No public comment was received.

F. CONSENT AGENDA

Director Fuller requested Item 3 be pulled. On motion by Director Hecathorn, seconded by Director Latt, the Board voted 4-0 to accept the Consent Agenda less Item 3. Director Fuller pulled the summons notice in the newspaper stating that DWR was being sued in regards to the California Waterfix Revenue Bond. She asked for clarification as to what the notice really means. Director Latt stated a summons is published in the newspaper if the plaintiff is unable to personally serve the lawsuit documents. The lawsuit is deemed served with the proof of publication. Mr. Friedenbach stated he included the notice regarding the Delta Tunnels project for information only since the Board previously discussed the topic. Director Fuller thanked Director Latt for the explanation. On motion by Director Fuller, seconded by Director Hecathorn, the Board voted 4-0 to accept Consent Item 3.0

G. CORRESPONDENCE

Letter from FERC re: dam safety inspection

Mr. Samuel Lee of the Federal Energy Regulatory Commission (FERC) inspected the R.W. Matthews Dam on July 19, 2017. Mr. Friedenbach shared the letter received from FERC stating there are no dam safety concerns noted and no follow-up actions items arising from the inspection. He also noted that during the inspection, Mr. Lee commented the dam is one the best maintained dams he's seen. Mr. Friedenbach credited this to Mr. Davidsen and his team.

Letter from DWR re: dam public records request response

Mr. Friedenbach stated the letter from DWR is strictly informative. The state has updated the R.W. Matthews Dam hazard classification as high and now requires an EAP. The dam is already classified as high by FERC and the District has an EAP so this is not something new to us. The state also rated our dam as satisfactory-the highest rating they have.



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Letter from Division of Boating and Waterways re: 17/18 Quagga Grant Award

Mr. Friedenbach shared the letter from the Division of Boating and Waterways (DBW) informing the District that we received the 2017/18 Quagga and Zebra Mussel Infestation Prevention Grant in the amount of \$7,480.00. Next month the Board will need to approve a resolution accepting the 2017/18 grant. He noted that the District applied for and received three grants from the DBW. We applied for the grant since we are the owners of the reservoir, however, the money goes to Ruth Lake CSD since they implement our quagga prevention plan. President Woo inquired about the status of the general manager recruitment at Ruth Lake CSD. Mr. Friedenbach stated they received three applications and plan to make a decision by the end of the month.

H. CONTINUING BUSINESS

Water Resource Planning

Mr. Friedenbach stated there was no activity in local sales or transport. He included an article regarding the Sites Reservoir. If it comes to fruition, this could potentially be a location for transport consideration. In regards to instream flow the Wildlife Conservation Board grant was submitted for \$693,408. We should hear back in a few months regarding approval. The District received numerous letters of support for the grant as well as in-kind contributions of approximately \$38,000 from H.T. Harvey, Stillwater Sciences and Mad River Alliance. President Woo did a considerable amount of work to get the grant application ready and was assisted by Director Fuller. Director Latt shared that President Woo invested over forty hours on the grant and commended her on her efforts. He also noted that as a result of her extra efforts and time invested, the invoice from HT Harvey was greatly reduced. Director Fuller concurred and expressed her appreciation as well and noted the end result is a good product for grant submittal. President Woo thanked the Directors for their support and stated she feels the grant application is a good one but cautioned it is a statewide competition.

Cannabis Grows

Mr. Friedenbach shared the information provided by Director Latt regarding Fish and Wildlife enforcement options related to water theft and enforcement. Director Latt stated having the framework of statutory materials is the first step towards combatting water theft. Violations should be reported to State Water Resources Control Board and California Department of Fish and Wildlife. Director Latt stated there are limited resources available to deal with this and the Board should continue discussions regarding options. He suggested meeting with the DFW staff member that has jurisdiction over the Ruth Lake area.

Foothill Yellow-Legged Frog presentation by California Dept. of Fish and Wildlife (CDFW)

Michael Van Hattem of CDFW provided a presentation on the Foothill Yellow-Legged Frog. The frog species is currently awaiting listing on the California Endangered Species Act (CESA) and is ranked as a Priority 1 candidate species. He explained the process to have a species listed under CESA and stated that species are considered a protected class while being considered for listing under CESA. He provided information on the range, life history and decline of the Foothill Yellow-Legged Frog and threats to their livelihood. This frog is considered California's stream frog. He noted that although they are declining in numbers, the Mad River is a good habitat for the Foothill Yellow-Legged Frog. Biologists have estimated there were 325 egg masses per kilometer in the Mad River. This is the highest number of egg masses per species. The Board thanked Mr. Van Hattem for the presentation and inquired what the District could do to help. Mr. Van Hattem stated the best thing to



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do is improve riparian habitat. If work must be done in the river, be sure to get proper permits and keep the Foothill Yellow Legged Frog out of harm's way.

JTN Energy contract amendment

On January 20, 2016 the District entered into a contract with JTN Energy to assist with a 20-year ReMAT contract for hydro power purchase by PG&E. Payment terms for JTN are \$0.0056 per kilowatt hour over the life of the contract. JTN partnered with Henwood Associates for the work under the original contract. JTN and Henwood Associates have both requested the fee under the original contract be equally split between them over the 20-year term of the original contract. JTN Energy prepared the contract amendment to split the original contract fee equally between JTN Energy and Henwood Associates. District legal counsel reviewed the proposed amendment and had no concerns. Staff recommends the Board approve the proposed contract amendment. On motion by Director Hecathorn, seconded by Director Latt, the Board approved the contract amendment splitting the fee between JTN and Henwood.

Spillway Plan

This item was discussed under Engineering.

SB 623-water tax

Mr. Friedenbach stated SB623 is now a two-year bill which means it rolls over until next year. He included articles both for and against SB623.

OSU Presentation on Ruth Lake Bathymetry

Mr. Friedenbach stated that subsequent to the 2015 Ruth area wild fires, the District was contacted by Desiree Tullos, PhD, PE, D.WRE of Oregon State University requesting permission to do a bathymetry study of Ruth Lake. Bathymetry is the measurement of the depth of lakes or oceans. Permission was granted and Ms. Tullos is here to present her findings to date. He introduced Ms. Tullos and she provided a presentation of findings titled "Impacts of the wildfires in the Mad River basin on the capacity of Ruth Lake". They are trying to determine the impacts of wildfire on sediment generation. Study objectives are to evaluate relationships between sub-basin characteristics, burn intensity and area, and sediment generation; evaluate how and when sediment delivered from burned and flooded basins may reduce the functional life of reservoirs; and develop tools for managers to evaluate impacts of wildfire scenarios on their reservoirs. She shared the study activities and tools and the issues they had including vandalism of equipment. She stated that estimating yield accurately is difficult since models and field measurements dramatically underestimate long-term sediment yield. She believes that Ruth Lake has lost 16% capacity over the past 53 years. Mr. Davidsen noted 16% equates to roughly 7,300 acre-feet of water loss. Ms. Tullos estimated that by the year 2050, capacity loss will be about 25%. She thanked the District for their partnership and expressed gratitude and appreciation for the use of the cabin as a home base for their studies. Director Latt inquired what can be done to mitigate the sedimentation. Ms. Tullos stated Oregon does drawdown flushing which is the best method. She understands this is not an option for the District since Ruth Lake is the source of drinking water. Sedimentation traps are an option but need to be maintained and dredged annually. Dredging is not only expensive, but also has many regulatory requirements.



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Little Hoover Commission report on Special Districts

Mr. Friedenbach shared the Little Hoover Commission's report on Special Districts. Previously it was suggested that special districts prove they should be in existence each year. The California Special Districts Association (CSDA) advocated for special districts and was very effective. The Little Hoover Commission is no longer recommending special districts provide annual proof as to why they should remain a special district. The CSDA was very influential and many of the recommendations in the Little Hoover Commission report reference the CSDA.

I. NEW BUSINESS

Resolution 2017-08 for Workers Compensation for Volunteer Personnel

Mr. Friedenbach stated a former part-time summer employee, currently attending HSU has requested to return to the District as a volunteer to assist with and learn more about the GIS system. Staff consulted with JPIA and they recommended the District have a resolution on file covering all volunteers, in the event they get hurt while volunteering, be eligible for workers' compensation insurance coverage. This would be a good risk management practice for the District. Staff recommends the Board adopt Resolution 2017-08 to provide workers' compensation insurance coverage to volunteers of the District. Director Latt inquired if the additional costs of workers' compensation coverage made good fiscal sense. Ms. Harris provided information on how costs are calculated for volunteers. If an individual volunteered forty-hours a week for one year, the additional cost would be \$200 per year. Director Latt had no concerns with the amount. On motion by Director Latt, seconded by Director Hecathorn, the Board voted 4-0 to approve Resolution 2017-08.

Presentation of employee jackets

Mr. Friedenbach introduced Samantha Ryan, Program and Regulatory Analyst. He stated she is doing an excellent job. She was previously employed at the City of Arcata in the water and wastewater department. President Woo presented her with a District jacket and she and the Board welcomed Ms. Ryan to the District. Mr. Davidsen stated our other new employee, Seth Stone was not able to be here due to work required at Essex.

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)

The Public Hearing to Adopt the Mitigated Negative Declaration was scheduled to begin at 11 am. The Board waited until 11:15 am to open the hearing to allow additional time for any public to show up. After opening the Public Hearing at 11:15 am and receiving no public comment, the public hearing was closed at 11:17 am. President Woo acknowledge the two letters received from the McCasland Family and the Residents of Rabbit Hill. She confirmed with staff that additional public meetings would be held. Mr. Friedenbach shared the District's response letter to the Residents of Rabbit Hill, which includes the McCasland Family, and stated that after he receives the contractors schedule, public meetings will be held to discuss the schedule and provide any project updates. He and Mr. Kaspari commented on the letter received from CalTrans. The CalTrans letter referred to an incorrect location and their comments were specific to the wrong location. Mr. Kaspari provided the CEQA



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Findings in connection with project approval of the HBMWD Blue Lake Fieldbrook-Glendale CSD water transmission pipeline replacement project and the adoption of the proposed Mitigated Negative Declaration. On motion by Director Hecathorn, seconded by Director Fuller, the Board voted 4-0 by roll call vote to adopt the Mitigated Negative Declaration. Director Hecathorn read Resolution 2017-10 Adopting a Mitigated Negative Declaration for the District's Blue Lake Fieldbrook-Glendale CSD Water Transmission Pipeline Replacement Project. On motion by Director Latt, seconded by Director Fuller, the Board voted 4-0 by roll call vote to adopt Resolution 2017-10.

1MG Reservoir Roof Replacement /Painting

Mr. Kaspari reported the roof is on the reservoir. He stated the contractor is doing a good job and the design is great. The painter is on site and expects to be done in one to two weeks. He gave the painter permission to paint from 7 am to 7 pm and on weekends. He noted that when the painter needs to do sandblasting, it will make some noise. Superintendent Davidsen notified the neighbors of this and none voiced concerns. Mr. Kaspari stated although he is happy with the work done, he is not happy with the project management and explained the reasons why. He has repeatedly requested and not received a current schedule. The last schedule he has shows a completion date of October 5th which is past the contract completion date of September 22nd. The contract does have a clause for liquidated damages. He and Mr. Friedenbach inquired if the Board wished to pursue liquidated damages. Mr. Friedenbach added that the contract due date and liquidated damages clause was made very clear to the contractor during management calls. Also, based on the phone call yesterday, the contractor stated they plan to finish by the end of October. Director Fuller asked Mr. Davidsen when he needed the project to be completed by. Superintendent Davidsen stated he would like to have it completed by mid-October when the TRF starts running. He can do a work around but it is not desirable. Director Hecathorn asked about the reason for the delay. Mr. Kaspari stated no reason was provided nor was there a request for additional time. Director Latt suggested Mr. Kaspari determine the additional billing on his part related to the overdue project and perhaps invoke the liquidated damages at the end of the contract. Mr. Friedenbach stated we will have another meeting prior to completion of the job and will bring the topic back for discussion.

Surge Tower Replacement and 12kV Replacement

Mr. Kaspari stated he is still waiting to hear back on the NEPA review for both projects.

Collector Mainline Hazard Mitigation Grant

Mr. Kaspari was happy to report the Notice of Intent was approved. Mr. Friedenbach stated he misspoke at the last meeting regarding the option selected and clarified that Alternative 3 is the option selected at \$2,415,000. This option is within the 1-MG Reservoir Drain Line Right of Way. The original pipeline will remain and this will be a redundant line. Also, currently a portion of the existing line goes under the Essex Control building. This will be re-routed at an approximate cost of \$600,000 for a total project cost of \$3 million.

Sheriff's Cove Dredging

This project is going out to bid soon. There is some concern about it being completed before the winter season.



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Spillway Assessment

Mr. Friedenbach stated as a direct result of the major incident at Oroville Dam, Governor Brown ordered detailed evaluations of dam appurtenant structures, such as spillways. The District received a letter from the Department of Water Resources, Division of Safety of Dams (DSOD) requesting a comprehensive condition assessment of the spillway as soon as possible. Mr. Friedenbach summarized the new DSOD spillway requirements and noted that we meet or exceed these already. The District has and will continue to conduct physical inspections of the dam and spillway, and regularly conducts routine maintenance. He stated the spillway is assessed annually as part of the Dam Safety Surveillance Monitoring Plan required by the Federal Energy Regulatory Commission (FERC). Mr. Kaspari reported out on the testing done to ensure the spillway is in good working order and stated no areas of concern were found. He also noted that inspectors and experts who have inspected the dam and appurtenances always comment on what a great job the District does in regards to dam safety.

2. Financial

Ms. Harris provided the August 2017 Financial Report. She highlighted the ReMAT revenue and discussed the new format for the Salary and Employee Benefit Expenditures. The new format will save Ms. Moyle a lot of time in comparison to the previous format. Director Hecathorn stated the new format is good. Director Latt reviewed the bills. On motion by Director Hecathorn, seconded by Director Fuller, the Board voted 4-0 to approve the August 2017 financial statement and vendor detail report in the amount of \$305,086.01.

3. Operations

Mr. Davidsen provided the August Operational Report. Training included defensive driving and Rockwell training for the SCADA system. He attended the Arcata Flood Planning meeting and assisted them with planning regarding our EAP for a dam break. Scott Wood of JPIA was up for his annual visit and reviewed the safety program and record keeping regarding the safety training. He made a few suggestions and was pleased overall. Mr. Davidsen will be implementing his suggestions. This week, the Essex crew is prepping for the installation of pumps for Collector 1. The new SCADA is up and running and is going well overall. Mr. Davidsen heard from other municipalities that have SCADA projects and theirs is not going as smooth as our project. Staff is going to a lot of SCADA training on the new system, however, if there are any problems, they can be fixed in house now. The system also has a "historian" program that will make required State reporting more efficient.

4. Management

CSDA

Mr. Friedenbach provided an update on the status of the local chapter formation. There are currently over 50 local CSDA members in Humboldt County. He shared the Chapter Bylaws. The purpose of the local chapter is to propose and advocate constructive means for the improvement and functioning of Independent Special Districts and their governing bodies to provide an effective and efficient government that will result in benefits to the public and to cooperate with and support CSDA in fulfilling its mission. The cost to join the local chapter is \$50.00 and is low since each agency will provide its own insurance. Staff recommends joining the local chapter, and the General Manager and Business Manager be the District Representatives. If the Board concurs, staff recommends approving Resolution 2017-09



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Approving membership in Humboldt Area Chapter of CSDA. On motion by Director Hecathorn, seconded by Director Latt, the Board voted 4-0 to approve Resolution 2017-09.

Emergency Action Plan (EAP)

Mr. Friedenbach stated FERC requires hydroelectric dam owners to maintain an EAP. The District has an EAP for R.W. Matthews Dam and the most recent one was submitted in February 2014. The purpose of the EAP is safeguard the lives and property of citizens of Southern Trinity County and Humboldt County along the Mad River in the unlikely event of a dam failure. The EAP specifies the District's notification responsibilities and is intended to facilitate a timely reaction to an actual or threatened dam failure. The main components of an EAP are notification flow charts, inundation maps and observation point maps. He clarified the District is responsible for the notification process, not evacuation. Mr. Davidsen recently participated in a flood planning meeting that covered the evacuation process. The notification flow charts are updated yearly or as needed. Face to face meetings are conducted annually with the EAP plan holders and a table top exercise is held every five years to test the notification process.

K. DIRECTOR REPORTS & DISCUSSION

1. General

Nothing to report.

2. ACWA – JPIA

Nothing to report.

3. ACWA

ACWA Water news

Mr. Friedenbach noted that Paul Kelley is stepping in as Acting Executive Director (ED) while the current ED is out on medical leave. Also, Grant Davis of Sonoma County Water Agency was appointed Director of DWR by Governor Jerry Brown.

ACWA Outreach Advisory- Water Professionals Appreciation Week

The Senate is considering a resolution that would designate a Water Professionals Appreciation Week during the month of October. Mr. Friedenbach stated if the resolution passes, he would like the District to participate in some way. ACWA has provided suggested activities. He inquired if the Board would be supportive of staff time to promote Water Professional Week. Consensus was yes and that staff should be acknowledged during that week.

4. Organizations on which HBMWD Serves: RCEA, RREDC, NCRP

RCEA

President Woo reported out on the RCEA meeting. She stated she anticipates an increase in public attendance at the meetings as they begin to discuss biomass.



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RREDC

Director Latt reported out on the RREDC meeting. Matthew Marshall, Executive Director of RCEA provided a presentation on the Community Choice Energy Program. Mr. Marshall stated the opt out rate for the CCA is relatively low compared to other CCA's. Director Latt suggested staff look into an RCEA program to provide more energy efficient lighting for the District at low to no cost via their energy program.

ADJOURNMENT

The meeting adjourned at 3:55 pm.

Attest:

A handwritten signature in blue ink, appearing to read "Sheri Woo".

Sheri Woo, President

A handwritten signature in blue ink, appearing to read "J. Bruce Rupp".

J. Bruce Rupp, Secretary/Treasurer