

**Humboldt Bay Municipal Water  
District 828 7<sup>th</sup> Street, Eureka**



**Minutes for Regular Meeting of the Board of Directors  
August 17, 2023**

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**1. ROLL CALL**

President Latt called the meeting to order at 9:03 AM. Director Rupp conducted the roll call. Directors Lindberg and Rupp were present. Director Fuller was present virtually for a portion of the meeting. Director Woo was absent. General Manager John Friedenbach, Superintendent Dale Davidsen, Business Manager Chris Harris and Board Secretary Contessa Dickson were present. District Engineer Nathan Stevens was present for a portion of the meeting.

**2. FLAG SALUTE**

President Latt led the flag salute.

**3. ACCEPT AGENDA**

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

**4. PUBLIC COMMENT**

No public comment was received.

**5. MINUTES**

a. July 13, 2023 Regular Board Meeting Minutes

On motion by Director Rupp, seconded by Director Lindberg, the Board voted 3-0 to approve the minutes of July 13, 2023.

b. August 3, 2023 Special Board Meeting Minutes

On motion by Director Rupp, seconded by Director Lindberg, the Board voted 3-0 to approve the minutes of August 3, 2023.

**6. CONSENT AGENDA**

Director Lindberg requested Item B to be pulled from Consent. On motion by Director Rupp, seconded by Lindberg the Board voted 3-0 to approve the Consent Agenda less Item B. The Board discussed item B, Times Standard article "20,000 residents to see water, sewer bills jump 88% over 5 years." General Manager Friedenbach discussed the content of the article. The Board did not agree with the quote made by TK Williams, general manager of HCSD, which implied that HBMWD was responsible for their rate increases. It was noted that their rates are increasing due to other issues such as their capital improvement needs. Mr. Friedenbach did state this was addressed at the recent monthly Municipal Customer meeting where Mr. Williams stated he was misquoted. After discussion, the Board suggested reaching out to Times Standard with a correction letter. Mr. Friedenbach agreed it would be appropriate to send a correction letter to Times Standard. On motion by Director Lindberg, seconded by Director Rupp the Board approved item 6b with a roll call vote of 4-0. Director Fuller was present for this vote.

**7. CORRESPONDENCE**

a. HBMWD letter to California Public Utilities Commission (CPUC)

Mr. Friedenbach sent a letter to CPUC requesting assistance with expediting repairs on the PG&E transformer at Low Gap so that the Ruth hydro plant can get back online and start generating power and revenue. The Ruth hydro plant has been out of commission since April 2023 due to a lightning strike on a PG&E transformer. There has been no response from CPUC as of the date of this meeting. Director Rupp suggested following up with CPUC.

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b. HBMWD Letter to IRWM re Collector 2 grant

Previously the District was successful in acquiring two grants through North Coast Resource Partnership for the Collector 2 lateral rehabilitation project. The District was initially advised on doing this grant project in two phases by the County of Humboldt. After reviewing the second grant, the state suggested combining the project into one phase/one grant. After discussions between DWR and the County, Mr. Friedenbach sent a letter to IRWM asking to authorize the combining of the two grants into one. The Board concurred.

c. HBMWD letter re EAP Face-To-Face meeting

Staff sent a letter to save the date for the joint board meeting with Ruth Lake CSD in Trinity County scheduled for Friday September 22, 2023. Mr. Friedenbach stated we are required to do a face-to-face meeting with all EAP plan holders. The Trinity County EAP Plan holders meeting will immediately follow the joint board meeting.

**8. CONTINUING BUSINESS**

8.1 Water Resource Planning

a. Local Sales

i. Nordic Aquafarms

Mr. Friedenbach reported no significant updates. Nordic is still working on getting permits.

ii. Trinidad Rancheria Mainline Extension

No significant updates. The Trinidad Rancheria staff are still working with their engineers.

iii. Blue Lake Rancheria Mainline Extension

President Latt recused himself due to a conflict of interest and left the board room. There was no updated communication from Blue Lake Rancheria.

b. Transport

No updates were reported.

c. Instream Flow

The District's water rights attorney is reviewing the 1707 submittal packet.

8.2 McNamara & Peepe

a. Mr. Friedenbach reported out on the quarterly meeting with DTSC. DTSC openly acknowledged their study was flawed. The benchtop study did not address the Dioxins found in the soil. DTSC also acknowledged dioxins need to be tested moving forward, which they had not done previously. The District is advocating to have the contaminated soil removed. This intense scrutiny is moving DTSC in the right direction. There was a public comment via Zoom by Linda Miller. She stated the Board was doing a great job.

b. Site Investigation Work Plan

Mr. Friedenbach included the site investigation work plan for reference.

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- c. Site maps & historical sampling results (stormwater and well water)  
Mr. Friedenbach included these for reference.

**9. NEW BUSINESS**

- a. Humboldt County Office of Emergency Services Local Hazard Mitigation Plan (LHMP) letter of commitment

Humboldt County OES is in charge of preparing a local jurisdictional Hazard Mitigation Plan. In order to receive federal FEMA, the District must be a plan partner in the LHMP. Humboldt County is on a 5-year renewal plan cycle with FEMA. Their plan is coming up for renewal in 2025. It takes about 2 years to go through the process of renewal. By adopting this plan and being a plan partner, the District will continue to be eligible to qualify for FEMA grants. By participation in this plan the District has received approximately \$20 million in grant funds in the past. Staff recommends continuing participation in the LHMP. On motion by Director Rupp, seconded by Director Lindberg with a roll call vote of 4-0. Motion passed to continue participation. Director Fuller was present for this vote.

- b. Cari McCormick vs. HBMWD

This is a potential class action lawsuit against CALPERS and participating agencies. The District received this via email on August 3, 2023.

- c. Letter to Brent Robinson re: Notice of insufficiency of claim (Cari McCormick) filed with HBMWD

The District responded to Brent Robinson of Aiman-Smith & Marcy, on advice from counsel, stating their claim failed to substantially comply with the California Government Code Sections: 910, 910.2, 910.4, and/or 901.8. They have 15 days after the date of the letter or six months from date of the alleged incident, whichever is later, in which to file an amended claim. There has been no response as of the date of this Board meeting.

**10. REPORTS**

**10.1 Engineering**

- a. Collector 2 Rehabilitation Project-Status report

There are two crews onsite at Essex staggering working hours. The crews have gotten the first lateral done. It is out to 180 feet. The target is to get 4 laterals at 150 feet each. The second lateral may be started today.

- i. Change Order #2 (Port Leaks)

Change Order #2 was required due to port leaks as reported last month. The initial request was for \$46,000, but after discussion, GHD was able to reduce it to \$40,125.18. On motion by Director Rupp, seconded by Director Lindberg, the Board voted 3-0 to approve Change Order #2.

- ii. Pay Request #4

This is a pay request in the amount of \$206,582.42 less the change order #2 amount, for work completed through July. Mr. Steven's recommendation is full payment of the pay request. Mr. Friedenbach suggested adding Project pictures to the board packet next month. Mr. Stevens agreed.

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b. Essex Onsite Sodium Hypochlorite Generation-Status Report

The bulk of the new equipment has been delivered from suppliers. Mr. Davidsen has ordered all the tanks needed for this project. The brine tank is the one that will take the longest to arrive. It is hoped it will be received by January 2024. In the meantime, they are pushing forward on the design and bid package for installation and integration of the system. Mr. Stevens touched briefly on his and Mr. Davidsen's trip to Shasta to view a similar project in operation. Mr. Stevens commented it was very educational and helpful.

c. TRF Generator-Status Report

PACE engineering is working on this project. The District has received 30% of the design drawing plans. District and GHD staff are reviewing those plans. After review, comments will be relayed back to PACE and they will incorporate those comments into the 60% remaining design drawings. The 60% drawings along with other environmental studies and tech memos will be sent to Cal OES and FEMA which will conclude phase one of the project. After Cal OES and FEMA do their environmental reviews, Phase Two of the project can begin.

d. Collector Mainline Redundancy Project-Status Report

GEI Consultants, Inc. is working on this project. A revised scope of work for just adding the seismic refraction piece was sent to Cal OES for approval. The proposal was for that piece and to have the work performed under the current phase 1 budget. CAL OES said inserting this rod into the ground is ground disturbing activity and FEMA approval is needed. The whole project may be pushed back until environmental clearance is achieved.

e. Status report re: other engineering work in progress:

No updates were reported.

10.2 Financial

a. July 2023 Financial Statement & Vendor Detail Report

Ms. Harris provided the July financial report. July was the first month of the fiscal year. The general account funds balance is \$2.4 million, including about \$1.5 million from Cal Trust funds. The various investments balance is at \$9.4 million. Funds allocated to specific projects (advanced charges) are \$5.9 million. The general reserve is just over \$2 million. Salary & Employee benefits are at 13% which is higher than the expected 8% year to date percentage. This is due to CalPERS expenses which includes the unfunded liability payment. There is the option to pay the unfunded liability payment monthly or pay a lump sum in July which avoids a little over 3% further interest costs. Worker's Comp is paid quarterly and was paid in July. On motion by Director Rupp, seconded by Director Lindberg, the Board voted 3-0 to approve the financial statement and vendor detail report in the amount of \$1,045,70.23.

b. Fieldbrook-Glendale contract revenue and Expense Summary

This is a new summary report for transparency of the contract service funds received and expenses, previously combined in the financial report. This budget year it was decided to pull Fieldbrook Glendale Community Services District expenses out so it can be clearly reviewed. The Board asked several clarifying questions and concurred with the presentation.

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**10.3 Operations**

Mr. Davidsen provided the July Operations Report. The TRF is still offline for the summer effective June 12. Staff attended multiple trainings including, JPIA defensive driving training, Sexual Harassment Prevention training, a webinar regarding NFPA 70B Electrical code changes and automation training. The quarterly radio test with Trinity County was conducted successfully. Electrical staff installed a new larger electrical service panel in the Chlorine building. Mr. Davidsen and Mr. Stevens visited a facility in Shasta to learn operations on that facilities hypochlorite generator. Mr. Davidsen briefly discussed the other progress on the new onsite hypochlorite generation process. The Board discussed this topic and asked several questions.

**10.4 Management**

a. USFS symposium November 15-16

Mr. Friedenbach received a save the date for a symposium in November covering silviculture. Mr. Friedenbach feels it would be informational for the District to attend for our long-term reforestation efforts at Ruth Lake and in the Mad River headwaters area. Director Rupp was in support of his attendance and the possibility of taking another employee. The Board concurred and appreciated Mr. Friedenbach's willingness to attend.

b. ACWA Headwaters group report out

Mr. Friedenbach reported on his attendance at the headwaters working group.

**11. DIRECTOR REPORTS & DISCUSSION**

**11.1 General – comments or reports from Directors**

Director Rupp attended a Rotary Club meeting where there was a presentation by Mike Cipra, executive Director of Friends of the Dunes. Friends of the Dunes is seeking designation of the dunes as a National Monument. Mr. Friedenbach suggested that Mr. Cipra make a presentation on the topic to our Board. The Board concurred. Mr. Friedenbach also suggested sending a letter to Congressman Huffman expressing our concern about our right of way and maintenance in the dunes if the dunes become designated as a National Monument. Director Rupp agreed.

**11.2 ACWA**

a. ACWA Fall conference attendance

After a brief discussion, on motion by Director Rupp, seconded by Director Lindberg the Board voted 3-0 to allow all Directors and appropriate staff to attend the conference and authorized the necessary expense if they would like to do so.

b. ACWA resilient headwaters

This is a Policy statement on maintaining what ACWA is doing to improve the headwaters areas of California. Mr. Friedenbach thought it would be a good document to have in case the public has any questions regarding headwaters.

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c. Membership appreciation letter

Director Rupp shared that August is ACWA member appreciation month. The District received a letter from the president and vice president of ACWA expressing their appreciation of participation.

d. ACWA update on priority issues

Director Rupp discussed the water rights legislation, which is at the top of the priority issue list.

e. ACWA Region 1 ballot

Director Rupp recommended voting for the Nominating Committees' recommended slate on the ballot. He noted that he will still be on the Region 1 board, however, he will not be the Region 1 Chair any longer. He will no longer be required to attend all Region 1 board meetings. On motion by Director Rupp, seconded by Director Lindberg the Board voted 3-0 approving voting for the Nominating Committees' recommended slate on the ballot.

11.3 ACWA – JPIA

Director Rupp attended two committee meetings for ACWA JPIA. He shared that the medical plan premiums were increased 12% for the preferred provider program. In order to keep it at 12% they used \$4 million from reserves. The HMO is going up by 5.46%. The pharmacy management group has changed, effective January 1, 2024. That change will save \$4 million. He also noted that ACWA dues will go up 3%. Director Rupp discussed his experience attending the Region 1 event, and visiting the geysers. President Latt thanked Director Rupp for his service.

11.4 Organizations on which HBMWD Serves

a. RCEA

No reports were made since Director Woo was absent.

b. RREDC

Director Lindberg attended the RREDC meeting in President Latt's absence. It was a well-attended meeting. Their funds are in good shape. Matthew Marshall of RCEA was their program speaker and RCEA is organizing a rural region energy network, trying to consolidate their power buying with other agencies.

ADJOURNMENT

The meeting adjourned the meeting at 11:57 a.m.

Attest:

  
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Neal Latt, President

  
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J. Bruce Rupp, Secretary/Treasurer