

Mission statement of McKinleyville Community Services District:
“Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, and library services in an environmentally and fiscally responsible manner.”

**NOTICE IS HEREBY GIVEN THAT A *REGULAR* MEETING OF THE
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS
WILL BE HELD
WEDNESDAY, JANUARY 6, 2021 AT 7:00pm**

TELECONFERENCE Via ZOOM & TELEPHONE:
Use ZOOM MEETING ID: 836 4924 1188 (<https://us02web.zoom.us/j/83649241188>) **or DIAL
IN TOLL FREE: 1-888-788-0099 (No Password Required!)**

To participate, please teleconference using the toll free number listed above, or join through the internet at the Zoom App with weblink and ID number listed above, or the public may submit written comments to the Board Secretary at: comments@mckinleyvillecsd.com up until 4:30 p.m. on Tuesday, January 5, 2021.

All Public Comment received before the above deadline will be provided to the Board at 9 a.m. on Wednesday, January 6, 2021 in a supplemental packet information that will also be posted on the website for public viewing.

To participate during the meeting itself, the public will be admitted as attendees. Each member of the public will need to raise their hands to be recognized to speak.

AGENDA
7:00 p.m.

A. CALL TO ORDER

A.1 Roll Call

A.2 Pledge of Allegiance

A.3 Additions to the Agenda

Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by two-thirds vote of the members of the legislative body present at the time of the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the McKinleyville Community Services District after the Agenda was posted.

A.4 Approval of the Agenda

A.5 Closed Session Discussion

At any time during the regular session, the Board may adjourn to closed session to consider existing or anticipated litigation, liability claims, real property negotiations, license and permit determinations, threats to

security, public employee appointments, personnel matters, evaluations and discipline, labor negotiations, or to discuss with legal counsel matters within the attorney-client privilege.

NO CLOSED SESSION SCHEDULED

B. PUBLIC HEARINGS

These are items of a Quasi-Judicial or Legislative nature. Public comments relevant to these proceedings are invited.

NO PUBLIC HEARING SCHEDULED

C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS

*Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the McKinleyville Community Services District; however, any matter that requires action will be referred to staff for a report of action at a subsequent Committee or Board meeting. As to matters on the Agenda, an opportunity will be given to address the Board when the matter is considered. **Comments are limited to 3 minutes.** Letters should be used for complex issues.*

- Zoom Public Comment: When the MCSD Board President announces the agenda item that you wish to comment on, you must use the “raise your hand” feature that is present at the bottom of your screen. If you are on the phone, you will need to press star (*) 9 on your phone, which will raise your hand. When it is time for public comment on the item you wish to speak on, you will be recognized by the Board President and you will be allowed to unmute (please note, your unmute and video are disabled throughout the meeting, and your audio only will be enabled when called upon, and you will be able to unmute at that time). You will have 3 minutes to comment.

D. CONSENT CALENDAR

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board of Directors at one time without discussion. If any Board member, staff member, or interested person requests that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

D.1	Consider Approval of the Minutes of the Board of Directors Attachment 1 – Draft Minutes from Regular Meeting, December 2, 2020	Pg. 7 Pg. 8
	Attachment 2 – Draft Minutes from Special Meeting, December 9, 2020	Pg. 13
D.2	Consider Approval of November 2020 Treasurer’s Report	Pg. 15
D.3	Compliance with State Double Check Valve (DCV) Law	Pg. 37
D.4	Review of 2020 Integrated Pest Management Plan Annual Report Attachment 1 – Integrated Pest Management Plan Attachment 2 – IPM Treatment Tracking Forms	Pg. 39 Pg. 41 Pg. 57
D.5	Acknowledgement of Conflict of Interest in connection with continued MCSD representation by Mitchell Law Firm, LLP in dealings with Green Diamond Resources Company Attachment 1 – Consent of Conflict of Interest Letter, Mitchell Law Firm, Dec. 10, 2020	Pg. 59 Pg. 61

D.6	Consider approval of Memorandum of Understanding by and between County of Humboldt and McKinleyville Community Services District for Fiscal Year 2020-2021	Pg. 67
	Attachment 1 – MOU with County of Humboldt	Pg. 68

E. CONTINUED AND NEW BUSINESS

E.1	Presentation of the MCSD Employee of the Year Award to Drew Small	Pg. 79
E.2	Consideration of Burris Appeal	Pg. 81
	Attachment 1 – Burris Water Meter Box Pictures	Pg. 83
	Attachment 2 – MCSD Water Leak Adjustment Policy	Pg. 88
	Attachment 3 – Water Leak Adjustment Calculations	Pg. 90
	Attachment 4 – Original Leak Adjustment Request and Appeal	Pg. 91
E.3	Consider Participation in Feasibility Analysis to Extend Humboldt Bay Municipal Water District (HBMWD) Water Service to Trinidad Rancheria	Pg. 93
	Attachment 1 – HBMWD Letter to MCSD	Pg. 95
	Attachment 2 – HBMWD Board Packet information including letters and articles	Pg. 96
E.4	Consider Approval of the Right of Entry and Design Agreement between the Humboldt Skatepark Collective and McKinleyville Community Services District	Pg. 177
	Attachment 1 – Right of Entry and Design Agreement between HSC and MCSD	Pg. 179
	Attachment 2 – Draft Agreement for Operations and Maintenance between HSC and MCSD	Pg. 182
E.5	Consider Approval of Resolution 2021-01 Authorizing the Application for Statewide Park Development and Community Revitalization Program Grant Funds for the BMX Track and Park Project	Pg. 193
	Attachment 1 – Resolution 2021-01	Pg. 194
E.6	Consider Approval of Proposed Reserve Policy Updates	Pg. 195
	Attachment 1 – Comparison Table – Side-by-Side Comparison of the Current and Proposed Policy Language	Pg. 197
	Attachment 2 – Draft Updated Reserve Policy (2020)	Pg. 202
	Attachment 3 – Current Reserve Policy (2012)	Pg. 206
E.7	Consider Approval of Ordinance 2021-01 Amending Regulation 21-Connection Charges to Address Accessory Dwelling Units (ADU) Connection Fees – Second Reading and Adoption	Pg. 213
	Attachment 1 – Revision to Rule 21 in Track Changes	Pg. 215
	Attachment 2 – Ordinance No. 2021-01, An Ordinance of the McKinleyville Community Services District Amending Regulation 21 – Connection Charges, of the MCSD Rules and Regulations	Pg. 218

- | | | |
|-----|--|--|
| E.8 | Consider Approval of Ordinance 2021-02 Amending Regulation
40 – Parks and Recreation Committee – Second Reading and Adoption
Attachment 1 – Revision to Rule 40 in Track Changes
Attachment 2 – Ordinance No. 2021-02, An Ordinance of the
McKinleyville Community Services District Amending Regulation
40 – Parks and Recreation Committee, of the MCSD Rules and
Regulations | Pg. 221

Pg. 223
Pg. 226 |
| E.9 | Consider Approval of Ordinance 2021-03 Amending Regulation
5 – Connection Charges to Address Accessory Dwelling Units (ADU)
Water Connection Fees – First Reading
Attachment 1 – Revision to Rule 5 in Track Changes
Attachment 2 – Ordinance No. 2021-03, An Ordinance of the
McKinleyville Community Services District Amending Regulation
5 – Application for Regular Water Service, of the MCSD Rules
and Regulations | Pg. 229

Pg. 231
Pg. 236 |

F. REPORTS

No specific action is required on these items, but the Board may discuss any particular item as required.

F.1 ACTIVE COMMITTEE REPORTS

- a. Parks and Recreation Committee (Binder/Clark-Peterson)
- b. Area Fund (John Kulstad/Clark-Peterson)
- c. Redwood Region Economic Development Commission (Clark-Peterson/Binder)
- d. McKinleyville Senior Center Board Liaison (Clark-Peterson/Binder)
- e. Audit (Orsini/Couch)
- f. Employee Negotiations (Couch)
- g. McKinleyville Municipal Advisory Committee (Orsini)
- h. Humboldt Local Agency Formation Commission (Couch)
- i. Environmental Matters Committee (Couch/Clark-Peterson)
- j. AdHoc Committee – Community Forest (Mayo/Orsini)
- k. AdHoc Committee – Latent Powers (Couch/Orsini)

F.2 LEGISLATIVE AND REGULATORY REPORTS

F.3 STAFF REPORTS

- | | | |
|----|---|----------------|
| a. | Support Services Department (Colleen M.R. Trask) | Pg. 241 |
| b. | Operations Department (James Henry) | Pg. 243 |
| c. | Parks & Recreation Department (Lesley Frisbee) | Pg. 247 |
| d. | General Manager (Pat Kaspari)
Attachment 1 – WWMF Monthly Self-Monitoring Report | Pg. 251 |

F.4 PRESIDENT’S REPORT

F.5 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEMS REQUESTS

G. ADJOURNMENT

Posted 5:00 pm on December 31, 2020

Pursuant to California Government Code Section 54957.5. this agenda and complete Board packet are available for public inspection on the web at McKinleyvillecsd.com/minutes or upon request at the MCSD office, 1656 Sutter Road, McKinleyville. A complete packet is also available for viewing at the McKinleyville Library at 1606 Pickett Road, McKinleyville. If you would like to receive the complete packet via email, free of charge, contact the Board Secretary at (707)839-3251 to be added to the mailing list.

McKinleyville Community Services District 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) 839-3251. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements for accommodations.

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2020

TYPE OF ITEM: **ACTION**

ITEM: D.1 **Consider Approval of the Minutes of the Board of Directors**

PRESENTED BY: **April Sousa, Board Secretary**

TYPE OF ACTION: **Roll Call Vote – Consent Calendar**

Recommendation:

Staff recommends the approval of the Minutes of the Board of Directors for the December 2, 2020 Regular Meeting and the December 9, 2020 Special Meeting.

Discussion:

The Draft minutes are attached for the above listed meeting. A reminder that the minutes are approved by the legislative body that is the Board of Directors, not individual members of the Board who were present at a meeting.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Draft Minutes from December 2, 2020
- Attachment 2 – Draft Minutes from December 9, 2020

MINUTES OF THE CLOSED/REGULAR MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT HELD ON WEDNESDAY, DECEMBER 2, 2020 6:15/7:00 P.M.

TELECONFERENCE Via ZOOM & TELEPHONE:

ZOOM MEETING ID: 843 9055 3681 (<https://zoom.us/j/84390553681>) and TOLL FREE: 1-888-788-0099

Closed Session

AGENDA ITEM A. CALL TO ORDER

A.1 Roll Call: The closed session of the Board of Directors of McKinleyville Community Services District convened at 6:17 p.m. with the following Directors and staff in attendance:

Mary Burke, President	Pat Kaspari, General Manager (arrived 15 min after Closed Session began)
Dennis Mayo, Vice President	April Sousa, Board Secretary
Shel Barsanti, Director	Joseph Blaine, Tech Support
John Corbett, Director	
David Couch, Director	

A.2 Public Comment and Written Communications

There was no public comment on the Closed Session items.

A.3 Closed Session

a. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (California Government Code § 54954.5 and 54957) Title: General Manager—Patrick Kaspari

Regular Session

AGENDA ITEM A. CALL TO ORDER:

A.1 Report out of Closed Session

President Burke reported that the General Manager had a favorable review.

A.2 Roll Call: The regular session of the Board of Directors of McKinleyville Community Services District convened at 7:00 pm with the following Directors and staff in attendance:

Mary Burke, President	Pat Kaspari, General Manager
Dennis Mayo, Vice President	Colleen Trask, Finance Director
John Corbett, Director	James Henry, Operations Director
David Couch, Director	Lesley Frisbee, Recreation Director
Shel Barsanti, Director	April Sousa, Board Secretary
	Joseph Blaine, Tech Support

A.3 Pledge of Allegiance: The Pledge of Allegiance was led by Director Barsanti.

A.4 Additions to the Agenda: There were no additions to the Agenda

Motion: It was moved to approve the agenda as presented.

Motion by: Director Corbett; **Second:** Director Barsanti

There were no comments from the Board or public.

Roll Call: Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

Motion Summary: Motion Passed

AGENDA ITEM B. PUBLIC HEARINGS: There were no Public Hearings.

AGENDA ITEM C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS:

President Burke gave an overview of how the public could participate with the new zoom webinar format.

There was no public comment on items not on the agenda.

AGENDA ITEM D. CONSENT CALENDAR:

Item D.4: Consider Approval of Submittal of CSDA Call to Action Letter to California Department of Housing and Community Development (HCD) on Surplus Land Act (SLA) Draft Guidelines that Threaten Special Service District's Ability to Lease Land was removed from the Consent Calendar.

D.1 Consider Approval of the Minutes of the Board of Directors Regular Meeting on November 4, 2020

D.2 Consider Approval of October 2020 Treasurer's Report

D.3 Consider Approval of the Lease for Rental of Pjalorsi House

Motion: It was moved to approve Consent Calendar items D.1-D.3

Motion by: Director Corbett; **Second:** Director Couch

There were no comments from the Board or public.

Roll Call: Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

Motion Summary: Motion Passed

D.4: Consider Approval of Submittal of CSDA Call to Action Letter to California Department of Housing and Community Development (HCD) on Surplus Land Act (SLA) Draft Guidelines that Threaten Special Service District's Ability to Lease Land

Director Mayo had many comments regarding the legislation of this item and encouraged the Board members to individually write similar letters. Board Director Elect and member of the public, Greg Orsini, gave comments on his previous work with this item.

Motion: It was moved to approve Consent Calendar item D.4.

Motion by: Director Corbett; **Second:** Director Couch

Roll Call: Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

Motion Summary: Motion Passed

AGENDA ITEM E. CONTINUED AND NEW BUSINESS:

E.1 Presentation of the Community Builder Award to Hooven & Co., Inc

Board Secretary Sousa gave an overview of the item. A picture of President Burke and General Manager Pat Kaspari giving the award to the Hoovens was presented during the zoom meeting. The Board, staff, and public were given opportunities to speak on this item and give personal gratitude to the Hoovens for their work in the community.

This was an informational item only; no action taken.

E.2 Recognition of Leaving Board Members

After Board Secretary Sousa gave an overview of the item, Vice President Mayo presented the Certificates of Recognition to Director Barsanti and President Burke. President Burke presented the Resolution to Director Corbett. The Board, staff, and public were given opportunities to speak on this item and give personal recognition to all leaving board members.

Motion: Adopt Resolution 2020-25 Commending and Recognizing John Corbett for his years of dedicated service to the McKinleyville Community Services District.

Motion by: Director Barsanti; **Second:** Director Couch

Roll Call: Ayes: Barsanti, Corbett, Couch and Mayo Nays: None Absent: None

Motion Summary: Motion Passed

E.3 Consideration of Burris Appeal

General Manager Kaspari gave the overview of this item. Mr. Hal Burris was available to answer questions, share pictures, and give more insight to the issue. The Board discussed where the responsibility lay with this issue. The public was given further opportunity to comment on the item.

Motion: Move to table this item to the January Board of Directors meeting in order for the General Manager and staff to gather more information and that the customer should not pay the outstanding bill during this time.

Motion by: Director Mayo; **Second:** Director Corbett

Roll Call: Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

Motion Summary: Motion Passed

E.4 Consider Approval of Proposed Reserve Policy Updates

Finance Director Trask reviewed the process that had taken place for these updates. Director Barsanti asked for a copy of the previous 2012 version to be presented with the updates to make an informed decision. The public gave comments on this item.

Motion: Postpone this item to the January Board of Directors meeting so that the Finance Director can provide more information to the Board.

Motion by: Director Mayo; **Second:** Director Corbett

Roll Call: Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

Motion Summary: Motion Passed

E.5 Election Results and Set Special Meeting to Administer the Oath of Office to New Board Members

Board Secretary Sousa presented the official results provided by Humboldt County Elections on December 1, 2020. The Board Director Elects are Scott Binder and Gregory Orsini for the 4-year seats and Joellen Clark-Peterson for the 2-year seat. A special meeting date was discussed, and the Public was given an opportunity to give further comments.

Motion: Set a special meeting on December 9, 2020 to swear in the new Board Directors.

Motion by: Director Corbett; **Second:** Director Mayo

Roll Call: Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None

Motion Summary: Motion Passed

E.6 Consider Approval of Ordinance 2021-01 Amending Regulation 21-Connection Charges to Address Accessory Dwelling Units (ADU) Connection Fees – First Reading

The General Manager gave an overview of the item and a history of the regulations at the State and County levels. The Board asked clarifying questions of the Ordinance. There was no further public comment.

Motion: Approve the first reading of Ordinance 2021-01, Amending Regulation 21-Connection Charges to Address Accessory Dwelling Unites (ADU) Connection Fees, by title only.

Motion by: Director Corbett; **Second:** Director Couch

Roll Call: Ayes: Corbett, Couch, and Burke Nays: Mayo Absent: Barsanti

Motion Summary: Motion Passed

E.7 Consider Approval of Ordinance 2021-02 Amending Regulation 40 – Parks and Recreation Committee – First Reading

Recreation Director Frisbee reviewed the item. There were no Board or public comments.

Motion: Approve the first reading of Ordinance 2021-02, Amending Regulation 40-Parks and Recreation Committee of the MCSD Rules and Regulations, by title only.

Motion by: Director Corbett; **Second:** Director Mayo

Roll Call: Ayes: Barsanti, Corbett, Couch, Mayo and Burke Nays: None Absent: None
Motion Summary: Motion Passed

AGENDA ITEM F. REPORTS

F.1 ACTIVE COMMITTEE REPORTS

- a. **Parks and Recreation Committee (Couch/Mayo):** Did not attend last meeting.
- b. **Area Fund (John Kulstad/Barsanti):** Did not meet.
- c. **Redwood Region Economic Development Commission (Mayo/Burke):** Regular meeting, nothing to report. Director Mayo gave brief report on Executive meeting.
- d. **McKinleyville Senior Center Advisory Council (Barsanti/Burke):** Did not meet.
- e. **Audit (Corbett/Barsanti):** Did not meet.
- f. **Employee Negotiations (Couch/Corbett):** Did not meet.
- g. **McKinleyville Municipal Advisory Committee (Burke/Mayo):** Gave an overview of the meeting and noted that there was a wetlands discussion at the meeting.
- h. **Local Agency Formation Commission (Couch):** Reported on the local Humboldt LAFCo meeting where the Arcata Sphere of Influence was discussed.
- i. **Environmental Matters Committee (Couch/Corbett):** Did not meet.
- j. **Ad Hoc Community Forest Committee (Mayo/Corbett):** Recreation Director Frisbee and General Manager Kaspari gave the committee report
- k. **Ad Hoc Latent Powers Committee (Corbett/Couch):** Director Corbett gave a summary and noted that the committee tried to get a full report ready for the December meeting, but was unable to do so.

Director Mayo asked the continuing and incoming Board Directors to let him know what committees they would be interested in for 2021.

F.2 LEGISLATIVE AND REGULATORY REPORTS

Director Mayo said he had been in several legislative meetings, but nothing to report.

F.3 STAFF REPORTS

- a. **Support Services Department (Colleen M.R. Trask):** Finance Director, Colleen Trask, had nothing further to report.
- b. **Operations Department (James Henry):** Operations Director, James Henry, had nothing further to add to his written report.
- c. **Parks & Recreation Department (Lesley Frisbee):** Recreation Director, Lesley Frisbee, had nothing further to add to her written report.
- d. **General Manager (Patrick Kaspari):** General Manager Kaspari highlighted conversations that took place with Virgil Morehead of the Big Lagoon Rancheria regarding the Community Forest.

F.3.2 PRESIDENT'S REPORT: President Burke reported on tribal meetings and encouraged further meetings with the Tribes, gave departing remarks, and asked Supervisor Madrone to speak.

Supervisor Madrone gave gratitude to all the directors.

F.4 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEM REQUESTS:

Board members gave more departing remarks at this time.

G. ADJOURNMENT:

Meeting Adjourned at 10:04 p.m.

April Sousa, CMC, Board Secretary

**MINUTES OF THE SPECIAL MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT HELD ON WEDNESDAY, DECEMBER 9, 2020 5:30 P.M. TELECONFERENCE Via ZOOM & TELEPHONE:
ZOOM MEETING ID: 816 4086 3003 (<https://us02web.zoom.us/j/81640863003>) and TOLL FREE: 1-888-788-0099**

Closed Session

AGENDA ITEM A. CALL TO ORDER

A.1 Introduce November 3, 2020 Election Results, Administer Oath of Office to Elected Directors and Adopt Resolution 2020-26 Accepting Election Results and Seating Elected Directors

Motion: Adoption of Resolution 2020-26 Accepting Election Results and Seating Elected Directors

Motion by: Director Orsini; **Second:** Director Binder

There were no comments from the Board or public.

Roll Call: Ayes: Binder, Clark-Peterson, Couch and Mayo Nays: None Absent: None

Motion Summary: Motion Passed

A.2 Roll Call: The regular session of the Board of Directors of McKinleyville Community Services District convened at 7:00 pm with the following Directors and staff in attendance:

Dennis Mayo, President	Pat Kaspari, General Manager
David Couch, Vice President	Colleen Trask, Finance Director
Scott Binder, Director	James Henry, Operations Director
Joellen Clark-Peterson, Director	Lesley Frisbee, Recreation Director
Gregory Orsini, Director	April Sousa, Board Secretary

A.3 Pledge of Allegiance: The Pledge of Allegiance was led by Vice President Mayo.

A.4 Discuss and Update Board Officer Rotation Schedule for 2021 Calendar Year

President Mayo reviewed the rotation schedule with the new and existing Board Directors. Director Orsini asked clarifying questions. There were no comments from the public.

Motion: It was moved to approve option B for the Board Rotation as delineated in the below table:

	2021	2022	2023	2024	2025	2026	2027	2028
Term Expiration								
Mayo	C				VC	C		
Couch	VC	C				VC	C	
Clark-Peterson		VC	C				VC	C
Orsini			VC	C				VC
Binder				VC	C			
C = Chair VC = Vice Chair								

Motion by: Director Orsini; **Second:** Director Clark-Peterson

There were no comments from the Board or public.

Roll Call: Ayes: Binder, Clark-Peterson, Couch and Mayo Nays: None Absent: None

Motion Summary: Motion Passed

A.5 Additions to the Agenda: There were no additions to the Agenda

A.6 Approval of the Agenda

Motion: It was moved to approve the agenda as presented.

Motion by: Director Couch; **Second:** Director Orsini

There were no comments from the Board or public.

Roll Call: Ayes: Binder, Clark-Peterson, Couch and Mayo Nays: None Absent: None

Motion Summary: Motion Passed

AGENDA ITEM B. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS:

General Manager Kaspari gave an update on the District COVID issue and the Community Forest Grant. There was no other Public Comment.

C. CONTINUED AND NEW BUSINESS

C.1 Review Board Committee Appointments for 2021 Calendar Year

President Mayo appointed the following committee assignments:

- a. Parks and Recreation Advisory Committee (Binder/Clark-Peterson)
- b. Area Fund (John Kulstad/Clark-Peterson)
- c. Redwood Region Economic Development Commission (Clark-Peterson/Binder)
- d. McKinleyville Senior Center Board Liaison (Clark-Peterson/Binder)
- e. Audit (Orsini/Couch)
- f. Employee Negotiations (Couch)
- g. McKinleyville Municipal Advisory Committee (Orsini)
- h. Humboldt Local Agency Formation Commission (Couch) – Not a President appointed assignment
- i. Environmental Matters Committee (Couch/Clark-Peterson)
- j. Ad Hoc Community Forest Committee (Mayo/Orsini)
- k. Ad Hoc Latent Powers Committee (Orsini/Couch)

There was no public in attendance at the time of this item. Director Orsini gave comments and offered support to the new Directors.

G. ADJOURNMENT:

Motion to adjourn

Meeting Adjourned at 6:07 p.m.

April Sousa, CMC, Board Secretary

**McKinleyville Community Services District
Treasurer's Report
November 2020**

Table of Contents

Page 2	Investments & Cash Flow Report
Page 3	Consolidated Balance Sheet by Fund
Page 4	Activity Summary by Fund with Selected Graphic Comparisons
Page 11	Capital Expenditure Report
Page 12	Summary of Long-Term Debt Report
Page 13	Cash Disbursement Report

Ratios

as of November 30, 2020

- Utility Accounts Receivable Turnover Days	12
- YTD Breakeven Revenue, Water Fund:	\$ 950,333
- YTD Actual Water Sales:	\$ 1,841,877
- Days of Cash on Hand-Operations Checking/MM	197

**McKinleyville Community Services District
Investments & Cash Flow Report
as of November 30, 2020**

Petty Cash & Change Funds 9,197.46

Cash

Operating & Money Market - Beginning Balance 2,886,266.96

Cash Receipts:

Utility Billings & Other Receipts 860,586.21
 Money Market Account Interest 92.37
 Transfers from County Funds #2560, #4240, CalTRUST, Meas. B -
 Other Cash Receipts (Pmt of SRF Solar Proj Grant Receivable) 96,378.00

Total Cash Receipts 957,056.58

Cash Disbursements:

Transfers to County Funds #2560, #4240, CalTRUST -
 Payroll Related Expenditures (217,675.41)
 Debt Service -
 Capital & Other Expenditures (incl. Hiller Trailer purchase) (347,962.83)

Total Cash Disbursements (565,638.24)

Operating & Money Market - Ending Balance 3,277,685.30

Total Cash 3,286,882.76

Investments *(Interest and Market Valuation will be re-calculated as part of the year-end close, if material)*

LAIF - Beginning Balance 138,432.30

Interest Income -

LAIF - Ending Balance 138,432.30

Humboldt Co. #2560 - Beginning Balance 1,113,605.85

Property Taxes and Assessments -

Transfer to/from Operating Cash -

Interest Income (net of adjustments) 1,475.52

Humboldt Co. #2560 - Ending Balance 1,115,081.37

Humboldt Co. #4240 - Beginning Balance 3,356,025.35

Transfer to/from Operating Cash -

Transfer to/from Biosolids Reserve -

Interest Income 3,625.35

Humboldt Co. #4240 - Ending Balance 3,359,650.70

Humboldt Co. #9390 - Beginning Balance 663,032.08

Reserves Recovery Deposits/Other Bal Withdrawals -

Humboldt Co. #9390 - Ending Balance 663,032.08

USDA Bond Reserve Fund - Beginning Balance 121,669.82

Bond Reserve Payment/Transfer to Service Fund 7,270.83

Debt Service Payment, Principal/Interest (Net) -

Interest Adjustment 0.11

USDA Bond Reserve Fund - Ending Balance 128,940.76

CalTRUST - Beginning Balance 10,612,477.52

Net Transfer to/from Designated Reserves: PERS/OPEB -

Net Transfer to/from Capacity Fees/Catastrophe/Other Reserves -

Net: Interest Income/Unrealized Gain/Loss 6,642.45

CalTRUST - Ending Balance 10,619,119.97

Total Investments 16,030,274.66

Total Cash & Investments - Current Month 19,317,157.42

Total Cash & Investments - Prior Month 18,906,724.82

Net Change to Cash & Investments This Month 410,432.60

Cash & Investment Summary

Cash & Cash Equivalents 18,573,297.55

Davis-Grunsky Loan Reserve 614,919.11

USDA Bond Reserve 128,940.76

Total Cash & Investments 19,317,157.42

McKinleyville Community Services District
Consolidated Balance Sheet by Fund
as of November 30, 2020

	Governmental Funds				Proprietary Funds				Total (Memorandum Only)
	Parks & General	Measure B	Streetslights	Water	Wastewater				
ASSETS									
Current Assets									
Unrestricted cash & cash equivalents	\$ 900,275.28	\$ (548,137.22)	\$ 52,741.87	\$ 7,547,932.49	\$ 10,818,135.90	\$ 18,770,948.32			
Accounts receivable	3,179.40	-	3,630.72	521,435.48	578,917.89	1,107,163.49			
Prepaid expenses & other current assets	34,176.01	938.47	3,037.34	105,803.76	62,208.37	206,163.95			
Total Current Assets	937,630.69	(547,198.75)	59,409.93	8,175,171.73	11,459,262.16	20,084,275.76			
Noncurrent Assets									
Restricted cash & cash equivalents	189,572.72	-	-	619,914.85	128,940.76	938,428.33			
Other noncurrent assets	-	-	-	770,950.75	791,621.69	1,562,572.44			
Capital assets (net)	-	-	-	8,274,620.47	28,449,494.25	36,724,114.72			
Total Noncurrent Assets	189,572.72	-	-	9,665,486.07	29,370,056.70	39,225,115.49			
TOTAL ASSETS	\$ 1,127,203.41	\$ (547,198.75)	\$ 59,409.93	\$ 17,840,657.80	\$ 40,829,318.86	\$ 59,309,391.25			
LIABILITIES & FUND BALANCE/NET ASSETS									
Current Liabilities									
Accounts payable & other current liabilities	\$ 74,893.73	\$ 318.13	\$ 2,004.33	\$ 250,215.88	\$ 147,932.47	\$ 475,364.54			
Accrued payroll & related liabilities	91,101.81	-	-	37,280.41	35,821.39	164,203.61			
Total Current Liabilities	165,995.54	318.13	2,004.33	287,496.29	183,753.86	639,568.15			
Noncurrent Liabilities									
Long-term debt	-	-	-	2,235,570.94	16,058,435.82	18,294,006.76			
Other noncurrent liabilities	-	-	-	4,371,938.52	4,472,341.47	8,844,279.99			
Total Noncurrent Liabilities	-	-	-	6,607,509.46	20,530,777.29	27,138,286.75			
TOTAL LIABILITIES	165,995.54	318.13	2,004.33	6,895,005.75	20,714,531.15	27,777,854.90			
Fund Balance/Net Assets									
Fund Balance	(2,645,071.31)	(547,516.88)	57,405.60	-	-	(3,135,182.59)			
Net assets	3,606,279.18	-	-	4,906,602.52	7,723,729.64	16,236,611.34			
Investment in capital assets, net of related debt	-	-	-	6,039,049.53	12,391,058.43	18,430,107.96			
Total Fund Balance/Net Assets	961,207.87	(547,516.88)	57,405.60	10,945,652.05	20,114,788.07	31,531,536.71			
TOTAL LIABILITIES & FUND BALANCE/NET ASSETS	\$ 1,127,203.41	\$ (547,198.75)	\$ 59,409.93	\$ 17,840,657.80	\$ 40,829,319.22	\$ 59,309,391.61			
Difference in Re-class from Cap Assets to Net Assets:									
Investment in General Capital Assets	\$ 3,189,395.82								
General Long-term Liabilities									
PG&E Streetlights Loan	-								
Meas. B Loan: Teen/Community Center	965,727.00								
OP&EB Liability	2,830,881.35	OP&EB Liability			2,882,587.78	2,894,654.86	8,608,123.99		
CALPERS Pension Liability/Deferred Inflows-Outflows	628,788.66	CALPERS Pension Liability			632,676.35	698,072.98	1,959,537.99		
Accrued Compensated Absences	115,011.87								
TOTAL GENERAL LONG-TERM LIABILITIES	\$ 4,540,408.88								

**McKinleyville Community Services District
Activity Summary by Fund, Approved Budget
November 2020**

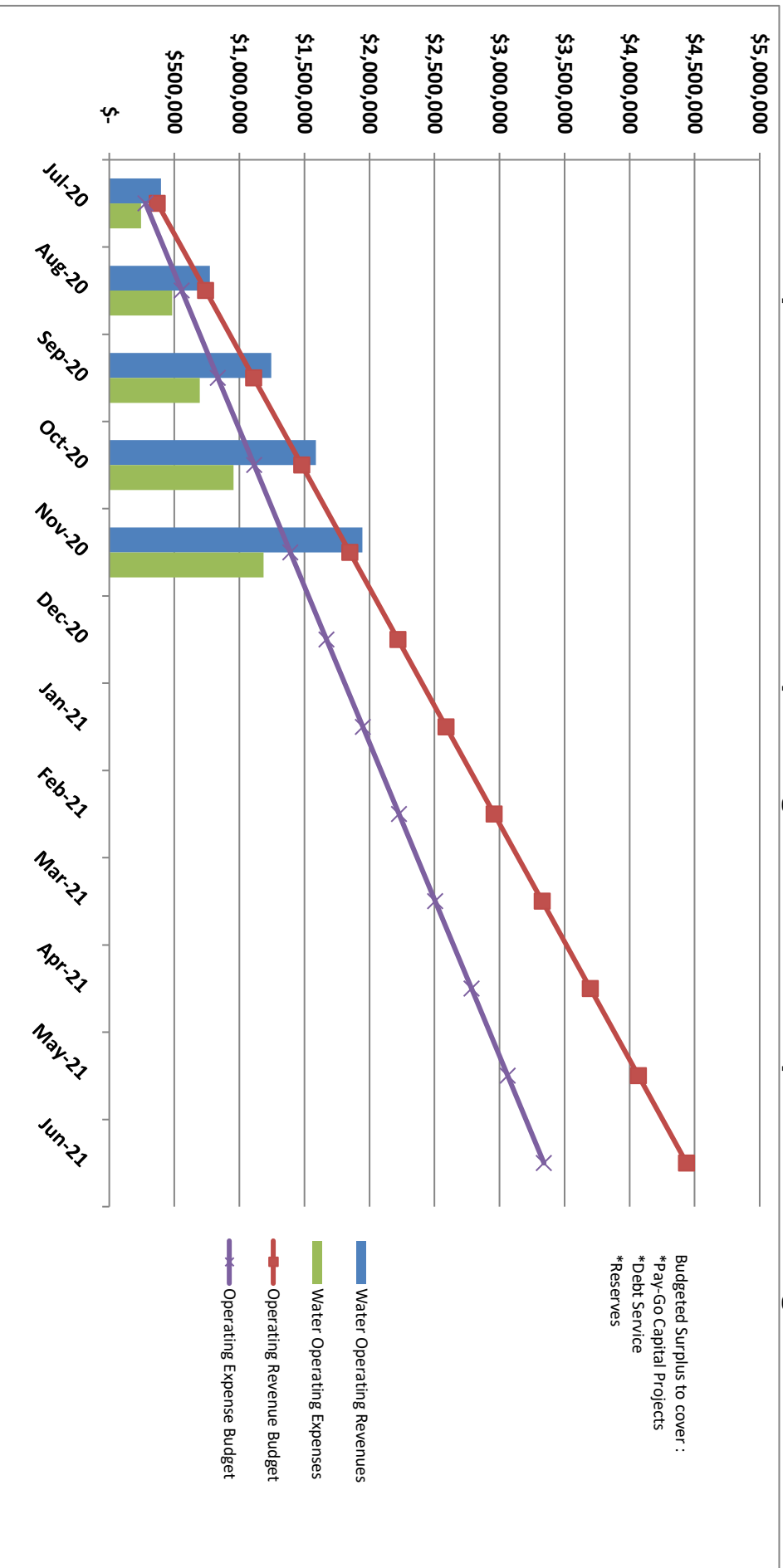
Department Summaries	November	% of Year YTD	Approved YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
Water						
Water Sales	308,418	1,841,877	1,632,393	209,484	12.83%	Budget is spread evenly across 12 months, but actuals vary by with seasonal usage
Other Revenues	49,135	104,252	216,791	(112,539)	-51.91%	Includes YTD Capacity Fees \$17,487 Contrib Construction \$0.
Total Operating Revenues	357,554	1,946,129	1,849,184	96,945	5.24%	
Salaries & Benefits	67,160	355,286	436,658	(81,372)	-18.64%	Budget is spread evenly across 12 months, but actuals vary by hiring & job assignment.
Water Purchased	96,939	486,089	468,973	17,116	3.65%	
Other Expenses	35,308	192,995	335,400	(142,405)	-42.46%	Budget is spread evenly across 12 months, but actuals vary by purchasing sched.
Depreciation	30,250	151,250	151,250	-	0.00%	
Total Operating Expenses	229,656	1,185,620	1,392,281	(206,661)	-14.84%	
Net Operating Income	127,897	760,508	456,903	(109,716)		
Interest Income	3,415	21,346	20,833	513	2.46%	Interest rates higher than anticipated.
Interest Expense	(4,571)	(21,815)	(22,969)	(1,154)	-5.03%	
Net Income (Loss)	126,741	760,039	454,767	305,272		
Wastewater						
Wastewater Service Charges	318,537	1,677,756	1,668,525	9,231	0.55%	
Other Revenues	90,702	164,040	900,545	(736,505)	-81.78%	Includes YTD Capacity Fees \$123,151. Contrib.Constr. \$0. Grants \$1,829.
Total Operating Revenues	409,239	1,841,796	2,569,070	(727,274)	-28.31%	
Salaries & Benefits	90,362	489,405	461,708	27,697	6.00%	
Other Expenses	76,088	291,506	425,384	(133,878)	-31.47%	Budget is spread evenly across 12 months, but actuals vary by purchasing sched.
Depreciation	96,667	482,501	483,333	(832)	-0.17%	
Total Operating Expenses	263,117	1,263,412	1,370,425	(107,013)	-7.81%	
Net Operating Income	146,122	578,384	1,198,645	(620,261)		
Interest Income	5,794	34,481	31,250	3,231	10.34%	Interest rates higher than anticipated.
Interest Expense	(22,189)	(119,780)	(102,985)	16,795	16.31%	Budget is spread evenly across 12 months, but actuals vary by loan pmt schedule
Net Income (Loss)	129,726	493,085	1,126,910	(633,825)		
Enterprise Funds Net Income (Loss)	256,467	1,253,124	1,581,677	(328,553)		

McKinleyville Community Services District
 Activity Summary by Fund, Approved Budget
 November 2020

Department Summaries	November	% of Year YTD	Approved YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
*Parks & Recreation						
Program Fees	11,911	43.051	85,935	(42,884)	-49.90%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Rents & Related Fees	1,527	5.913	16,203	(10,290)	-63.51%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Property Taxes	-	-	264,100	(264,100)	-100.00%	County Tax remittance: December, April, and June; per Auditor-Controller's office,
Other Revenues	13,126	57.416	71,106	(13,690)	-19.25%	Budget is spread evenly across 12 months, but actuals vary by payment schedule
Interest Income	2,334	13.936	18,750	(4,814)	-25.67%	Interest rates higher than anticipated.
Total Revenues	28,898	120.317	456,094	(335,777)	-73.62%	
Salaries & Benefits	64,713	354.259	336,855	17,404	5.17%	
Other Expenditures	20,927	92.465	94,186	(1,721)	-1.83%	
Capital Expenditures	-	42.039	22,917	19,122	83.44%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Total Expenditures	85,640	488.762	453,958	34,804	7.67%	
Excess (Deficit)	(56,742)	(368.445)	2,136	(370,581)		
*Measure B Assessment						
Total Revenues	292	1,459	93,472	(92,013)	-98.44%	Interest & unrealized gains/losses: County Tax remittance December/April/June
Salaries & Benefits	5,518	32.394	29,338	3,056	10.42%	Budget spread evenly across 12 months, but actuals vary by job assignment
Other Expenditures	318	12.728	10,625	2,103	19.80%	Budget spread evenly across 12 months, but actuals vary seasonally
Capital Expenditures/Loan Repayment	-	63.161	53,105	10,056	18.94%	Budget is spread evenly across 12 months, but loan pmts are October & April
Total Expenditures	5,836	108.283	93,068	15,215	16.35%	
Excess (Deficit)	(5,544)	(106.824)	404	(107,228)		
*Street Lights						
Total Revenues	9,768	48.975	48,674	301	0.62%	
Salaries & Benefits	3,184	24.298	19,979	4,319	21.62%	Overage related to lump sum final payroll, not spread evenly over 12 months
Other Expenditures	2,825	16.369	17,031	(662)	-3.89%	
Capital Expenditures/Loan Repayment	-	-	833	(833)	-100.00%	Budget is spread evenly across 12 months, but actuals vary by project schedule
Total Expenditures	6,010	40.667	37,843	2,824	7.46%	
Excess (Deficit)	3,759	8.308	10,831	2,523		
Governmental Funds Excess (Deficit)	(58,527)	(466.961)	13,371	(480,332)		

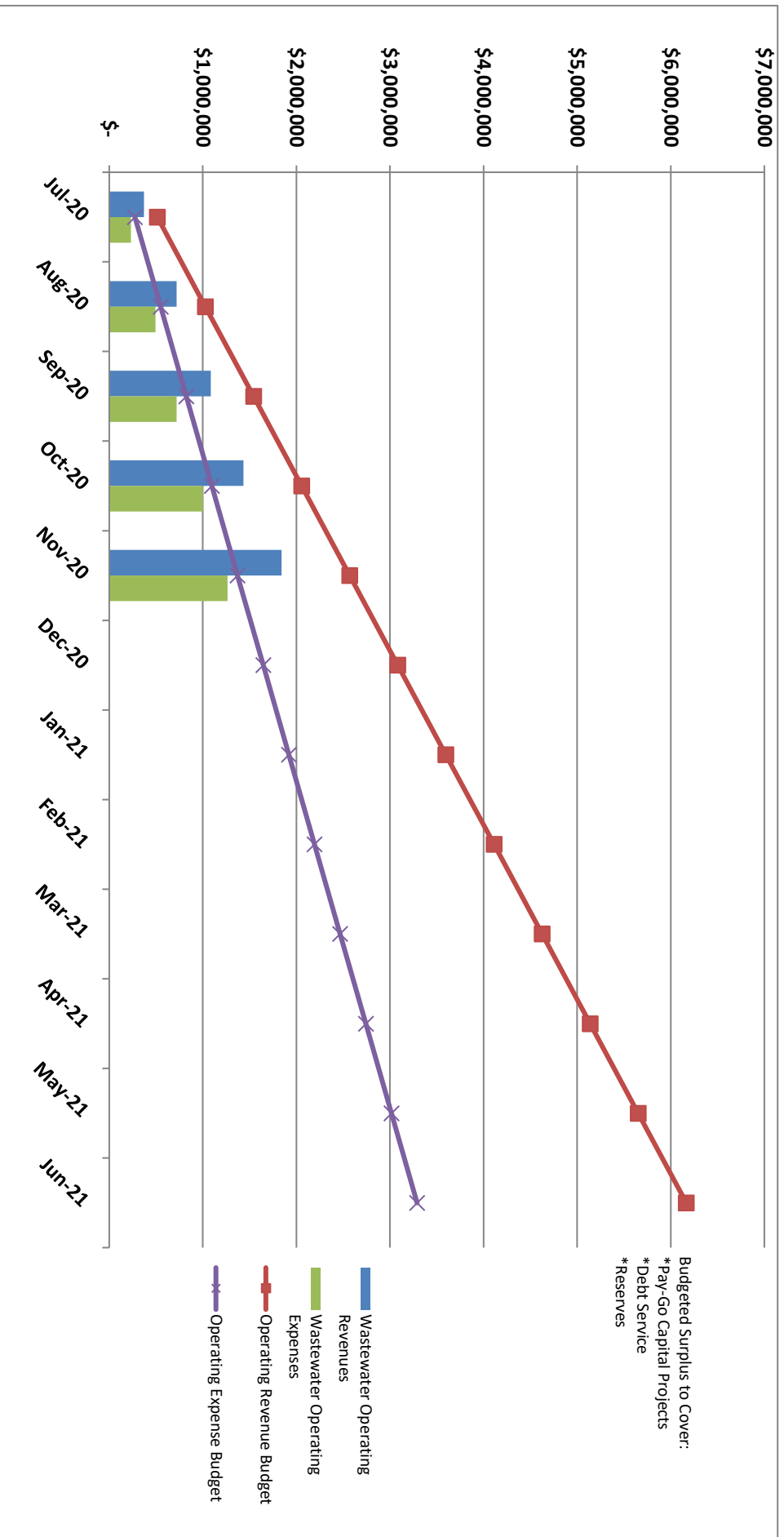
McKinleyville Community Services District November 2020

Comparison of Water Fund Operating Revenues & Expenses to Budget



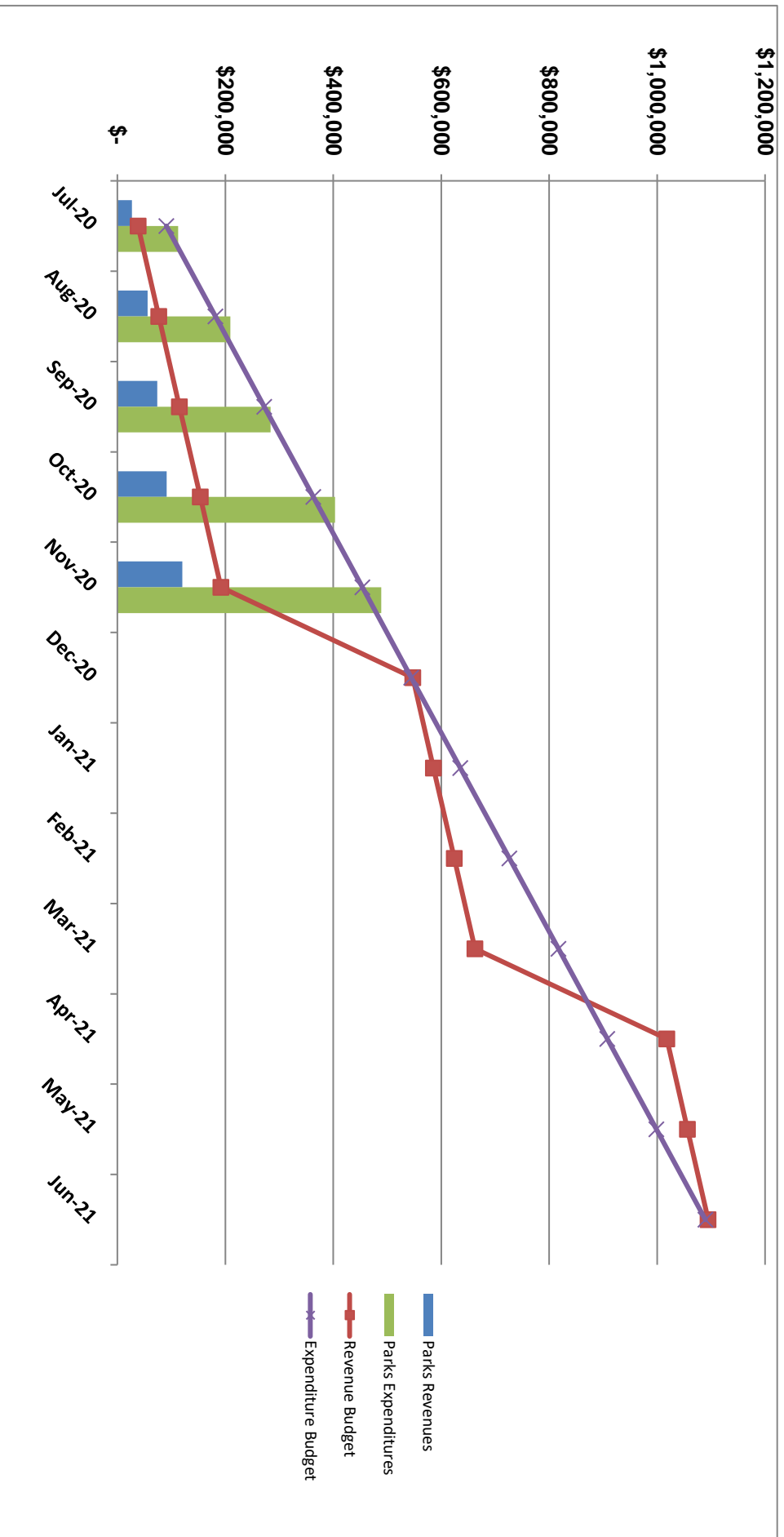
McKinleyville Community Services District November 2020

Comparison of Wastewater Fund Operating Revenues & Expenses to Budget



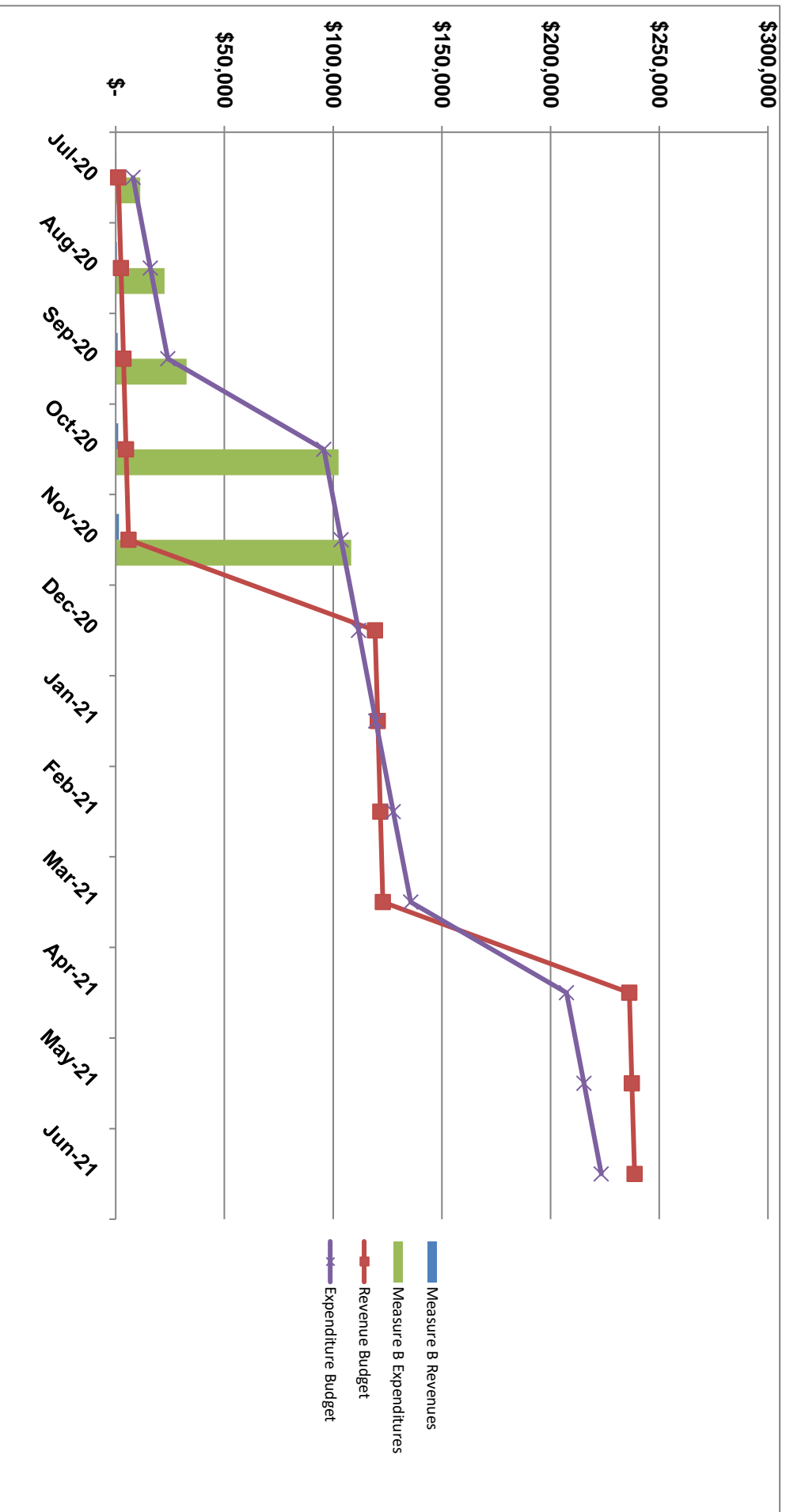
McKinleyville Community Services District November 2020

Comparison of Parks & Recreation Total Revenues & Expenditures to Budget



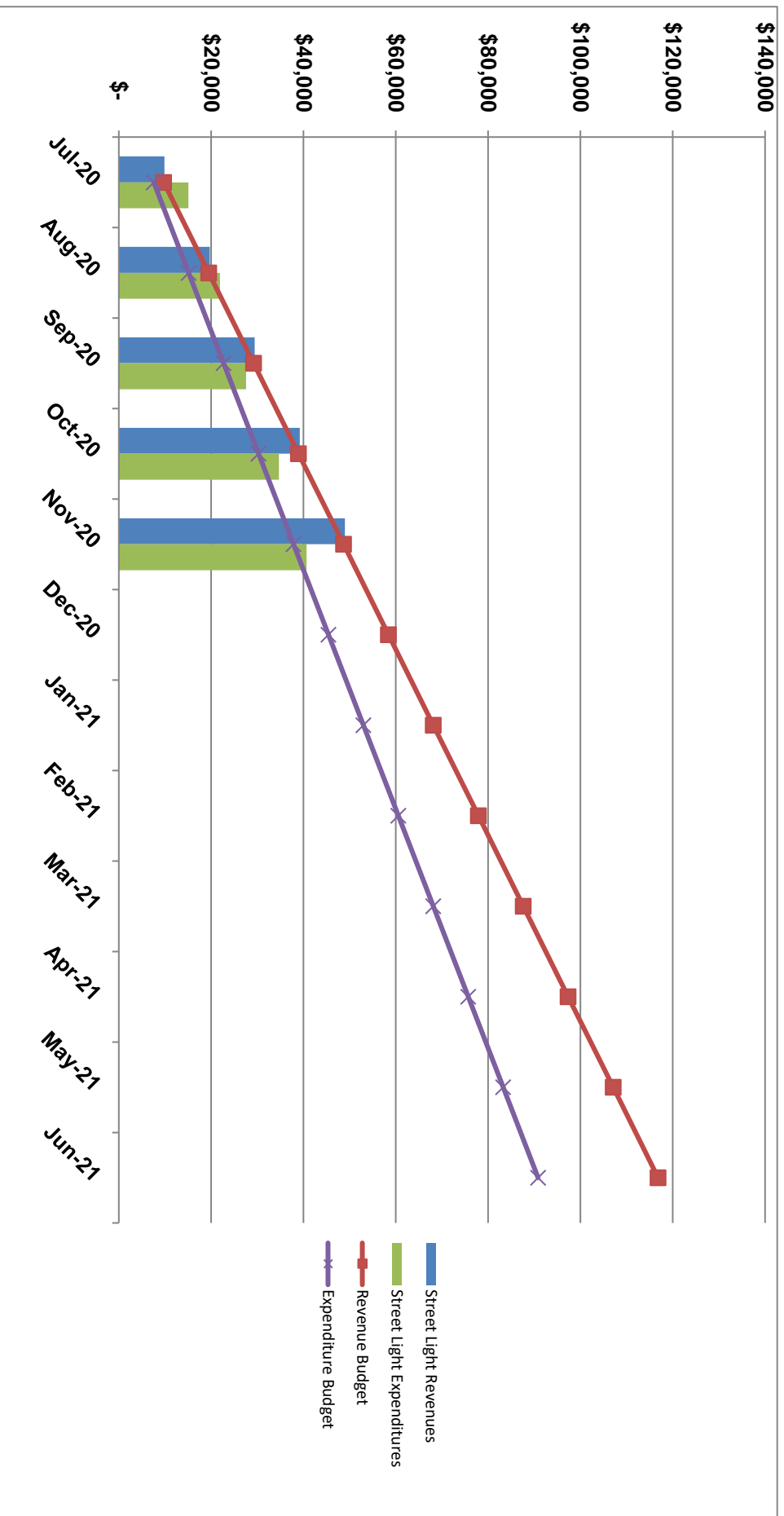
McKinleyville Community Services District November 2020

Comparison of Measure B Fund Total Revenues & Expenditures to Budget



McKinleyville Community Services District November 2020

Comparison of Street Light Fund Total Revenues & Expenditures to Budget



**McKinleyville Community Services District
Capital Expenditure Report
as of November 30, 2020**

	November	YTD	FY 20-21	Remaining		Notes
		Total	Budget	Budget \$	Budget %	
Water Department						
Ramey Pump Upgrades	-	-	-	-	#DIV/0!	
Water Tank Painting	-	-	500,000	500,000	100%	Water Tank Painting & Cathodic
Alternative Energy Master Plan	-	-	50,000	50,000	100%	Alternative energy master plan
4.5m New Water Tank	-	102,349	178,000	75,651	43%	Drilling, LACO Assoc.
N.BankBoosterStation VFD#2 replacement	-	17,619	25,000	7,381	30%	Emergency Water Supply
Emergency Generator-Cochran	-	-	25,000	25,000	100%	CochranEmergency Generator
Fire Hydrant System Upgrade	-	-	7,000	7,000	100%	Fire Hydrant System Upgrade
Tank Seismic Actuators	-	-	20,000	20,000	100%	Tank Seismic Actuators
Customer Radio Meter Testing	-	4,530	10,000	5,470	55%	Customer Radio meter testing
Water Tank Upgrade-Norton#2 Tree Svc	-	-	7,000	7,000	100%	Water Tank Upgrade-Norton Tree
Water Main Rehab & Replacement	-	2,486	900,000	897,514	100%	Water Main Rehab
Property Purchase- Tank Site	-	-	-	-	#DIV/0!	Property Purch/Imprv.Tank Site
Subtotal	-	126,985	1,722,000	1,595,015	93%	
Wastewater Department						
Sewer Main Rehab & Replacement	-	2,441	900,000	897,559	100%	Sewer Main Rehab
WWMF Sludge Disposal - next	-	-	240,000	240,000	100%	Sludge handling/disposal
WWMF Recirculation Valve Replacement	-	-	12,000	12,000	100%	Recirculation Valve replacemnt
Alternative Energy Master Plan	-	-	50,000	50,000	100%	Alternative energy master plan
WWMF Chlorine Injector/Controllers	-	29,352	10,000	(19,352)	-194%	Chlorine Injector/Controllers
Collection Upgrades-UndercrossingsProj	-	135,516	1,335,000	1,199,484	90%	Collection System upgrades
Fischer Lift Station Generator	-	-	-	-	#DIV/0!	Fischer Lift Stn Generator
Sewer Lift Stn Upgrade-Hiller	-	182,661	538,000	355,339	66%	Sewer lift stn Upgrade-Hiller
Solar Project - CWSRF Grant/Loan	6,241	39,674	1,250,000	1,210,326	97%	WWMF Solar Project
WWMF Alt. Disinfection/ Feasibility Study	-	-	70,000	70,000	100%	Alt. Disinfection Feasibility Study
Radio Telemetry Upgrade	-	-	-	-	#DIV/0!	Radio Telemetry upgrade
Production Meter Replacements	-	-	-	-	#DIV/0!	Production Meter Replacement
WWMF - next NPDES Permit	-	30,283	50,000	19,717	39%	NPDES Permit Project
Customer Radio Meter Testing	-	4,388	10,000	5,612	56%	Radio meters testing
Underground pipe locator & camera	-	-	5,000	5,000	100%	Underground pipe locator & came
Flow Totalizers	-	39,698	45,000	5,302	12%	Flow Totalizers
Sewer Lift Station Other Upgrades	-	256,735	-	(256,735)	#DIV/0!	SwrLiftStnUpgrade-Letz
Subtotal	6,241	720,748	4,515,000	3,794,252	84%	
Water & Wastewater Operations						
Heavy Equipment	-	-	150,000	150,000	100%	backhoe, emerg.generators, airco
Utility Vehicles	-	-	38,000	38,000	100%	CCTV truck, 3/4 or 1-ton Pickup
Office, Corporate Yard & Shops	-	55,777	25,000	(30,777)	-123%	Facilities upgrade/sealcoat
Computers & Software	-	14,381	18,000	3,619	20%	Server, PCs, GIS/SEMS/CADD
Fischer Ranch - Reclamation Site Upgrade (tr	-	7,052	200,000	192,948	96%	Match to 3rd party grant funding
Fischer Ranch - Barn & Fence upgrades, Und	-	7,948	55,000	47,052	86%	Underground valving/piping
Pialorsi Ranch Survey/ Improvements	6,894	53,676	30,000	(23,676)	-79%	Pialorsi Ranch Survey
Small Equipment & Other	-	-	40,000	40,000	100%	Misc,response, & GPS surveying
Subtotal	6,894	138,833	556,000	417,167	75%	
Enterprise Funds Total	13,135	986,566	6,793,000	5,806,434	85%	
Parks & Recreation Department						
Hiller Park & Sports Complex	-	27,040	-	(27,040)	#DIV/0!	Hiller Sports Sealcoat-CountyGrant
Azalea Hall Projects	-	-	32,000	32,000	100%	Flooring, Pkg Lot resurface
McKinleyville Activity Center Upgrades	-	14,999	6,000	(8,999)	-150%	Major Appliance replacement
Law Enforcement Facility Improvements	-	-	24,000	24,000	100%	LEF flooring/Library Carpet
Projects Funded by Quimby/Other Funds	-	-	-	-	#DIV/0!	Covered Picnic Area
Projects Funded by Measure B Renewal	-	-	-	-	#DIV/0!	Teen Center Constr&Loan svc
Other Parks Projects & Equipment	-	-	14,000	14,000	100%	Brush&LawnMowers/Trailer
Subtotal	-	42,039	76,000	33,961	45%	
Streetlights						
Pole Replacement	-	-	2,000	2,000	100%	Pole Replacement
Subtotal	-	-	2,000	2,000	100%	
Governmental Funds Total	-	42,039	78,000	35,961	46%	
All Funds Total	13,135	1,028,605	6,871,000	5,842,395	85%	

**McKinleyville Community Services District
Summary of Long-Term Debt Report
as of November 30, 2020**

**Principal Maturities and
Scheduled Interest**

	Maturity Date	%	Balance		FY-21	Thereafter
			October 31, 2020	November 30, 2020		
Water Fund:						
I-Bank	8/1/30					
Interest		3.37%	577,202.62	577,202.62	-	577,202.69
State of CA Energy Commission (ARRA)	12/22/26					
Interest		1.0%	78,165.68	72,332.16	5,864.75	66,467.20
State of CA (Davis Grunsky)	1/1/33					
State of CA (Davis Grunsky) Deferred Interest	1/1/33		1,364,584.89	1,364,584.89	90,128.48	1,274,456.41
Interest		2.5%	221,451.21	221,451.21	17,035.12	204,416.09
Total Water Fund-Principal			2,241,404.40	2,235,570.88	113,028.35	2,122,542.39
Total Water Fund-Interest					44,201.16	321,040.66
Total Water Fund			2,241,404.40	2,235,570.88	157,229.51	2,443,583.05
Wastewater Fund:						
WWWMF SRF Loan	7/31/47					
Interest		1.6%	14,444,435.82	14,444,435.82	-	14,905,430.41
Chase Bank (Pialorsi Property)	3/8/35					
Interest		2.9%	1,469,000.00	1,469,000.00	44,200.00	1,424,800.00
USDA (Sewer Bond)	8/1/22					
Interest		5.0%	145,000.00	145,000.00	-	145,000.00
Total Wastewater Fund-Principal			16,058,435.82	16,058,435.82	44,200.00	16,475,230.41
Total Wastewater Fund-Interest					17,580.51	3,668,900.19
Total Sewer Fund			16,058,435.82	16,058,435.82	61,780.51	20,144,130.60
Meas. B Fund: Teen/Comm Center Loan						
Total Principal	11/1/29		1,010,944.00	965,727.00	46,837.00	927,670.00
Total Interest		3.55%			17,453.35	155,131.29
Total			19,310,784.22	19,259,733.70	204,065.35	19,525,442.80
					79,235.02	4,145,072.14
			19,310,784.22	19,259,733.70	283,300.37	23,670,514.94

Non-debt Long Term Liabilities, District-wide

OP&B Liability	8,608,123.99
CalPERS Pension Liability	1,959,537.99

8,608,123.99
1,959,537.99

**McKinleyville Community Services District
 Summary of Grants
 as of November 30, 2020**

District Grants	Total Grant Amount	Required District Match	Estimated District Asset Value
CalOES Hazard Mitigation Grant - 4.5 mg Tank	\$ 5,418,735	\$ 1,806,245	\$ 4,675,000
CalOES Hazard Mitigation Grant - Sewer Undercrossings	\$ 2,538,300	\$ 846,100	\$ 2,137,000
SWRCB Energy Efficiency Grant/Loan	\$ 2,500,000	\$2,500,000 Loan	\$ 4,100,000
CA State Dept of Parks & Rec - Habitat Conservation Fund	\$ 56,600	\$ -	\$ 56,600

Non-District Grants	Total Grant Amount	Required District Match	Estimated District Asset Value
CalTrout US Fish & Wildlife - Mad River Restoration	\$ 20,000	\$ -	\$ 20,000
CalTrout NOAA - Mad River Restoration	\$ 490,167	\$ 48,000	\$ 300,000

**McKinleyville Community Services District
Cash Disbursement Report
For the Period November 1 through November 30, 2020**

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
--------------	------------	---------------	-------------	------------	-----------	-------------

Accounts Payable Disbursements

37667	11/2/2020	*0013	REC PROGRAM REFUND SS	50.00	C01029	REC PROGRAM REFUND SS
37668	11/2/2020	ACW02	ASSOC. OF CALIFORNIA	16,860.00	C01029	ANNUAL DUES
37669	11/2/2020	AWW02	AMERICAN WATER WORKS ASSOC.	2,205.00	700185001	MEMBERSHIP RENEWAL
37670	11/2/2020	COA01	COASTAL BUSINESS SYSTEMS	1,317.50	C01029	COPIER MONTHLY PAYMENT
37671	11/2/2020	DON01	DON'S RENT-ALL	126.95	206038	PIALORSI HOUSE REPAIR PROJ
37672	11/2/2020	EUR05	Eureka Oxygen Co	805.79	C01102	PROFESSIONAL SERVICECS
37673	11/2/2020	GHD01	GHD	56,099.00	151245	HWY 101 SEWER CROSSING
			Check Total:	3,579.75	151383	MICROGRID PROJECT
				<u>59,678.75</u>		
37674	11/2/2020	GRA02	GRAINGER	195.90	C01102	REPAIRS/ SUPPLIES
37675	11/2/2020	HUM26	HUMBOLDT FASTENERS	83.55	C01102	PIALORSI REPAIRS
37676	11/2/2020	IND02	INDUSTRIAL ELECTRIC SERVICE	126.62	C01101	REPAIRS/SUPPLY
			Check Total:	911.16	C01102	PROFESSIONAL SERVICES
				<u>1,037.78</u>		
37677	11/2/2020	MEY01	SETH MEYNELL	250.00	C01102	SAFETY SUPPLIES REIMB
37678	11/2/2020	PGE05	PG&E-STREETLIGHTS	372.33	C01029	GAS & ELECTRIC S.L.-ZONE
37679	11/2/2020	PGE06	PG&E-STREETLIGHTS	17.06	C01029	GAS & ELECTRIC S.L.-ZONE
37680	11/2/2020	PGF07	PG&E STREETLIGHTS	1,057.88	C01029	GAS & ELECTRIC

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37681	11/2/2020	PGE08	PG&E-STREETLIGHTS	16.36	C01029	GAS & ELECTRIC S.L.-ZONE
37682	11/2/2020	PGE09	PG&E-STREETLIGHTS	82.90	C01029	GAS & ELECTRIC S.L.-ZONE
37683	11/2/2020	PGE14	PACIFIC GAS & ELECTRIC CO	16.58	C01102	GAS/ELECTRIC ANDERSON AVE
37684	11/2/2020	SUD01	SUDDENLINK	194.23	C01029	TEEN CENTER INTERNET
37685	11/2/2020	UND02	UNDERGROUND SERVICE ALERT	466.38	152243DIG	ANNUAL DUES
37686	11/10/2020	A&I01	A&I ROOFING	12,865.00	42372	ROOF ON PIALORSI HOUSE
37687	11/10/2020	ACC04	ACCURATE DRUG TESTING SERVICE	90.00	999	DOT PHYSICAL EXAM
37688	11/10/2020	ACW01	CB&T/ACWA-JPIA	11,432.36	C01110	GRP. HEALTH INS
37689	11/10/2020	BAD01	BADGER METER, Inc.	355.38	C01109	BEACON MOBILE HOSTING
37690	11/10/2020	BLA02	BLACK DOG OUTFITTERS	670.22	476	UNIFORMS
37691	11/10/2020	CAL10	CALIFORNIA HEATING	90.00	10265	HEATING INSPECTION
37692	11/10/2020	DIG02	DIGITAL DEPLOYMENT	300.00	107764	MONTHLY MEMBER FEE
37693	11/10/2020	DRU01	DRUGFREE USA	310.00	17226	DRUG TESTING
37694	11/10/2020	EXP01	EXPRESS SERVICES, INC.	444.60	24532166	PROFESSIONAL SERVICES
			Check Total:	555.75	24561843	PROFESSIONAL SERVICES
				<u>1,000.35</u>		
37695	11/10/2020	HAR13	The Hartford - Priority A	433.50	C01109	GRP LIFE INSURANCE
37696	11/10/2020	HUM01	HUMBOLDT BAY MUNICIPAL WATER DISTRICT	96,869.47	C01109	WTR PURCHASED
37697	11/10/2020	HUM08	HUMBOLDT SANITATION	2,334.60	C01109	TRASH SERVICE
37698	11/10/2020	HUM20	HUMBOLDT FENCE CO.	14,520.22	9366B	PIALORSI PROPERTY
37699	11/10/2020	HUM21	HUMBOLDT BACK AND NECK PAIN CENTER	200.00	89	DMV EXAM

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37700	11/10/2020	HUM26	HUMBOLDT FASTENERS	83.55	C01109	REPAIRS/SUPPLIES
37701	11/10/2020	INF02	INFOSEND	2,799.48	180583	PRINTING/MAILING OF BILLS
37702	11/10/2020	INF03	INFINITE CONSULTING SERVICE	947.25	8740	PROFESSIONAL SERVICES
37703	11/10/2020	JOH05	CHAYSLIN JOHNSON	56.00	C01109	REC PROGRAM SUPPLIES REIMB
37704	11/10/2020	MCK04	MCK ACE HARDWARE	283.89	C01109	REPAIRS/SUPPLY
37705	11/10/2020	MCM01	McMaster-Carr Supply Co.	107.84	44362615	REPAIRS/ SUPPLIES
37706	11/10/2020	MIL01	Miller Farms Nursery	285.81	C01109	REPAIRS/SUPPLY
37707	11/10/2020	MUD01	MUDDY WATERS COFFEE CO., INC	80.00	C01109	OFFICE SUPPLIES
37708	11/10/2020	NAP02	NAPA AUTO PARTS	49.85	C01109	REPAIRS/ SUPPLIES
37709	11/10/2020	NEL01	NELSON FLOOR COMPANY	14,999.00	74051	PROFESSIONAL SERVICES
37710	11/10/2020	NEW01	NEW DIRECTIONS	1,250.00	2611	PROFESSIONAL SERVICES
37711	11/10/2020	NOR01	NORTH COAST LABORATORIES	3,625.00	C01109	LAB TESTING
37712	11/10/2020	NOR13	NORTHERN CALIFORNIA SAFETY CONSORTIUM	120.00	C01109	SAFETY TRAINING
37713	11/10/2020	NOR35	NORTHERN HUMBOLDT EMPLOYMENT SERVICES	1,520.74	C01109	P.PARK/CENTRAL AVE MAINTENANCE
37714	11/10/2020	PGE11	PG&E STREETLIGHTS	24.22	C01109	GAS & ELECTRIC
37715	11/10/2020	PGE12	PG&E	44.11	C01109	GAS & ELECTRIC
37716	11/10/2020	PGE16	PG&E	157.61	C01109	GAS & ELECTRIC
37717	11/10/2020	STA09	S.W.R.C.B.	60.00	C01109	CERT RENEWAL-KS
37718	11/10/2020	STA13	S.W.R.C.B.	150.00	C01109	CERT RENEWAL-CJ
37719	11/10/2020	THA01	THATCHER COMPANY, INC.	1,383.78	C01109	REPAIRS/SUPPLY TREATMENT

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37720	11/10/2020	TH002	Thomas Home Center	831.52	C01109	REPAIRS/SUPPLY
37721	11/10/2020	THR01	THRIFTY SUPPLY COMPANY	1,684.47	C01109	REPAIRS/ SUPPLIES
37722	11/10/2020	TUR02	MCKENNA TURNER	13.20	C01109	REC PROGRAM SUPPLIES REIMB
37723	11/10/2020	UMP01	UMPQUA BANK	107.91	1020CT	SUPPLIES PURCHASED
				80.73	1020 DS	REPAIRS/ SUPPLIES/OFFICE
				1,227.00	1020 JH	TRAINING/REPAIRS SUPPLIES
				125.70	1020 LF	REC SUPPLIES
				463.15	1020BOARD	SUBSCRIPTIONS/OFFICE SUPP
				119.49	1020PARKS	REC SUPPLIES
				1.00	1020ROUND	ROUND UP
			Check Total:	<u>2,124.98</u>		
37724	11/10/2020	VAL01	VALLEY PACIFIC PETROLEUM	604.77	C01109	GAS/OIL/LUBE
37725	11/10/2020	VAL02	VALLEY PACIFIC	2,029.52	C01109	GAS/OIL/LUBE
37726	11/10/2020	VER01	VERIZON WIRELESS	77.98	C01109	CELL PHONES/ TABLET
37727	11/10/2020	WIL09	WILLDAN FINANCIAL SERVICE	3,133.90	010-46020	MEASURE B
37728	11/10/2020	\C001	MQ CUSTOMER REFUND FOR CA	2.45	000C01101	MQ CUSTOMER REFUND FOR CA
37729	11/10/2020	\F012	MQ CUSTOMER REFUND FOR FR	53.49	000C01101	MQ CUSTOMER REFUND FOR FR
37730	11/10/2020	\G003	MQ CUSTOMER REFUND FOR GA	32.62	000C01101	MQ CUSTOMER REFUND FOR GA
37731	11/10/2020	\M027	MQ CUSTOMER REFUND FOR MO	62.68	000C01101	MQ CUSTOMER REFUND FOR MO
37732	11/10/2020	\O002	MQ CUSTOMER REFUND FOR OS	39.22	000C01101	MQ CUSTOMER REFUND FOR OS
37733	11/10/2020	\P004	MQ CUSTOMER REFUND FOR PA	62.13	000C01101	MQ CUSTOMER REFUND FOR PA
37734	11/10/2020	\P013	MQ CUSTOMER REFUND FOR PI	14.28	000C01101	MQ CUSTOMER REFUND FOR PI
37735	11/10/2020	\S010	MQ CUSTOMER REFUND FOR ST	13.00	000C01101	MQ CUSTOMER REFUND FOR ST

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37736	11/10/2020	\V002	MQ CUSTOMER REFUND FOR VE	54.83	000C01101	MQ CUSTOMER REFUND FOR VE
37737	11/16/2020	*0014	JOB AU0 REFUND MJ	2,352.00	C01116	JOB AU0 REFUND MJ
37738	11/16/2020	A&L02	A & L FEED	6.43	C01116	REPAIRS/ SUPPLIES
37739	11/16/2020	DELO2	DELFINO, MADDEN, O'MALLEY	1,203.50	143772	LEGAL SERVICES
37740	11/16/2020	DEP05	DEPARTMENT OF JUSTICE	32.00	477245	FINGERPRINTING
37741	11/16/2020	EUR05	Eureka Oxygen Co	450.65	460217	PROFESSIONAL SERVICES
			Check Total:	439.43	460229	PROFESSIONAL SERVICES
				<u>890.08</u>		
37742	11/16/2020	EUR07	Eureka Rubber Stamp Co.	14.02	31534	SUPPLIES PURCHASED
37743	11/16/2020	FED01	FedEx Office	156.49	C01112	LAB SHIPMENT
37744	11/16/2020	FED02	FEDAK & BROWN LLP	5,304.00	C01109	ACCT. / AUDIT
37745	11/16/2020	FRE07	FRESHWATER ENVIRONMENTAL	1,900.00	1523	LOCAL LIMITS TESTING
37746	11/16/2020	GHD01	GHD	650.00	152113	AS NEEDED FUNDING ASSISTANCE
37747	11/16/2020	HAR03	HARPER MOTORS CO.	257.75	C01109	VEHICLE REPAIRS
37748	11/16/2020	HUM14	HUMBOLDT HUMAN RESOURCES	365.15	76380	PROFESSIONAL SERVICES
37749	11/16/2020	INF03	INFINITE CONSULTING SERVICES	2,250.00	8749	PROFESSIONAL SERVICES
37750	11/16/2020	JAC04	JACKSON & EKLUND, INC.	890.00	432093	ACCT. / AUDIT
37751	11/16/2020	MCK02	MCKINLEYVILLE GLASS CO.	366.85	47900	REPAIRS/ SUPPLIES
37752	11/16/2020	MIL03	THE MILL YARD	3,809.52	C01109	REPAIRS/ SUPPLIES
37753	11/16/2020	MIT01	MITCHELL LAW FIRM	2,079.00	46635	LEGAL SERVICES
			Check Total:	55.50	46636	LEGAL SERVICES
				<u>2,134.50</u>		

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37754	11/16/2020	OLS03	FLEX SPENDING REIMB JO	376.72	C01116	FLEX SPENDING REIMB JO
37755	11/16/2020	ORE01	O'REILLY AUTOMOTIVE, INC.	103.87	C01109	REPAIRS/SUPPLY
37756	11/16/2020	POI01	POINTS WEST SURVEYING CO.	6,408.75	11978	PIALORSI RANCH BOUNDARY SURVEY
37757	11/16/2020	PRE08	PINTERMEDIA LLC	47.50	19-6534	PROFESSIONAL SERVICES
37758	11/16/2020	SEQ01	Sequoia Gas Co.	553.23	C01109	FUEL PURCHASED
37759	11/16/2020	STA11	STAPLES CREDIT PLAN	667.01	C01116	OFFICE SUPPLIES
37760	11/16/2020	STR04	STRICKLAND TERMITE CONTROL	300.00	20809	PIALORSI PROPERTY REPAIR PROJ
37761	11/16/2020	TER01	TEREX USA LLC	2,262.04	7071603	REPAIRS/ SUPPLIES
37762	11/23/2020	ATT01	AT&T	3,027.47	C01123	TELEPHONE/INTERNET SERVIC
37763	11/23/2020	ATT02	AT&T	1,111.15	C01123	TELEPHONE/ADMIN/GENERAL
37764	11/23/2020	ATT04	AT&T	914.66	C01123	SWITCHED ETHERNET SERVICE
37765	11/23/2020	ATT05	AT&T	193.08	C01123	TELEPHONE TEEN/FAM CTR
37766	11/23/2020	ATT06	AT&T	253.07	C01123	TELEPHONE AZALEA HALL
37767	11/23/2020	BEN02	BENTLEY SYSTEMS, INC.	957.00	48145662	SUBSCRIPTION RENEWAL
37768	11/23/2020	CAL10	CALIFORNIA HEATING	90.00	S10406	PROFESSIONAL SERVICES
37769	11/23/2020	CWE01	CWEA	192.00	C01123	MEMBERSHIP RENEWAL-JH
37770	11/23/2020	DEP10	DEPARTMENT OF CONSUMER AFFAIRS	115.00	C01123	CERTIFICATION RENEWAL-PK
37771	11/23/2020	E&M01	E & M ELECTRIC	7,095.00	364091	SUBSCRIPTION RENEWAL
37772	11/23/2020	EXP01	EXPRESS SERVICES, INC.	608.40	24598578	PROFESSIONAL SERVICES
37773	11/23/2020	GRA02	GRAINGER	113.68	C01123	REPAIRS/ SUPPLIES

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
37774	11/23/2020	HUM14	HUMBOLDT HUMAN RESOURCES	1,452.35	76389	PROFESSIONAL SERVICES
37775	11/23/2020	MAC02	MAC'S REFRIGERATION SVC.	278.32	43182	PROFESSIONAL SERVICES
37776	11/23/2020	MCK11	MCKINLEYVILLE SENIOR CENT	21.40	C01123	P/R SHARE OF INTERNET
37777	11/23/2020	MCM01	McMaster-Carr Supply Co.	226.96	48737945	REPAIRS/ SUPPLIES
37778	11/23/2020	PGE01	PG & E (Office & Field)	28,224.24	C01123	GAS & ELECTRIC
37779	11/23/2020	PGE10	PG&E STREETLIGHTS	3.56	C01123	GAS & ELECTRIC S.L.- ZONE
37780	11/23/2020	RCS01	RC SYSTEMS, INC.	550.00	18646	SUBSCRIPTION RENEWAL
37781	11/23/2020	SEC03	SECURITY LOCK & ALARM	220.45	5995	PROFESSIONAL SERVICES
37782	11/23/2020	SEQ01	Sequoia Gas Co.	21.07	E038255	FUEL FOR HILLER SPORT
37783	11/23/2020	STE01	BLAKE STEWART	65.56	C01123	SAFETY SUPPLIES REIMB
37784	11/23/2020	THR01	THRIFTY SUPPLY COMPANY	350.92	C01123	REPAIRS/ SUPPLIES
37785	11/23/2020	USA01	USA BLUEBOOK	1,303.42	C01123	REPAIRS/ SUPPLIES
37887	12/10/2020	GRA02	GRAINGER	(248.15)	C01210u	Ck# 037887 Reversed
37888	12/10/2020	HAR03	HARPER MOTORS CO.	(262.56)	C01210u	Ck# 037888 Reversed
37889	12/10/2020	KEN03	KEN'S AUTO PARTS	(226.00)	C01210u	Ck# 037889 Reversed
Total Disbursements, Accounts Payable:				<u>345,122.67</u>		

Payroll Related Disbursements

17080-17089	11/9/2020	Various Employees	8,915.79	Payroll Checks
-------------	-----------	-------------------	----------	----------------

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
17090	11/9/2020	CAL12	CALPERS 457 Plan	7,866.91	C01109	RETIREMENT
			Check Total:	719.04	1C01109	PERS 457 LOAN PMT
				<u>8,585.95</u>		
17091	11/9/2020	DIR01	DIRECT DEPOSIT VENDOR- US	36,533.58	C01109	Direct Deposit
17092	11/9/2020	EMP01	Employment Development	1,629.87	C01109	STATE INCOME TAX
			Check Total:	662.61	1C01109	SDI
				<u>2,292.48</u>		
17093	11/9/2020	HEA01	HEALTHEQUITY, ATTN: CLINT	175.00	C01109	HSA
17094	11/9/2020	HUM29	UMPQUA BANK--PAYROLL DEP.	5,218.74	C01109	FEDERAL INCOME TAX
			Check Total:	8,215.48	1C01109	FICA
				1,921.34	2C01109	MEDICARE
				<u>15,355.56</u>		
17095	11/9/2020	ACW01	CB&T/ACWA-JPIA	57,991.35	C01031	MED-DENTAL-EAP INSUR
17096	11/9/2020	PUB01	Public Employees PERS	20,133.06	C01031	PERS PAYROLL REMITTANCE
17097-17116	11/19/2020		Various Employees	8,355.61		Payroll Checks
17117	11/19/2020	CAL12	CALPERS 457 Plan	7,696.59	C01119	RETIREMENT
			Check Total:	719.04	1C01119	PERS 457 LOAN PMT
				<u>8,415.63</u>		
17118	11/19/2020	DIR01	DIRECT DEPOSIT VENDOR- US	34,353.95	C01119	Direct Deposit
17119	11/19/2020	EMP01	Employment Development	1,467.82	C01119	STATE INCOME TAX
			Check Total:	624.31	1C01119	SDI
				<u>2,092.13</u>		
17120	11/19/2020	HEA01	HEALTHEQUITY, ATTN: CLINT	175.00	C01119	HSA

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
17121	11/19/2020	HUM29	UMPQUA BANK--PAYROLL DEP.	4,745.52	C01119	FEDERAL INCOME TAX
				7,743.70	1C01119	FICA
				1,811.10	2C01119	MEDICARE
			Check Total:	14,300.32		
			Total Disbursements, Payroll:	<u>217,675.41</u>		
			Total Check Disbursements:	562,798.08		

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2020

TYPE OF ITEM: **ACTION**

ITEM: D.3 Compliance with State Double Check Valve (DCV) Law

PRESENTED BY: James Henry, Operations Director

TYPE OF ACTION: Roll Call Vote – Consent Calendar

Recommendation:

Staff recommends that the Board authorize staff to provide the listed customers with formal notice that their water service will be discontinued in one month if they have not come into compliance with state law regarding water service cross-connection in accordance with MCSD Rules 7 and 10.

Discussion:

Customers listed below are currently not in compliance with State Law regarding cross connection control for water customers with an alternate water supply. These customers have been notified of their respective violations, as noted, and have been provided notification of this meeting.

1st Notice	October 26th, 2020
10 Day Notice	December 23rd, 2020
Board Meeting	January 6th, 2021
Lock	February 8th, 2021
ROUTE 16	

Account #	Name	Address
16-092-000	CRAWFORD	1336 PEDRONI
16-430-000	LANEY	3371 BARNETT
16-455-000	FITZGERALD	3396 BARNETT
16-900-000	LUTHER	2960 MCKINLEYVILLE AVE
16-940-000	PRESCOTT	2840 MCKINLEYVILLE AVE

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **ACTION**

ITEM: D.4 **Review of the 2020 Integrated Pest Management Plan Annual Report**

PRESENTED BY: **James Henry, Operations Director**

TYPE OF ACTION: **None**

Recommendation:

Staff recommends that the Board review and accept the 2020 Integrated Pest Management Plan (IPM) annual report.

Discussion:

As stated in the IPM Scope, District staff will utilize the most environmentally sound approaches to pest management and eliminate where feasible the use of pesticides to minimize environmental and health impacts of pest and vegetation management in all cases. To accomplish this, staff will utilize physical, mechanical, cultural, biological and educational tactics as primary controls.

The plan is intended to provide procedural guidelines for the implementation as a basis for pest and vegetation management that will protect public health, the environment and aesthetic value of the District's facilities.

As stated in Section 4.A of the IPM (**Attachment 1**), the MCSD coordinator will compile data from all participating departments and submit an annual report at the January Board meeting to the General Manager and the Board of Directors. Each department submitted their IPM Treatment Tracking Forms, appendix A of the attachment, for review. Upon review of the forms, it was found that all methods were mechanical tactics. A table is provided below as an overview of the forms submitted. This staff report will serve the purpose of the annual report.

Category	Weed Abatement Hours	Ant Removal Hours	Wasp Removal Hours	Gopher Control Hours	Total Labor Hours	NHES Weed Abatement Hours	Swap Weed Abatement Hours	Cost
Tree	0	0	1	0	1			\$ 36.71
Turf	8	0	0	40	48			\$ 1,762.08
Hard Surface	208	20	0	0	228			\$ 10,260.00
Planter Bed	123	0	0	0	123	835	904	\$ 55,781.00
Total	349	20	1	40	400	835	904	\$ 67,839.79

The table is separated into categories and includes the time in each category to manually remove weeds in planter beds, remove weeds in asphalt or concrete and trap gophers. The table also includes the annual labor cost for performing these tasks. Most of the planter bed weed abatement is located in the Open Space Maintenance Zones which include landscape strips. Most of the hard surface treatment is weeds growing around edges or cracks of asphalt and concrete at most of the stations along with gravel areas at the Treatment Plant. The major target pest is weed abatement, with gopher control also contributing to the labor costs. Most of the gopher control takes place at the Hiller Sports Site along with Pierson Park.

Ants have been a reoccurring issue in several facilities and have accumulated 20 hours of labor. Some of these occurrences can be treated by renters doing a better job at cleaning up after themselves when serving food. Most of the ant issues are related to the ants coming through the walls and foundations to get out of the wet weather.

As stated above, there are a lot of man hours assigned to weed abatement. In 2018, staff conducted a pilot study at the Wastewater Management Facility to compare salt, vinegar solution and flame torching against manual weed pulling to try to find out which method works best to eliminate some of the labor costs. Salt had the best affect and would prevent new weed growth for about 30 days, but it required an abundant amount of salt and labor to apply the salt. The remaining approaches only phased new weed growth for a couple days.

Gopher control can get quite extensive, from setting traps to blasting the tunnels. Due to the shallow tunneling from gophers, the turf collapses and creates depressions which become unsafe for the youth and adult leagues playing on the fields. Staff has found that blasting helps expose the shallow tunnels but requires a lot of labor to fill in the depressions after blasting occurs. Community work gatherings, made up of staff and volunteers, have been put together to help repair the turf each year mostly due to gophers. There was not a community gathering this year due to COVID.

Alternatives:

Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Integrated Pest Management Plan
- Attachment 2 – IPM Treatment Tracking Forms



Integrated Pest Management Plan

Effective Date: March 2nd, 2016

Table of Contents

1. POLICY	4
2. SCOPE & PURPOSE	4
3. DEFINITIONS.....	4
A. Integrated Pest Management	4
B. Pest.....	4
C. Pesticide	4
D. Reasonable Alternative	5
E. Emergency.....	5
F. Environment.....	5
G. Sensitive Areas	5
4. MCSD IPM COORDINATOR.....	5
A. Annual IPM Report.....	5
B. Interdepartmental IPM Review Group	5
5. DEPARTMENTAL OBLIGATIONS.....	5
A. Integrated Pest Management Plan	6
B. Record-keeping and Evaluation	6
C. Contractor Notification	6
6. INTEGRATED PEST MANAGEMENT (IPM) PROCEDURE.....	7
A. Initial Data Collection, Mapping and Monitoring	7
B. Establishing Threshold Levels	7
C. Treatment Selection Criteria.....	7
D. Treatment Strategies	8
D.1 Prevention	8
D.2 Cultural	8
D.3 Mechanical.....	8
D.4 Biological.....	9
D.5 Chemical	9
E. Education	10
7. CONTRACTOR/LESSEE RESPONSIBILITIES & REQUIREMENTS	10

8. INTERPRETATION 11

9. MODIFICATIONS/CHANGES..... 11

APPENDIX A: MCSD IPM TREATMENT TRACKING FORM 12

APPENDIX B: ACKNOWLEDGEMENT OF RECEIPT OF MCSD INTEGRATED PEST MANAGEMENT PLAN 14

1. POLICY

McKinleyville Community Services District will utilize the most environmentally sound approaches to pest management, eliminate where feasible the use of pesticides to minimize environmental and health impacts of pest and vegetation management in all cases. To accomplish this, staff will utilize physical, mechanical, cultural, biological, and educational tactics as primary controls.

Pests will be controlled to preserve the integrity of facilities, infrastructure, and public health. Reduced-risk chemical controls will be used when necessary after primary control solutions have been exhausted. In the event reduced-risk chemical controls are not effective Board action will be required before further treatment. Pesticides will not be used to control pests for aesthetic reasons alone.

2. SCOPE & PURPOSE

This Integrated Pest Management (IPM) Plan shall apply to all pest control activities and pesticide use in buildings and related facilities; grounds and open space; and other property owned or managed by the McKinleyville Community Services District (MCSD). Employees, lessees and contractors will receive a copy of and are required to meet the Plan standards and such other appropriate contract language as determined by the General Manager.

This plan is intended to provide procedural guidelines for implementation as a basis for pest and vegetation management that will protect public health, the environment (see Section 3 for definition) and the aesthetic value of MCSD's facilities. This plan supersedes all previous plans covering the same or similar topics.

3. DEFINITIONS

A. Integrated Pest Management: A decision making process which selects, integrates, and implements pest control strategies to prevent or control pest populations. Integrated Pest Management uses a "whole systems approach", looking at the target species as it relates to the entire ecosystem. The following are considered in choosing control strategies; minimal impacts to human health, the environment and non-target organisms.

B. Pest: Any form of plant or animal life which the Administrator of the United States Environmental Protection Agency (US EPA) declares to be a pest pursuant to Section 25(c)(1) of the Federal Insecticide, Fungicide and Rodenticide Act [7 USC § 136w(c)(1)].

C. Pesticide: Any substance or mixture of substances intended for destroying or repelling any pest. This includes without limitation fungicides, insecticides, nematocides, herbicides, and rodenticides and any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

The following products are not pesticides:

1. Deodorizers, bleaching agents, disinfectants and substances for which no pesticidal claim is made in the sale or distribution thereof; and
2. Fertilizers and plant nutrients.

D. Reasonable Alternative: A feasible option for pest control which takes into account the economic, social, and environmental costs and benefits of the proposed choices.

E. Emergency: A Pest outbreak that poses and immediate threat to public health or will cause significant economic or environmental damage.

F. Environment: The conditions that surround someone or something: the conditions and influences that affect the growth, health, progress, etc., of someone or something.

G. Sensitive Areas: Nearby a school, playground, or other area of concentrated use by children; or where runoff into nearby streams, wetlands, or ponds is likely.

4. MCSD IPM COORDINATOR

The General Manager shall designate an MCSD staff member as the IPM Coordinator, whose responsibilities shall include, but are not limited to, the following items:

- Coordination with MCSD departments, contractors and lessees on weed and pest control issues
- Publication of the annual IPM report
- Coordination of the Interdepartmental IPM Review Group
- Coordination of the implementation of the IPM in accordance with state law
- Recommendations on IPM strategies
- Assist MCSD departments with staff training needs
- Outreach to citizens regarding IPM

A. Annual IPM Report

The MCSD IPM Coordinator will compile data from all participating MCSD departments and submit an annual report at the January Board Meeting to the MCSD General Manager and Board of Directors. The report will detail the previous year's IPM efforts and shall contain information listed in Section 5, Departmental Obligations. Each department using pest control methods shall submit their information to the MCSD IPM Coordinator. The report will include a review of new IPM strategies as well as trends in IPM techniques over time.

B. Interdepartmental IPM Review Group

The General Manager may designate at least one staff member from each department as a representative to the Interdepartmental IPM Review Group. This group will be coordinated by the MCSD IPM Coordinator and will include designated MCSD staff. The Group shall meet at least semiannually and meetings will include development of annual MCSD IPM goals, review and evaluation of the plan, as well as opportunities for information exchange, education and cooperation. The Interdepartmental IPM Review Group shall also review interdepartmental issues and make Plan recommendations to the General Manager prior to presenting to the Board that advance the objectives of the IPM Plan and reduce reliance on chemical pest control.

5. DEPARTMENTAL OBLIGATIONS

The following departments conduct pest control operations that use or potentially use pesticides:

- Parks & Recreation Department
- Operations Department
- Support Department

A. Integrated Pest Management Plan

Each of these departments and any others using pest control methods in the future, shall use the guidance provided by this Plan. This plan shall be submitted to the MCSD IPM Coordinator by November 1. The plan will be reviewed and updated as necessary, to incorporate adaptive management changes consistent with the MCSD IPM Plan and updated at least every five years.

B. Record-keeping and Evaluation

Each department shall keep accurate records of all Integrated Pest Management treatments used and the results (see Appendix A: MCSD IPM Treatment Tracking Form). Information on all treatments (including non-chemical ones) shall include how, when, where and why the treatment was applied and the name of the applicator. This information will be available to the MCSD IPM Coordinator and will be the basis for the Annual IPM Report. It should also be available for review at the Interdepartmental IPM Review Group meetings. The MCSD IPM Coordinator will review pest management treatments with MCSD departments to evaluate the successes and failures of the IPM program, and to plan more efficient and effective pest management strategies.

The following information shall be maintained:

1. Target pest
2. Pest population levels or injury thresholds for treatment
3. Treatment selection criteria with final treatment decision (Section 6. C.)
4. Area treated (including type of location and size of area)
5. Pesticide (including product trade name, active ingredient and EPA toxicity category)
6. Quantity of product used
7. Treatment method used (i.e. bait, injection)
8. Location of application, time, date and type of noticing provided (physical sign, web posting, newspaper, etc.).
9. Time and date of pesticide application
10. Name(s) and license number(s) of Pesticide Applicator(s)
11. Name of the department contact authorizing work
12. Safety Data Sheets (SDS) and labels for all pesticides used

Application records shall be made available to the public upon request in accordance with MCSD's Records Retention Policy and all applicable state laws governing public access to information.

C. Contractor Notification

Departments bidding out contractual work for pest management must inform all bidders that MCSD has an IPM Plan, include its guidelines in bid specifics, and provide a written copy of the IPM Plan. Contractors are encouraged to submit bids that include nonchemical pest control methods.

6. INTEGRATED PEST MANAGEMENT (IPM) PROCEDURE

MCS D assumes that all pesticides are *potentially* hazardous to human and environmental health. Therefore, reasonable non-pesticide alternatives shall be given preference over chemical controls by following the IPM procedure. MCS D staff will evaluate alternatives to chemical treatment including the cost-effectiveness of the treatments. When chemical application is being considered, the IPM procedure outlined below shall be followed.

A. Initial Data Collection, Mapping and Monitoring

Each department considering pest control measures shall collect baseline data on the pest ecosystem(s) to determine pest population(s) occurrence, size, density and presence of any natural enemy population(s); gather information on pest biology and different control techniques available; and document sensitive areas and conditions that may limit control options. Data shall be collected in a standardized manner that is repeatable. This information may be included in departmental IPM plans.

Ranking, inventory, mapping, monitoring and evaluation are methods used for determining pest management priorities. Maps and inventories depict infestations in terms of pest species, size, location and threats to resources. Departments shall monitor infestations or pest populations and evaluate treatments over time to assess the effectiveness of various treatment strategies and their effects on target and non-target organisms.

All monitoring methods and data shall be specified in the departmental IPM plan, systematically recorded, and available for review at the Interdepartmental IPM Review Group meetings. Departments shall coordinate and utilize standardized pest mapping protocols.

B. Establishing Threshold Levels

To determine if treatment is warranted, an acceptable threshold level of treatment for each target pest and site should be established. The IPM Coordinator will contain the threshold levels for common pests, determined by individual work groups. In some instances, treatment may be required by federal, state or county laws. The assessment will be based on the following:

1. The tolerable level of environmental, aesthetic and economic damage as a result of the pest population(s) and the tolerable level of risk to human health as a result of the pest population(s);

OR

2. The size, density or growth rate of the pest population that must be present to cause unacceptable environmental, aesthetic and/or economic damage; and the size, density and type of pest population that must be present to create a human health risk.

C. Treatment Selection Criteria

Upon determining that treatment is necessary, the following criteria in descending order shall be used to help select the appropriate IPM treatment strategy:

1. Least hazardous to environment, non-target organisms and human health
2. Cost-effectiveness in the short and long-term
3. Least disruptive of natural controls
4. Most likely to produce a permanent reduction in the environment's ability to support target pests

D. Treatment Strategies

Each department in consultation with the MCSD IPM Coordinator shall make its own determination about appropriate and effective treatments, based on site-specific requirements. Commitment to the most environmentally sound approach is expected, with non-chemical methods considered first.

Prevention, cultural control, mechanical control, biological control and chemical control are the techniques used in integrated pest management. In general, a combination of treatments may be more effective than a single approach. Departments are encouraged to seek out and experiment with innovative IPM treatments (and combinations of treatments) and share this information at the Interdepartmental IPM Review Group meetings. The following treatments are listed in the order in which they should be executed:

D.1 Prevention – This is the most effective pest management strategy. By reducing the capacity of the ecosystem to support target pest populations through design and appropriate management, the opportunities for pest establishment can be reduced or eliminated.

- a. Use strategies that reduce the preferred harborage, food, water or other essential requirements of pests.
- b. Use weed-free materials for trail construction and maintenance.
- c. Use landscape and structural design that is appropriate to the specific habitat, climate and maintenance the area will receive.
- d. When designing projects, consider the potential impacts of pests and mitigate through the use of appropriate landscape design keeping in mind that initial costs of the project may be high, but can reduce long term maintenance costs (water requirements, weed barriers, etc)

D.2 Cultural – Cultural control is the use of management activities that prevent pests from developing due to enhancement of desired conditions. Specific examples are the following:

- a. Selection and placement of materials that provide life-support mechanisms for pest enemies and competitors.
- b. Modification of pest habitat by reducing pest harborage, food supply and other life support requirements.
- c. Vegetation management including irrigation, mulching, fertilization, aeration, seeding, pruning and thinning.
- d. Waste management and proper food storage.
- e. Barriers and traps.
- f. Heat, cold, humidity, desiccation or light applied to affected regions.
- g. Prescribed grazing.

D.3 Mechanical – Mechanical control is accomplished by using physical methods or mechanical equipment to control pest infestations.

- a. Mowing or weed-whipping
- b. Burning
- c. Hand-pulling of weeds
- d. Hand-removal of insect egg masses

D.4 Biological – Biological controls include the introduction or enhancement of natural enemy populations to target pests. Introduction of non-indigenous organisms has an associated risk factor and should be thoroughly evaluated prior to implementation due to new species may be impossible to completely remove at a later date. Biological methods include:

D.5 Chemical – Chemical control of pests is accomplished by using chemical compounds registered as pesticides. All pesticides shall be assumed to be *potentially* hazardous to human and environmental health.

- a. The type, methods and timing of chemical treatment shall be determined **after** consideration has been given to protection of public health and the environment.
- b. Initial review of potential chemicals shall begin with the least toxic compounds, i.e. chemicals in EPA Toxicity Categories III and IV. The use of compounds in EPA Toxicity Categories I and II shall be avoided if possible or used in situations where exposure to the active ingredient is limited (i.e. baits or soil/trunk injections).
- c. If, after a thorough evaluation of alternatives, the only effective or practical chemical control is an EPA Toxicity Category I or II compound, the MCSD General Manager, and, if practical, IPM Coordinator will review the decision-making process and make a recommendation to the Board of Directors for approval. This will be done on a case by case basis for specific pest treatments. The decision-making process and lack of alternatives shall be documented.
- d. Staff will review the information available on potential chemicals for persistence in the environment and the potential impacts from persistence. These factors will be considered along with the potential for more frequent application of chemicals that have lower persistence in the environment.
- e. If chemical treatment is warranted in a riparian area, applications will generally be plant specific and limited to wick applications. If broader applications are needed, the MCSD IPM coordinator shall confer with the Interdepartmental IPM Review Group, to review the decision-making process and make a recommendation to the General Manager for approval. If EPA Toxicity Categories I or II are necessary, Board approval will be required. This will be done on a case by case basis.
- f. Potential chemical approaches
 1. Pheromones and other attractants to confuse pests and/or act as bait
 2. insecticidal soaps
 3. juvenile hormones that arrest pest development
 4. repellants
 5. allelopathins
 6. sterilants or contraceptives to reduce breeding
 7. contact, stomach or other poisons
 8. fumigants
 9. combinations of above (baits with poisons)
 10. herbicides, insecticides

- g. All pesticides shall be applied in conformance with label specifications and all applicable federal, state and municipal laws, regulations and ordinances.
- h. All pesticide applications shall comply with the appropriate pre and post notification requirements. For all MCSD pesticide applications, notification will be posted at least 24 hours in advance, unless there is an extreme public safety concern. This includes soil and trunk injections, spot spraying, hand-wicking and broadcast spraying on all MCSD lands or property open to the public.

E. Education

Education is a critical component of an IPM program. The MCSD IPM Coordinator will include IPM information on the MCSD website. Information will include the Annual IPM Report and other pertinent material. Individual departments and work groups may conduct additional specific educational activities.

7. CONTRACTOR/LESSEE RESPONSIBILITIES & REQUIREMENTS

All contractors working for MCSD are required to abide by MCSD's IPM Plan. The contractor will return a signed statement to the appropriate Department Head certifying they have read and understand the Plan prior to any work being done for MCSD (See Appendix B: Acknowledgement of Receipt of the MCSD Integrated Pest Management Plan). The contractor shall maintain records as listed in Section 5, B.

MCSD may periodically enter into contracts that authorize pest management, such as for building maintenance, project construction and maintenance, and weed and insect control.

When MCSD signs a new contract or extends the term of an existing contract with a contractor or lessee that may include or authorize the application of pesticides, the department shall review its IPM plan with the MCSD IPM Coordinator and update the plan to include the pesticide usage by the contractor or lessee.

Contractors/lessees who apply pesticides on MCSD owned or managed property shall submit a procedure to the appropriate MCSD department and the MCSD IPM Coordinator if the department has not provided a procedure. Their procedure shall include the following:

- Information addressing all the elements listed in Section 6 of the IPM
- Types and estimated rates, to the extent possible, of the pesticides that the contractor may need to apply to MCSD property during its contract
- An outline of the actions the contractor will take to meet the MCSD IPM Plan
- The primary IPM contact for the contractor

Contractors/lessees will provide background information on the decision-making process for treatment methods to MCSD upon request. The department and MCSD IPM Coordinator shall approve the plan before any chemical applications are made. Contractors/lessees shall notify their departmental contact when any biological or chemical treatments are conducted. The contractors/lessees shall comply with appropriate pre and post notification requirements, according to MCSD IPM and relevant internal MCSD protocols.

8. INTERPRETATION

Employees or contractors who have questions concerning possible conflict between their interests and those of MCSD, or the interpretation and application of any of these rules, should direct their inquiries to their Department Director. The Department Director shall refer the matter to the General Manager for final resolution.

9. MODIFICATIONS/CHANGES

Any modification to this Plan may be granted only by the Board of Directors after considering the recommendation of the General Manager. This Plan may be reviewed and changed at any time.

APPENDIX A: MCSD IPM TREATMENT TRACKING FORM

MCSD IPM Treatment Tracking Form

Location (Map on Back) _____

Department: Operations Parks & Recreation Support Services Contractor/Lesseees

Authorized by IPM Coordinator: Yes No

Professional Pesticide Applicator Used: Yes No If Yes, Applicator's Name and Licence # _____

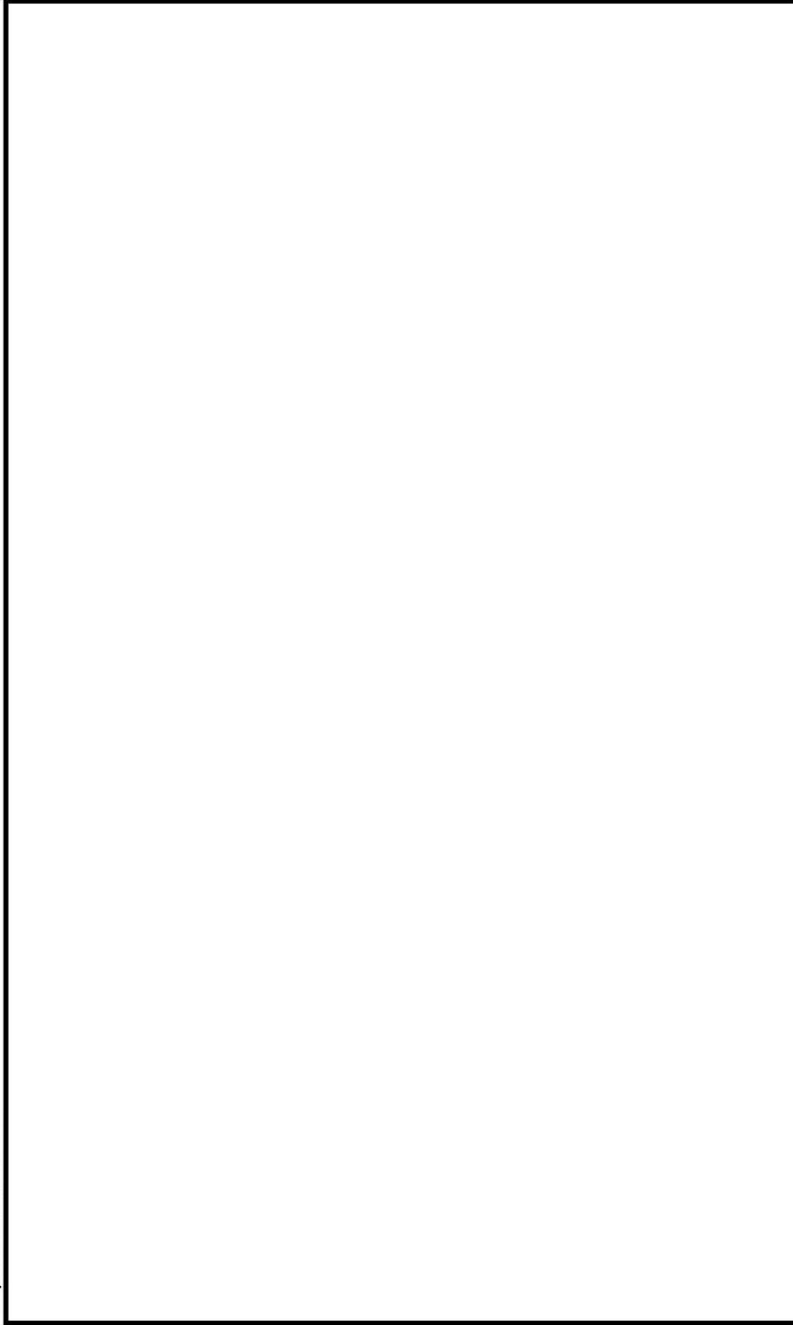
Target Pest _____

Population Levels/Injury Thresholds for Treatment _____

Final Treatment Decision _____

Treatment Method Used	Active Ingredient	EPA Toxicity Category	Quantity of Product Used	Date/Quarter	Time	Hours Spent	Public Notification Type	Results	Staff Initials
Prevention									
Cultural									
Mechanical									
Biological									
Chemical/Pesticide Name									

Map the Location Here:



APPENDIX B: ACKNOWLEDGEMENT OF RECEIPT OF MCSD INTEGRATED PEST MANAGEMENT PLAN; AGREEMENT TO INDEMNIFY MCSD

McKinleyville Community Services District

Acknowledgement of Receipt of the MCSD Integrated Pest Management Plan; Agreement to Indemnify MCSD

I, _____, hereby acknowledgement that I have received a copy of the McKinleyville Community Services District (hereafter referred to as "MCSD" or "the District") MCSD Integrated Pest Management (IPM) Plan dated March 2, 2016 (hereafter referred to as the "IPM Plan").

I have read the IPM Plan and understand its contents, and have had an opportunity to ask any questions I may have regarding it.

The IPM Plan is designed to help me get acquainted with MCSD's Integrated Pest Management. It explains the District's approach to Pest Management guided by the Board of Director's Approved Policy Statement:

"McKinleyville Community Services District will utilize the most environmentally sound approaches to pest management, eliminate where feasible the use of pesticides to minimize environmental and health impacts of pest and vegetation management in all cases. To accomplish this, staff will utilize physical, mechanical, cultural, biological, and educational tactics as primary controls.

Pests will be controlled to preserve the integrity of facilities, infrastructure, and public health. Reduced-risk chemical controls will be used when necessary after primary control solutions have been exhausted. In the event reduced-risk chemical controls are not effective Board action will be required before further treatment. Pesticides will not be used to control pests for aesthetic reasons alone."

I understand and agree to receive prior approval from the IPM Coordinator before conducting any Pest Treatment on MCSD owned property. I further agree that when performing any Pest Treatment on MCSD owned property to comply with the IPM Plan and any conditions of approval by the IPM Coordinator. Because MCSD is a growing and changing organization, I understand it reserves full discretion to add to, modify, or delete provisions of the IPM Plan, or the policies and procedures on which they may be based, at any time without advance notice. For this reason, I agree to first check with the IPM Coordinator, then the General Manager, to obtain current information regarding the status of any particular policy, procedure, or practice. Any modification must be in writing.

To the fullest extent allowable by law, I further agree to indemnify, defend, and hold harmless MSCD, and its directors, agents, and employees, from and against any and all claims, damages, injuries, causes of action, fines, penalties, and/or administrative orders that may be asserted by any person or entity as a result of or otherwise arising from any pest treatment on MCSD property, including without limitation, the use of any chemicals or pesticides, and whether or not such pest treatment is perform in accordance with the IPM Plan or applicable law or regulation.

I understand that the IPM Plan is the property of MCSD, and is intended for my use and reference as a Contractor/Lessee of the District.

Contractor/Lessee Signature

Date

Contractor/Lessee Printed Name

MCSD IPM Treatment Tracking Form

Location (Map on Back) Hearthwood Central Estates

Department: Operations Parks & Recreation Support Services Contractor/Lessee

Authorized by IPM Coordinator: Yes No

Professional Pesticide Applicator Used: Yes No If Yes, Applicator's Name and Licence # _____

Target Pest weeds

Population Levels/Injury Thresholds for Treatment _____

Final Treatment Decision hand pull

Treatment Method Used	Active Ingredient	EPA Toxicity Category	Quantity of Product Used	Date/Quarter	Time	Hours Spent	Public Notification Type	Results	Staff Initials
Prevention									
Cultural									
Mechanical	manual removal			9/21/20		7	N/A	hand removal of weeds	ST
Biological									
Chemical/Pesticide Name									

FEB 20

MCSO IPM Treatment Tracking Form

Location (Map on Back) WV/MF

Department: Operations Parks & Recreation Support Services Contractor/Lessee

Authorized by IPM Coordinator: Yes No

Professional Pesticide Applicator Used: Yes No If Yes, Applicator's Name and Licence # _____

Target Pest WEEDS

Population Levels/Injury Thresholds for Treatment _____

Final Treatment Decision _____

Treatment Method Used	Active Ingredient	EPA Toxicity Category	Quantity of Product Used	Date/Quarter	Time	Hours Spent	Public Notification Type	Results	Staff Initials
Prevention									
Cultural									
Mechanical	MOWING SPRING TRIMMING					14			CR
Biological	VINEGAR SOAP SPRAY					4			CR
Chemical/Pesticide Name									

16 TOTAL HRS

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2020

TYPE OF ITEM: **ACTION**

ITEM: D.5 Acknowledgement of Conflict of Interest in connection with continued MCSD representation by Mitchell Law Firm, LLP in dealings with Green Diamond Resources Company

PRESENTED BY: Patrick Kaspari, General Manager

TYPE OF ACTION: Roll Call Vote – Consent Calendar

Recommendation:

Staff recommends that the Board authorize the General Manager to sign the Consent to Conflict of Interest related to the Mitchell Law Firm representation of MCSD in connection with negotiations and future transactions between MCSD and Green Diamond Resources Company (**Attachment 1**)

Discussion:

The General Manager forwarded on a Non-disclosure Agreement (NDA) between Green Diamond Resource Company (GDRC) and MCSD to allow for access to GIS data on the proposed Community Forest to District Legal Counsel, Russ Gans, for his review. Prior to beginning the review of the NDA, Mr. Gans submitted the December 10, 2020 letter (**Attachment 1**) detailing the consent to Conflict of Interest, since the Mitchell Law Firm has represented both MCSD and GDRC in legal matters. As stated on page 3 of the letter:

Our law firm's past representation of GRDC creates a conflict of interest related to our duty of loyalty and confidentiality to existing clients where, as here, Law Firm is requested to provide legal advice to District regarding an agreement between the District and GRDC. No privileged information previously obtained from GRDC is considered to be relevant to the transaction and we do not believe that providing representation to the District will in any way cause the Law Firm to reveal any confidential information obtained from GRDC.

If additional facts come to our attention which lead us to believe that we could not maintain our duty of loyalty and confidentiality to the District and/or GRDC, we would require further written consent from both the District and GRDC.

The Consent that MCSD is being asked to grant, as detailed on Page 5 of the letter, states:

The Mitchell Law Firm, LLP ("Law Firm") has explained the conflict of interest related to Law Firm's representation of the McKinleyville Community Services District ("District"), in connection with the negotiation of the Non-Disclosure Agreement with Access Permit and possible future transaction with Green Diamond Resource Company ("GRDC"). I acknowledge the disclosure of Law

Firm's representation of both the District in unrelated matters, the conflict arising from such previous representation, and the conflict attendant to providing exclusive legal advice to the District regarding the transactional matter and the consequences of any actual unwaived conflicts that may later arise. The undersigned nevertheless provides its informed written consent to Law Firm's exclusive representation of the District with respect to the real property transaction between the District and GRDC, and consent to Law Firm's continued and concurrent representation of GRDC on unrelated matters.

The GIS NDA (which will be brought to the Board upon Legal Counsel review) is likely the first of many items that we will need Legal Counsel assistance with during the negotiations to acquire the Community Forest property. Staff recommends that we continue with existing Legal Counsel to represent MCSD in these matters.

Alternatives:

Do not sign the acknowledgement of conflict of interest with the Mitchell Law Firm and obtain new Legal Counsel with respect to dealings with Green Diamond Resource Company.

Fiscal Analysis:

Minimal but uncertain fiscal impacts

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – December 10, 2020 letter from Mitchell Law Firm to Pat Kaspari, MCSD and Galen Schuler, Green Diamond Resource Company

December 10, 2020

Pat Kaspari, General Manager
McKinleyville Community Services District
PO Box 2037
McKinleyville, CA 95519

Galen Schuler
Green Diamond Resource Company
1301 Fifth Street, Suite 2700
Seattle, WA 98191-2613

Re: Consent to Conflict of Interest
McKinleyville Community Services District/Green Diamond Resource
Company

Dear Mr. Kaspari and Mr. Schuler:

This letter requests the consent of both the McKinleyville Community Services District (“District”) and Green Diamond Resources Company (“GRDC”), to The Mitchell Law Firm, LLP’s (“Law Firm”) continued representation of the District and GRDC, in unrelated matters, and the exclusive representation of the District in the ongoing consideration and negotiations with GRDC with respect to that certain Non-Disclosure Agreement with Access Permit (“Agreement”), any potential property transaction recited in the Agreement, and any amendments thereto.

Existing Relationships

Law Firm, and principally Russell S. Gans at Law Firm, provide District Counsel services to the District on a contract basis.

Law Firm has historically and currently provides legal advice to GRDC regarding real property and land use matters, timber contracting, among other matters.

Area of Conflict

The District and GRDC (or its subsidiaries) are parties to that certain Non-Disclosure Agreement with Access Permit (“Agreement”), and amendments thereto, in which each party is evaluating a transaction whereby GRDC may share proprietary information with the District.

General Manager Pat Kaspari has initiated discussions with GRDC representatives regarding negotiating the Agreement and possible transaction.

Since Law Firm serves as General Counsel for the District, the District has asked Law Firm to represent the District in this transactional matter, including review and preparation of legal documents. It is our understanding that the principals for each party will negotiate directly and Law Firm will assist in preparing the transactional documents and providing general counsel to the District regarding the same.

Related to the foregoing, Rule 1.7 of the California Rules of Professional Conduct provides in pertinent part:

(a) A lawyer shall not, without informed written consent from each client and compliance with paragraph (d), represent a client if the representation is directly adverse to another client in the same or a separate matter.

(b) A lawyer shall not, without informed written consent from each affected client and compliance with paragraph (d), represent a client if there is a significant risk the lawyer’s representation of the client will be materially limited by the lawyer’s responsibilities to or relationships with another client, a former client or a third person, or by the lawyer’s own interests.

(c) Even when a significant risk requiring a lawyer to comply with paragraph (b) is not present, a lawyer shall not represent a client without written disclosure of the relationship to the client and compliance with paragraph (d) where:

(1) the lawyer has, or knows that another lawyer in the lawyer’s firm has, a legal, business, financial, professional, or personal relationship with or responsibility to a party or witness in the same matter; or

(2) the lawyer knows or reasonably should know that another party’s lawyer is a spouse, parent, child, or sibling of the lawyer, lives with the lawyer, is a client of the lawyer or another lawyer in the lawyer’s firm, or has an intimate personal relationship with the lawyer.

(d) Representation is permitted under this rule only if the lawyer complies with paragraphs (a), (b), and (c), and:

(1) the lawyer reasonably believes that the lawyer will be able to provide competent and diligent representation to each affected client;

(2) the representation is not prohibited by law; and

(3) the representation does not involve the assertion of a claim by one client against another client represented by the lawyer in the same litigation or other proceeding before a tribunal.

(e) For purposes of this rule, “matter” includes any judicial or other proceeding, application, request for a ruling or other determination, contract, transaction, claim, controversy, investigation, charge, accusation, arrest, or other deliberation, decision, or action that is focused on the interests of specific persons, or a discrete and identifiable class of persons.

Conflicts of Interest

Our law firm’s past representation of GRDC creates a conflict of interest related to our duty of loyalty and confidentiality to existing clients where, as here, Law Firm is requested to provide legal advice to District regarding an agreement between the District and GRDC. No privileged information previously obtained from GRDC is considered to be relevant to the transaction and we do not believe that providing representation to the District will in any way cause the Law Firm to reveal any confidential information obtained from GRDC.

If additional facts come to our attention which lead us to believe that we could not maintain our duty of loyalty and confidentiality to the District and/or GRDC, we would require further written consent from both the District and GRDC.

Consent

As attorneys where we have a relationship with multiple parties a conflict of interest must be disclosed and informed written consent obtained from both parties. Accordingly, we are seeking the informed written consent of the District and GRDC before providing legal advice regarding the ongoing negotiations with the District. We ask that the District and GRDC jointly waive the disclosed conflict, and allow Law Firm

to provide exclusive legal advice to the District regarding the negotiations and amendments to the Agreement, while providing continued and concurrent representation to GRDC on unrelated matters.

Consent to Request

If, after considering the foregoing, the District and/or GRDC is willing to consent, please sign and return to us the enclosed copy of this letter (i) acknowledging that we have informed you of our existing relationship with the District and GRDC; (ii) acknowledging that the District and GRDC, has been advised of the conflict of interest associated with our representing the District, in this transactional matter; and (iii) indicating that the District/GRDC consent to our representation as described in this letter.

If the District or GRDC, are not willing to consent, we will declare a conflict and assist the District, in locating alternate counsel for the matter. No advice has been provided to GRDC nor will it be provided regarding the transactional matter.

If you have any questions regarding this letter or our concurrent representation of GRDC and the District and/or the waiver requested to provide exclusive representation to the District for this contract review, please contact us before signing and returning the enclosed copy of this letter.

Very truly yours,

THE MITCHELL LAW FIRM, LLP

Russell S. Gans

///

CONSENT

The Mitchell Law Firm, LLP (“Law Firm”) has explained the conflict of interest related to Law Firm’s representation of the McKinleyville Community Services District (“District”), in connection with the negotiation of the Non-Disclosure Agreement with Access Permit and possible future transaction with Green Diamond Resource Company (“GRDC”). I acknowledge the disclosure of Law Firm’s representation of both the District in unrelated matters, the conflict arising from such previous representation, and the conflict attendant to providing exclusive legal advice to the District regarding the transactional matter and the consequences of any actual unwaived conflicts that may later arise. The undersigned nevertheless provides its informed written consent to Law Firm’s exclusive representation of the District with respect to the real property transaction between the District and GRDC, and consent to Law Firm’s continued and concurrent representation of GRDC on unrelated matters.

McKinleyville Community Services District

Date: _____

By: Pat Kaspari, General Manager

Green Diamond Resource Company

Date: _____

By: Galen Schuler, Vice President, General Counsel & Corporate Affairs

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **ACTION**

ITEM: D.6 **Consider Approval of Memorandum of Understanding by and between the County of Humboldt and McKinleyville Community Services District for Fiscal Year 2020-2021**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

TYPE OF ACTION: **Roll Call**

Recommendation:

Staff recommends the Board review the information provide and authorize the General Manager to execute the MOU.

Discussion:

Humboldt County Office of Emergency Services has requested the use of Azalea Hall to serve as a site to provide weekly COVID-19 testing to the community. The MOU outlining the responsibilities of the County of Humboldt in terms of the facility use and those of MCSD can be reviewed in Attachment 1.

The testing will be drive thru testing and County staff will only occupy the lobby area of the facility. The testing will be offered every Friday from 8:00am-7:00pm.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – MOU between County of Humboldt and MCSD

**MEMORANDUM OF UNDERSTANDING
BY AND BETWEEN
COUNTY OF HUMBOLDT
AND
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
FOR FISCAL YEAR 2020-2021**

This Memorandum of Understanding (“MOU”), entered into this ____ day of _____ 2020, by and between the County of Humboldt, a political subdivision of the State of California, hereinafter referred to as “COUNTY,” and the McKinleyville Community Services District, a California Special District, hereinafter referred to as “MCKINLEYVILLE,” is made upon the following considerations:

WHEREAS, a novel coronavirus, COVID-19, causes infectious disease and was first detected in Wuhan City, Hubei Province, China in December 2019, and symptoms of COVID-19 include fever, cough and shortness of breath and outcomes have ranged from mild to severe illness, and in some cases death; and

WHEREAS, on January 31, 2020, U.S. Department of Health and Human Services Secretary Alex M. Azar II declared a public health emergency for the United States to aid the nation’s health care community in responding to COVID-19; and

WHEREAS, the Centers for Disease Control and Prevention has determined that the virus presents a serious public health threat; and

WHEREAS, Humboldt County had its first confirmed case of COVID-19 on February 20, 2020, and the potential of more COVID-19 cases in Humboldt County is an imminent threat; and

WHEREAS, on March 4, 2020, Governor Gavin Newsom proclaimed a state of emergency to exist in California; and

WHEREAS, on March 11, 2020, Humboldt County Health Officer declared a Local Health Emergency pursuant to Humboldt County Code section 2210-8 for a up to seven (7) days in the county or any area thereof, including but not limited to an imminent and proximate public health threat of the introduction of any contagious, infectious, or communicable disease, chemical agent, noncommunicable biologic agent, toxin, or radioactive agent; and

WHEREAS, on March 13, 2020, President Donald J. Trump declared a federal state of emergency regarding the global pandemic caused by COVID-19; and

WHEREAS, on March 17, 2020, Humboldt County Board of Supervisors ratified the Humboldt County Health Officer’s March 11, 2020 Local Health Emergency Declaration; and

WHEREAS, COUNTY, by and through its Department of Health and Human Services – Public Health (“DHHS – Public Health”), desires to work collaboratively with MCKINLEYVILLE to deploy and operate COVID-19 testing operations; and

WHEREAS, COUNTY and MCKINLEYVILLE desire to enter into an agreement which sets forth each party’s rights and responsibilities regarding the operation thereof.

NOW THEREFORE, in consideration of the foregoing and the mutual promises contained herein, the parties hereto mutually agree as follows:

1. RIGHTS AND RESPONSIBILITIES OF THE PARTIES:

Each party hereto agrees to cooperate, coordinate and work collaboratively with the other party to deploy and operate COVID-19 testing operations, utilizing MCKINLEYVILLE’s facilities located at 1620 Pickett Road, McKinleyville, California, hereinafter referred to as “Facility,” in accordance with the requirements set forth herein and Exhibit A – Shared Responsibilities, which is attached hereto and incorporated herein by reference.

2. TERM:

This MOU shall begin on December 11, 2020 and shall remain in full force and effect until June 30, 2021, unless sooner terminated as provided herein.

3. TERMINATION:

- A. Breach of Contract. Either party may immediately terminate this MOU, upon written notice, in the event that the other party materially defaults in performing any obligation under this MOU, or violates any laws, regulations or standards applicable to its performance hereunder.
- B. Without Cause. Either party may terminate this MOU without cause upon thirty (30) days advance written notice which states the effective date of the termination.
- C. Insufficient Funding. COUNTY’s obligations under this MOU are contingent upon the availability of local, state and/or federal funds. In the event such funding is reduced or eliminated, COUNTY shall, at its sole discretion, determine whether this MOU shall be terminated. COUNTY shall provide MCKINLEYVILLE seven (7) days advance written notice of its intent to terminate this MOU due to insufficient funding.

6. NOTICES:

Any and all notices required to be given pursuant to the terms and conditions of this MOU shall be in writing and either served personally or sent by certified mail, return receipt requested, to the respective addresses set forth below. Notice shall be effective upon actual receipt or refusal as shown on the receipt obtained pursuant to the foregoing.

COUNTY: DHHS – Public Health
Attention: Michele Stephens, Director
529 I Street
Eureka, California 95501
Email: mstephens@co.humboldt.ca.us

MCKINLEYVILLE: McKinleyville Community Services District
Attention: Pat Kaspari
P.O. Box 2037
McKinleyville, California 95519
Email: pkaspari@mckinleyvillecsd.com

AND

MCKINLEYVILLE: McKinleyville Community Services District
Attention: Lesley Frisbee
P.O. Box 2037

7. REPORTING REQUIREMENTS:

Each party hereto agrees to prepare and submit any and all reports that may be required by local, state and/or federal agencies for compliance with this MOU. Any and all reports required hereunder shall be prepared in a format that complies with the Americans with Disabilities Act, and any other applicable local, state and federal accessibility laws, regulations and standards, and submitted in accordance with any and all applicable timeframes.

8. RECORD RETENTION AND INSPECTION:

- A. Maintenance and Preservation of Records. Each party hereby agrees to timely prepare accurate and complete records, documents and other evidence relating to its performance hereunder, and to maintain and preserve said records for a period of three (3) years after expiration or termination of this MOU, or as otherwise required by any and all applicable local, state and federal laws, regulations and standards, except that if any litigation, claim, negotiation, audit or other action is pending, such records shall be retained until completion and resolution of all issues arising therefrom.
- B. Inspection of Records. Each party hereby agrees to make all records, documents and other evidence relating to its performance hereunder available during normal business hours to inspection, audit and reproduction by any duly authorized local, state and/or federal agencies for a period of three (3) years after expiration or termination of this MOU, or as otherwise required by any and all local, state and federal laws, regulations or standards. Each party further agrees to allow interviews of any of its employees who might reasonably have information related to such records by any duly authorized local, state and/or federal agencies. All examinations and audits conducted pursuant to the terms and conditions of this MOU shall be strictly confined to those matters connected with its performance hereunder, including, without limitation, the costs of administering this MOU.
- C. Audit Costs. In the event of an audit exception or exceptions related to the performance of this MOU, the party responsible for not meeting the requirements set forth herein shall be responsible for the cost of the audit.

9. CONFIDENTIAL INFORMATION:

- A. Disclosure of Confidential Information. In the performance of this MOU, each party may receive information that is confidential under local, state or federal law. Each party hereby agrees to protect all confidential information in conformance with any and all applicable local, state and federal laws, regulations, policies, procedures and standards, including, without limitation: Division 19 of the California Department of Social Services Manual of Policies and Procedures – Confidentiality of Information; California Welfare and Institutions Code Sections 827, 5328, 10850 and 14100.2; California Health and Safety Code Sections 1280.15 and 1280.18; the California Information Practices Act of 1977; the California Confidentiality of Medical Information Act (“CMIA”); the United States Health Information Technology for Economic and Clinical Health Act (“HITECH Act”); the United States Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and any current and future implementing regulations promulgated thereunder, including, without limitation, the Federal Privacy Regulations contained in Title 45 of the Code of Federal Regulations (“C.F.R.”) Parts 160 and 164, the

Federal Security Standards contained in 45 C.F.R. Parts 160, 162 and 164 and the Federal Standards for Electronic Transactions contained in 45 C.F.R. Parts 160 and 162, all as may be amended from time to time.

- B. Continuing Compliance with Confidentiality Laws. Each party hereby acknowledges that local, state and federal laws, regulations and standards pertaining to confidentiality, electronic data security and privacy are rapidly evolving and that amendment of this MOU may be required to ensure compliance with such developments. Each party agrees to promptly enter into negotiations concerning an amendment to this MOU embodying written assurances consistent with the requirements of HIPAA, the HITECH Act, the CMIA and any other applicable local, state and federal laws, regulations or standards.

10. NON-DISCRIMINATION COMPLIANCE:

- A. Professional Services and Employment. In connection with the execution of this MOU, neither party shall unlawfully discriminate in the provision of professional services or against any employee or applicant for employment because of: race; religion or religious creed; color; age (over forty (40) years of age); sex, including, without limitation, gender identity and expression, pregnancy, childbirth and related medical conditions; sexual orientation, including, without limitation, heterosexuality, homosexuality and bisexuality; national origin; ancestry; marital status; medical condition, including, without limitation, cancer and genetic characteristics; mental or physical disability, including, without limitation, HIV status and AIDS; political affiliation; military service; denial of family care leave; or any other classifications protected by any applicable local, state or federal laws, regulations or standards. Nothing herein shall be construed to require employment of unqualified persons.
- B. Compliance with Anti-Discrimination Laws. Each party further assures that it will abide by the applicable provisions of: Title VI and Title VII of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; the Food Stamp Act of 1977; Title II of the Americans with Disabilities Act of 1990; the California Fair Employment and Housing Act; California Civil Code Sections 51, *et seq.*; California Government Code Sections 4450, *et seq.*; California Welfare and Institutions Code Section 10000; Division 21 of the California Department of Social Services Manual of Policies and Procedures; United States Executive Order 11246, as amended and supplemented by United States Executive Order 11375 and 41 C.F.R. Part 60; and any other applicable local, state and/or federal laws and regulations, all as may be amended from time to time. The applicable regulations of the California Fair Employment and Housing commission implementing California Government Code Section 12990, set forth in Sections 8101, *et seq.* of Title 2 of the California Code of Regulations are incorporated into this MOU by reference as if set forth in full.

11. NUCLEAR-FREE HUMBOLDT COUNTY ORDINANCE COMPLIANCE:

By executing this MOU, MCKINLEYVILLE certifies that it is not a Nuclear Weapons Contractor, in that MCKINLEYVILLE is not knowingly or intentionally engaged in the research, development, production or testing of nuclear warheads, nuclear weapons systems or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. MCKINLEYVILLE agrees to notify COUNTY immediately if it becomes a Nuclear Weapons Contractor as defined above. COUNTY may immediately terminate this MOU if it determines that the foregoing certification is false or if MCKINLEYVILLE subsequently becomes a Nuclear Weapons Contractor.

12. INDEMNIFICATION:

- A. Mutual Indemnity. Each party hereto shall hold harmless, defend and indemnify the other party and its agents, officers, officials, employees and volunteers from and against any and all claims, demands, losses, damages, liabilities, expenses and costs of any kind or nature, including, without limitation, attorney's fees and other costs of litigation, arising out of, or in connection with, the negligent performance of, or failure to comply with, any of the duties and/or obligations contained herein, except such loss or damage which was caused by the sole negligence or willful misconduct of the other party or its agents, officers, officials, employees or volunteers.
- B. Comparative Liability. Notwithstanding anything to the contrary, in the event that both parties are held to be negligently or willfully responsible, each party will bear their proportionate share of liability as determined in any such proceeding. In such cases, each party will bear their own costs and attorney's fees.
- C. Effect of Insurance. Acceptance of the insurance required by this MOU shall not relieve either party from liability under this provision. This provision shall apply to all claims for damages related to either party's performance hereunder, regardless of whether any insurance is applicable or not.

13. INSURANCE REQUIREMENTS:

- A. General Insurance Requirements. Without limiting the parties' indemnification obligations set forth herein, each party shall maintain in full force and effect, at its own expense, any and all appropriate comprehensive general liability, comprehensive automobile, workers' compensation and professional liability insurance policies.
- B. Insurance Notices. Any and all insurance notices required to be given pursuant to the terms and conditions of this MOU shall be sent to the addresses set forth below in accordance with the notice requirements contained herein.

COUNTY: County of Humboldt
 Attention: Risk Management
 825 Fifth Street, Room 131
 Eureka, California 95501

MCKINLEYVILLE: McKinleyville Community Services District
 Attention: Pat Kaspari
 P.O. Box 2037
 McKinleyville, California 95519
 Email: pkaspari@mckinleyvillecsd.com

AND

MCKINLEYVILLE: McKinleyville Community Services District
 Attention: Lesley Frisbee
 P.O. Box 2037
 McKinleyville, California 95519
 Email: lesley@mckinleyvillecsd.com

14. RELATIONSHIP OF PARTIES:

It is understood that this MOU is by and between two (2) independent entities and is not intended to, and shall not be construed to, create the relationship of agent, servant, employee, partnership, joint

venture or any other similar association. Each party shall be solely responsible for the acts or omissions of its agents, officers, employees, assignees and subcontractors.

15. COMPLIANCE WITH APPLICABLE LAWS, REGULATIONS AND STANDARDS:

- A. General Legal Requirements. Each party hereto agrees to comply with any and all local, state and federal laws, regulations, policies, procedures and standards, including, without limitation, any and all local, state and federal licensure, certification and accreditation requirements, applicable to its performance hereunder.
- B. Accessibility Requirements. Each party hereto agrees to comply with any and all applicable accessibility requirements set forth in the Americans with Disabilities Act, Section 508 of the Rehabilitation Act of 1973, as amended, California Government Code Section 1135 and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, the federal accessibility standards set forth in 36 C.F.R. Section 1194.1, all as may be amended from time to time.
- C. Conflict of Interest Requirements. Each party hereto agrees to comply with any and all applicable conflict of interest requirements set forth in the California Political Reform Act and any current and future implementing regulations, policies, procedures and standards promulgated thereunder, including, without limitation, COUNTY's Conflict of Interest Code, all as may be amended from time to time.

16. PROVISIONS REQUIRED BY LAW:

This MOU is subject to any additional local, state and federal restrictions, limitations or conditions that may affect the terms, conditions or funding of this MOU. This MOU shall be read and enforced as though all legally required provisions are included herein, and if for any reason any such provision is not included, or is not correctly stated, the parties agree to amend the pertinent section to make such insertion or correction.

17. REFERENCE TO LAWS, REGULATIONS AND STANDARDS:

In the event any law, regulation or standard referred to herein is amended during the term of this MOU, the parties agree to comply with the amended provision as of the effective date thereof.

18. PROTOCOLS:

Both parties agree that the inclusion of additional protocols may be required to make this MOU specific. All such protocols shall be negotiated, determined and agreed upon by both parties hereto.

19. SEVERABILITY:

If any provision of this MOU, or any portion thereof, is found by any court of competent jurisdiction to be unenforceable or invalid for any reason, such provision shall be severable and shall not in any way impair the enforceability of any other provision of this MOU.

20. ASSIGNMENT:

Neither party shall delegate its duties nor assign its rights hereunder, either in whole or in part, without the other party's prior written consent. Any assignment in violation of this provision shall be void, and shall be cause for immediate termination of this MOU. This provision shall not be applicable to

service agreements or other arrangements usually or customarily entered into by either party to obtain supplies, technical support or professional services.

21. AGREEMENT SHALL BIND SUCCESSORS:

All provisions of this MOU shall be fully binding upon, and shall inure to the benefit of, the parties and to each of their heirs, executors, administrators, successors and permitted assigns.

22. NO WAIVER OF DEFAULT:

The waiver by either party of any breach of this MOU shall not be deemed to be a waiver of any such breach in the future, or of the breach of any other requirement of this MOU.

23. NON-LIABILITY OF OFFICIALS AND EMPLOYEES:

No official or employee of either party shall be personally liable for any default or liability under this MOU.

24. AMENDMENT:

This MOU may be amended at any time during the term hereof upon the mutual consent of both parties. No addition to, or alteration of, the terms of this MOU shall be valid unless made in writing and signed by an authorized representative of each party hereto.

25. STANDARD OF PRACTICE:

Each party warrants that it has the degree of learning and skill ordinarily possessed by reputable professionals practicing in similar localities in the same profession and under similar circumstances. Each party's duty is to exercise such care, skill and diligence as professionals engaged in the same profession ordinarily exercise under like circumstances.

26. JURISDICTION AND VENUE:

This MOU shall be construed in accordance with the laws of the State of California. Any dispute arising hereunder, or relating hereto, shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to California Code of Civil Procedure Sections 394 or 395.

27. ADVERTISING AND MEDIA RELEASE:

Each party shall obtain the written approval of the other party before any informational material related to this MOU may be used as advertising or released to the media, including, without limitation, television, radio, newspapers and internet. Each party shall inform the other party of any and all requests for interviews by media related to this MOU before such interviews take place; and the other party shall be entitled to have a representative present at such interviews. All notices required by this provision shall be given to the Director in accordance with the notice requirements set forth herein.

28. SUBCONTRACTS:

Each party shall obtain prior written approval from the other party, which shall not be unreasonably withheld, before subcontracting any of its duties or obligations hereunder. Any and all subcontracts shall be subject to all applicable terms and conditions of this MOU, including, without limitation, the

confidentiality, licensing and certification requirements set forth herein. Each party shall remain legally responsible for the performance of all terms and conditions of this MOU, including, without limitation, any and all duties performed by third parties under subcontracts, whether approved by the other party or not.

29. SURVIVAL OF PROVISIONS:

The duties and obligations of the parties set forth in Section 8 – Record Retention and Inspection, Section 9 – Confidential Information and Section 12 – Indemnification shall survive the expiration or termination of this MOU.

30. CONFLICTING TERMS OR CONDITIONS:

In the event of any conflict in the terms or conditions set forth in any other agreements in place between the parties hereto and the terms and conditions set forth in this MOU, the terms and conditions set forth herein shall have priority.

31. INTERPRETATION:

This MOU, as well as its individual provisions, shall be deemed to have been prepared equally by both of the parties hereto, and shall not be construed or interpreted more favorably for one (1) party on the basis that the other party prepared it.

32. INDEPENDENT CONSTRUCTION:

The titles of the sections and subsections set forth herein are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of the provisions of this MOU.

33. FORCE MAJEURE:

Neither party hereto shall be liable or responsible for delays or failures in performance resulting from events beyond the reasonable control, and without the fault or negligence, of such party. Such events shall include, without limitation, acts of God, strikes, lockouts, riots, acts of war, epidemics, pandemics, acts of government, fire, power failures, nuclear accidents, earthquakes, unusually severe weather, acts of terrorism or other disasters, whether or not similar to the foregoing.

34. ENTIRE AGREEMENT:

This MOU contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this MOU shall be deemed to exist or to bind either of the parties hereto. In addition, this MOU shall supersede in their entirety any and all prior agreements, promises, representations, understandings and negotiations of the parties, whether oral or written, concerning the same subject matter. Any and all acts which may have already been consummated pursuant to the terms and conditions of this MOU are hereby ratified.

35. COUNTERPART EXECUTION:

This MOU, and any amendments hereto, may be executed in one (1) or more counterparts, each of which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. This MOU, and any amendments hereto, may be signed by manual or electronic signatures in accordance with any and all applicable local, state and federal laws, regulations and standards, and such signatures shall constitute original signatures for all purposes. A

signed copy of this MOU, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this MOU and any amendments hereto.

36. AUTHORITY TO EXECUTE:

Each person executing this MOU represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this MOU. Each party represents and warrants to the other that the execution and delivery of this MOU and the performance of such party's obligations hereunder have been duly authorized.

[Signatures on Following Page]

IN WITNESS WHEREOF, the parties have entered into this MOU as of the date first written above.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT:

By: _____

Date: _____

Name: _____

Title: _____

By: _____

Date: _____

Name: _____

Title: _____

COUNTY OF HUMBOLDT:

By: _____

Date: _____

Michele Stephens, Director
DHHS – Public Health
*(Pursuant to the authority granted by the
Humboldt County Board of Supervisors
on March 26, 2020 [Item D-1])*

INSURANCE AND INDEMNIFICATION REQUIREMENTS APPROVED:

By: _____

Date: _____

Risk Management

LIST OF EXHIBITS:

Exhibit A – Shared Responsibilities

EXHIBIT A
SHARED RESPONSIBILITIES
MCKINLEYVILLE
For Fiscal Year 2020-2021

1. RESPONSIBILITIES OF MCKINLEYVILLE:

- a. Provide access to, and use of, its Facility as needed by COUNTY for COVID-19 operations. Operations include, without limitation, COUNTY's COVID-19 testing services. Access to the Facility is restricted to COUNTY and Optum staff only and is limited to the following locations:
 - i. The Facility's entryway; and
 - ii. The Facility's restrooms.
- b. Provide use of the Facility's surrounding parking lot for the purposes of resident and COUNTY staff parking.
- c. Provide use of its Facility between the hours of 7:00 AM and 7:00 PM every Friday until the termination of this MOU.

2. RESPONSIBILITIES OF COUNTY:

- a. Provide an estimated timeline for the duration of use of MCKINLEYVILLE's Facility.
- b. Provide a list of COUNTY contacts to MCKINLEYVILLE.
- c. COUNTY is responsible for the collection and disposal of any non-traditional/hazardous waste, including, without limitation, medical waste.
- d. Coordinate the demobilization and return of the Facility at the termination of this MOU.
- e. Return the Facility back to the original condition in which they were at the commencement of this MOU and at the end of each weekly use.
- f. COUNTY will notify MCKINLEYVILLE of the closing date for the testing operations.

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.1 **MCSD Employee of the Year presentation to Drew Small**

PRESENTED BY: **Pat Kaspari, General Manager**

TYPE OF ACTION: **None**

Recommendation:

Recognize Drew Small as Employee of the year and participate in the presentation of this award to him.

Discussion:

Each year, McKinleyville Community Services District (MCSD) employees vote for Employee of the Year. This award and recognition were started by Norman Shopay in 2009.

Previous awardees are:

Sharon Denison, 2009
Tony Rutten, 2010
James Henry, 2011
Lesley Frisbee, 2012
William McBroome, 2013
David Baldosser, 2014
Diane Sloan, 2015
Chris Jones, 2016
Jennifer Olsen, 2017
Erik Jones, 2018
P. Kyle Stone, 2019

The employee of the year is a person who has brought about significant positive change, eliminates obstacles in achieving District goals and objectives, is resourceful, contributes constructively, is innovative, exceeds expectations, inspires others, proactively identifies and resolves challenges. The employee of the year is chosen through a secret ballot by their peers as judged upon merit. The 2020 Employee of the Year Award goes to Drew Small.

Drew is very much appreciated and admired by his peers. His hard work at the Wastewater Management Facility has most definitely not gone unnoticed. He takes responsibility and ownership of the treatment process, strives to be the best he can be, and really takes pride in a job well done. He is a natural leader and inspires others. His solutions-oriented attitude helps to make the work of the district more efficient and effective.

Drew also has a lifelong love of learning and approaches it with passion. He continues to strive for perfection and has the certifications to prove it. Drews goal is to move up through the District to someday be the General Manager, and we have no doubt that he will accomplish that some day.

Drew will hold this distinction for the 2021 calendar year with a new employee of the year crowned at the end of 2021.

Alternatives:

Take Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments

- None

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2020

TYPE OF ITEM: **ACTION**

ITEM: E.2 **Consideration of Burris Appeal**

PRESENTED BY: **Pat Kaspari, General Manager**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the appeal application from Hal and Carol Burris, consider testimony related to the appeal and consider the appeal.

Discussion:

As presented at the December 2, 2020 Regularly scheduled Board Meeting, Carol and Hal Burris had a water leak in October 2020. MCSD noted the leak after the October meter read and called Mr. Burris who requested the service be shut off. He then located and fixed the break immediately after he was notified of the leak (see **Attachment 1** for site photos). However, the leak was perfectly timed in that it was leaking very slowly at the September read, but then it broke right after the September read, leaked all of October, and was noticed after the October meter read. Meanwhile enough water went through the meter to cause a bill of \$1,947.10. It appeared that the leak was caused by others driving over the water meter box, causing it to sink, which then caused stress on a section of the pressure reducing valve (PRV) located on the customer side of the meter, resulting in a break and the massive leak.

Per MCSD Water leak Adjustment Policy (**Attachment 2**) the maximum amount of any single adjustment by the General Manager shall not exceed \$750.00. As discussed at the December Board Meeting, the Burris' are appealing the leak adjustment amount limit because they feels this was something that was out of their control as they did not choose the location of the meter box nor installed the meter box.

As directed by the Board, Operations Director Henry and GM Kaspari met Mr. Burris at his home on Monday, December 7th. They reviewed the location of the meter box and possible remedies to prevent future damage to the meter box and connected piping. The recommended solution that was agreed upon by all parties, included the District raising the meter box back up and installing gravel under it to try to prevent future sinking. Mr. Burris was then going to extend his piping with thicker walled pipe and install a concrete pad around the box to further protect it. District Staff went out and raised the box on Wednesday, December 9.

The remaining item is the bill amount. Per **Attachment 3**, the total bill, minus the typical water charge is \$1,933.90. Mr. Burris feels like if he would have been notified sooner per the leak flag that was being coded with the flow data, the leak would have been fixed earlier. It should be noted that the line and PRV on the customer side of the meter were located just below the meter box, so any settlement of the box could/did break the line. The location of the meter box was also selected by the original homeowner. That all being said, all parties agreed we would ask the Board for a 75/25 split, or the District cover \$1,450.43 and Mr. & Mrs. Burris cover \$483.48 plus \$13.20 from their regular bill or \$496.68 of the bill.

In accordance with McKinleyville Community Services District Rules and Regulations, the procedure for appeals is as follows:

REGULATION 65 - APPEALS

Rule 65.01. APPEALS - the Board may, in specific cases, grant an appeal from any decision made by staff applying the standards incorporated into these Rules and Regulations whenever it finds:

- (a) that special circumstances exist in a particular case, and
- (b) that practical difficulties or unnecessary hardship would result from strict interpretation and enforcement of any standard, and
- (c) that the granting of such an appeal would not tend to defeat the purposes of these Rules & Regulations. The Board may place conditions upon the approval of an appeal.

Alternatives:

Deny the appeal and conform with leak adjustment limit of \$750.00

Fiscal Analysis:

Subject to the water leak adjustment limit, the total adjustment would be \$750.00. If the Board approves the appeal, the agreed on adjustment will be \$1,450.43.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Burris Water Meter Box Pictures
- Attachment 2 – MCSD Water Leak Adjustment Policy
- Attachment 3 – Water Leak Adjustment Calculations
- Attachment 4 – Original Leak Adjustment Request and Appeal











PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519



MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8456

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9003
FAX: (707) 839-5964

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

WATER LEAK ADJUSTMENT POLICY

In order to promote water conservation, The General Manager or designee is authorized to consider a potential adjustment to a customer's water and sewer bill for up to two months out of any 24-month period. The customer must prove that the excess usage occurred as a result of a water leak and that the leak has been repaired. Listed below are the conditions required to be eligible for an adjustment:

1. Customers may apply for a water leak adjustment by completing a Water Leak Adjustment Request Form available at the MCSD office, 1656 Sutter Road, McKinleyville.
2. Customers will provide receipts for parts or a copy of the plumber's bill if available. If no receipts are provided, the District may wait until the next scheduled meter read date to verify that the leak has been repaired.
3. The adjustment may be calculated as up to 50% of the difference between the actual water charge for the month of the leak and the average monthly charge based on a three month average from the prior year or the longest period of the customer's use, if less than 3 months.
4. The maximum amount of any single adjustment by the General Manager shall not exceed \$750.00.
5. The decision of the General Manager shall be final unless the Board Chairman finds there would be good cause for a Board hearing or appeal.

Page 2: Water Leak Adjustment Form

Revised May 2, 2018 by Board action

McKinleyville Community Services District
1656 Sutter Road
McKinleyville, Ca 95519
(707) 839-3251

Water Leak Adjustment Request

Date: _____

Name: _____ Phone Number: _____

Service Address: _____

Explanation of leak repair: _____

Date repaired: _____

If available, please provide receipts for parts or a copy of the plumber's bill. IF NO RECEIPTS ARE PROVIDED, THE DISTRICT MAY WAIT UNTIL THE NEXT SCHEDULED METER READ DATE TO VERIFY THAT THE LEAK HAS BEEN REPAIRED.

IF THIS ADJUSTMENT IS ACCEPTED, YOU WOULD NOT BE ELIGIBLE FOR ANOTHER ADJUSTMENT FOR 2 YEARS.

Signature: _____

FOR OFFICE USE ONLY

Customer # _____

Rte/Svc _____

Customer Notified _____

Water Credit \$ _____

Listed In File _____

Sewer Credit \$ _____

Line 11 Noted _____

Total Credit \$ _____

Adjustment Done _____

Supervisor Approval _____

District Manager Approval _____

BUR0042

Leak Months: 10/2020

Date WLA Received: 10/22/2020

of Units: 1

MONTH 1

Water Use in leak month 334 ccf
 Average Water Use Prior 3 months/last year 4 ccf
 Leak month sandwich!

		Month 0	334.0
Total Water Charge	\$1,947.10	Month -1	8.00
Total Water Charge Prior 3 months/last year	\$13.20	Month -2	3.00
		- Month -3	1.00
Excess Water Use Charges	\$1,933.90		
	x 50%	12.0	Total
Water Leak Adjustment (not to exceed \$750.00)	\$966.95		4 Average

Sewer Charge \$32.76
 Average Sewer Charge Prior 3 months/last year \$10.92

Sewer Leak Credit	\$21.84
-------------------	---------

Available Credit NOT TO EXCEED \$750	\$750.00
--------------------------------------	----------

McKinleyville Community Services District
1656 Sutter Road
McKinleyville, Ca 95519
(707) 839-3251

RECEIVED
OCT 22 2020
McK. C.S.D.

Water Leak Adjustment Request

Date: 10-22-2020

Name: Hal Burris Phone Number: [REDACTED]

Service Address: [REDACTED]

Explanation of leak repair: Meter Box was forced down on the meter. Meter has check valve and PRV attached to it so the stress point snapped the PVC fitting on customers side of PRV.

Date repaired: 10-9-2020

If available, please provide receipts for parts or a copy of the plumber's bill. IF NO RECEIPTS ARE PROVIDED, THE DISTRICT MAY WAIT UNTIL THE NEXT SCHEDULED METER READ DATE TO VERIFY THAT THE LEAK HAS BEEN REPAIRED.

IF THIS ADJUSTMENT IS ACCEPTED, YOU WOULD NOT BE ELIGIBLE FOR ANOTHER ADJUSTMENT FOR 2 YEARS.

Signature: Hal Burris

FOR OFFICE USE ONLY

Customer # BUR0042

Rte/Svc 009-0180

Customer Notified _____

Water Credit \$ 750.00

Listed In File _____

Sewer Credit \$ —

Line 11 Noted _____

Total Credit \$ 750.00

Adjustment Done _____

Supervisor Approval [Signature]

District Manager Approval [Signature]

Meter not moving
No leak code
3337 510 9237
COV 801
10/22/20

RECEIVED

NOV 13 2020

McK. C.S.D.

APPEAL APPLICATION

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

1. NAME: Carol & Hal Burris

2. MAILING ADDRESS: [REDACTED]

3. TELEPHONE ADDRESS: [REDACTED] 4. Account # BUR0042

5. DESCRIBE DECISION BEING APPEALED: A one time adjustment of only \$750 on a \$2,000 bill.

6. EXPLAIN UNIQUE NATURE OF SITUATION: This was not a leak it was a break caused by traffic drivers/parking on the meter box. The meter box is now roughly 4 inches below ground level

7. EXPLAIN HARDSHIP IF STAFF DECISION ENFORCED: We will be penalized for something that was out of our control. We did not choose the location of the meter box nor did we install the meter box.

8. EXPLAIN HOW APPROVAL WOULD NOT DEFEAT PURPOSE OF STANDARD This is not a case of a water hose left on, or a worn out seat on a faucet that was allowed to run over a prolonged period. It was a break that was fixed right away.

Signed: Hal Burris Date: 11-13-2020

Receipt #: 32184 Date: 11/13/2020

NOTE: \$25 FILING FEE IS NON-REFUNDABLE

"Appeal"/MOUSE

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2020

TYPE OF ITEM: **ACTION**

ITEM: E.3 **Consider Participation in Feasibility Analysis to Extend HBMWD Water Service to Trinidad Rancheria**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review information provided, discuss, take Public Comment and approve working with HBMWD and Trinidad Rancheria to assess the feasibility of extending water service to the Rancheria via wheeling HBMWD water through the MCSD water distribution system. Staff further recommends that any feasibility studies remain cost neutral for MCSD and direct costs be borne by those interested in being served.

Discussion:

Humboldt Bay Municipal Water District (HBMWD) General Manager, John Friedenbach, submitted a letter to MCSD inquiring whether we would be willing to participate in investigating the feasibility of connecting a line extension to Trinidad Rancheria from the MCSD water distribution system (See **Attachment 1**). HBMWD would like to know whether MCSD is willing to even consider the concept of a line extension from the north end of MCSD's distribution grid. If MCSD is unwilling to allow the possibility of a connection, then the feasibility analysis would not bother to explore this alternative and would have to pursue other options.

Trinidad Rancheria has approached HBMWD to determine their willingness to provide water to the Rancheria to supplement the water from the City of Trinidad. HBMWD is the regional water wholesaler and their District Boundaries coincides generally with the MCSD boundary to the north, but since they are a water wholesaler, it would be possible for them to obtain a change in point of use from the State Water Resources Control Board to serve the Rancheria. MCSD's Service Area Boundaries end at Dows Prairie to the north, so we could not sell water directly to the Rancheria without approval from LAFCo to revise our Service Area Boundaries. However, HBMWD could likely utilize MCSD's system for "wheeling" water to the Rancheria. The MCSD system would then basically serve as an extension of the HBMWD distribution system. A waterline would still have to be constructed from the north end of the MCSD system to the Rancheria, but the use of the MCSD system would eliminate the need to construct a line from the HBWMD system in Arcata to the Rancheria. If this alternative is deemed feasible, the retail water contract would be between HBMWD and the

Rancheria; however, there would also need to be a contract between HBMWD and MCSD to recoup our costs for the use of our system.

There are numerous other questions and concerns associated with this alternative and the overall discussion of a waterline extension to the Trinidad Rancheria. The feasibility study would begin to address these questions, and again, HBMWD is interested at this juncture only in whether MCSD is willing to consider this alternative.

There are also various other community concerns, opinions, and background materials on this option for providing water to Trinidad Rancheria. Staff has included as **Attachment 2**, several letters, news articles and other background materials that have been included in the HBMWD Board packets at their June, July, August, October, November, and December Board meetings.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

The short-term fiscal analysis is expected to be minimal, assuming the Board does agree with Staff's recommendation that the costs associated with the preparation of the feasibility study be borne by others. A long-term fiscal analysis has not been completed, but it is expected it would be part of the feasibility study in order to develop a cost of the water to the Rancheria. Costs for the water would have to cover HBMWD's wholesale costs as well as the energy, system wear, and administration costs that MCSD would be paid for wheeling the water through our system.

Environmental Requirements:

Not applicable at this juncture. Any construction/connection would require CEQA analysis and permitting as well as other Local, State and Federal permits.

Exhibits/Attachments:

- Attachment 1 – HBMWD Letter to MCSD
- Attachment 2 – HBMWD Board Packet information including letters and articles



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

MICHELLE FULLER, DIRECTOR

DAVID LINDBERG, DIRECTOR

December 4, 2020

GENERAL MANAGER

JOHN FRIEDENBACH

Board of Directors
McKinleyville Community Services District
1656 Sutter Road
McKinleyville CA 95519

Re: Participation in Feasibility Analysis to Extend HBMWD service to Trinidad Rancheria

Dear Board Members,

As you may be aware, our District has been approached by the Trinidad Rancheria to explore the feasibility of extending municipal water service to their tribal lands near the City of Trinidad. Our District is in the initial stages of its investigation and analysis of this possibility. In that regard, we would like inquire if the MCSD would be willing to investigate the feasibility of possibly connecting to your distribution grid's northern area for a possible water line extension. Please note that the feasibility analysis does not obligate or otherwise determine whether a waterline extension will be constructed.

For a waterline extension to the Trinidad Rancheria to be economically feasible, the most logical beginning point is at the northern end of your distribution grid. As you know, sizing a waterline extension is dependent upon the water consumption demands by the end users. Furthermore, in this situation, the needs and capacity of MCSD's consumers and system would need to be considered in the feasibility analysis. It is in that regard that we would like to begin preliminary discussions with your district.

The HBMWD Board directed that a feasibility analysis for the Rancheria move forward, so we respectfully request that you provide us with your decision no later than by February 4, 2021.

HBMWD staff or Directors are available to attend a MCSD board or committee meeting to answer any questions that you or your constituents may have regarding this feasibility analysis.

Respectfully,

John Friedenbach

General Manager

Cc: Pat Kaspari, General Manager MCSD
Steve Madrone, 5th District Supervisor



Cher-Ae Heights Indian Community of the Trinidad Rancheria

June 4, 2020

John Friedenbach, General Manager
 Humboldt Bay Municipal Water District
 PO Box 95
 Eureka, CA 95502-0095

Dear John:

On behalf of the Cher-Ae Heights Indian Community of the Trinidad Rancheria, please accept this letter as our formal request to enter into Government to Government Consultation with the Humboldt Bay Municipal Water District (HBMWD). As per earlier conversations, the Tribe would like to work with HBMWD to develop the infrastructure to receive water at the Trinidad Rancheria Main Trust Parcel. We are interested in direct service from HBMWD to the Rancheria.

I have attached some historical documents from 2015 when the Rancheria began discussion with HBMWD. Carol Rische, General Manager at that time sent us a letter dated May 12, 2015, (attached), regarding the possibility of a broader effort to address connecting outlying communities to the regional water system. A Reconnaissance Level Assessment for Water Distribution Pipeline North to the Trinidad Area was completed by GHD for HBWMD. Subsequently, the City of Trinidad decided not to pursue the water infrastructure project at that time and the planning effort came to a standstill.

Trinidad Rancheria embarked upon a master planning effort in 2009 – 2011. We were successful in creating a “Comprehensive Community-Based Plan.” This plan includes Goals and Policies for Land Use, Transportation, Housing, Economic Development, Cultural Resources, including Marine Planning, and the Trinidad Harbor Development.¹

The Tribe must have the ability to develop its lands and resources for the overall well-being of the Trinidad Rancheria Tribal Membership. Water is an integral and basic necessity for all peoples and in order to reach our goals and objectives we must find alternative water sources.

¹ Comprehensive Community Based-Plan, December 2011, Prepared by Local Government Commission, Michael Sweeney, AICP, Opticos Design, Inc., Sherwood Engineers

Please present this request to your Board of Directors at their upcoming Board meeting on June 11, 2020. We are happy to meet via a zoom meeting or conference call to discuss next steps. Please contact our Chief Executive Officer, Jacque Hostler-Carmesin at (707) 677-0211 or jhostler@trinidadrancheria.com , to confirm a meeting with the Tribal Council.

Respectfully,

A handwritten signature in black ink that reads "Garth Sundberg". The signature is written in a cursive, slightly slanted style.

Garth Sundberg
Tribal Chairman
Trinidad Rancheria



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

BOARD OF DIRECTORS

BARBARA HECATHORN, PRESIDENT
ALDARON LAIRD, VICE-PRESIDENT
J. BRUCE RUPP, SECRETARY-TREASURER
KAITLIN SOPOCI-BELKNAP, DIRECTOR
SHERI WOO, DIRECTOR

GENERAL MANAGER
CAROL RISCHE

Trinidad Rancheria
RECEIVED ON:

MAY 12 2015

Received By:
Administration/Reception

May 7, 2015

Jacque Hostler-Carmesin
Chief Executive Officer
Trinidad Rancheria
PO Box 630
Trinidad, CA 95570

Dan Berman
City Manager
City of Trinidad
PO Box 390
Trinidad, CA 95570

RE: Reconnaissance Level Assessment- Water Distribution Pipeline North to Trinidad

Dear Ms. Hostler-Carmesin and Mr. Berman,

We appreciate your potential interest in exploring the feasibility of Trinidad Rancheria, the City, and possibly neighboring communities connecting to Humboldt Bay Municipal Water District's regional water system. Following our discussion earlier this year, we requested a proposal from GHD for a reconnaissance-level study exploring routes, design considerations and developing a preliminary cost estimate.

Attached for your review and consideration is their proposal. In addition to the reconnaissance-level pipeline study, an optional activity is included which would provide additional detail to support the design.

We understand that costs are a consideration, and that you may not have the means to fund a study such as this.

There is a possibility of a broader effort to address how outlying communities can connect to the regional water system. Last year, we received a similar inquiry from parties south of our District and prepared a proposal to explore routes and costs to serve them. We discussed the possible interest of outlying communities connecting to the regional system with Tony Weidemann, CA Division of Drinking Water. He informed us that a possible funding mechanism is the Safe Drinking Water State Revolving Fund program. We checked and they offer planning grants which may fund reconnaissance studies such as these, especially given the drought.

We are available to answer any questions, and would be happy to bring all parties together to discuss the level of interest and next steps to try to secure funding.

Sincerely,



Carol Rische
General Manager

Enclosure:

Scope and Budget for Reconnaissance Level Assessment - Water Distribution Pipeline North to Trinidad area

cc: David Hull, General Manager, Humboldt CSD
Greg Orsini, General Manager, McKinleyville CSD
Kyle Knopp, City Manager, Rio Dell
Merritt Perry, Engineer, Fortuna
Pat Kaspari, District Engineer, GHD
Tony Weidemann, CA Division of Drinking Water



Ref: 8411312

April 23, 2015

Ms. Carol Rische
Humboldt Bay Municipal Water District
828 Seventh Street
Eureka, CA 95501

**Re: Scope and Budget for Reconnaissance Level Assessment
Water Distribution Pipeline North to the Trinidad area**

Dear Carol,

The following is a scope and cost estimate to provide a reconnaissance-level assessment as part of the Water Resource Planning effort for feasible pipeline routes to transfer HBMWD water north to Westhaven, City of Trinidad and Trinidad Rancheria area. In general, the scope will consist of updating the alternative pipeline alignments presented in previous studies, and updating the cost estimated for construction to current dollars. An additional alignment utilizing Green Diamond lands will also be assessed. The scopes for this task as well as additional alternative tasks are detailed below:

Task 1 – Reconnaissance Level Pipeline Study

This task will include a review of the previous studies of potential pipeline routes from HBMWD to the Trinidad area. Studies to be reviewed include:

1. *HBMWD, Report Concerning McKinleyville-Trinidad Area Water Service*, HBMWD, April 21, 1967
2. *City of Trinidad, Water Supply Feasibility Study, Technical Memorandum No. 9*, HBMWD Technical Feasibility, Winzler & Kelly, November 2001
3. *City of Trinidad, Water Supply Feasibility Study, Technical Memorandum No. 12, Cost Comparison*, Winzler & Kelly, April 2002
4. *City of Trinidad, Preliminary Engineering Report*, Winzler & Kelly, June 2008

All of these reports assess a 12-inch diameter pipeline from the McKinleyville CSD water system near Dows Prairie running to the north on one of three potential routes including:

1. North from the MCSD system at Dows Prairie along County roads to Little River, west under Hwy 101 at the Little River Bridge, then North along Scenic Drive and Westhaven Drive to the City of Trinidad's water treatment plant.
2. Route 2 would begin the same as Route 1, but stay on the east side of Hwy 101 at Little River to Westhaven Drive, and follow Westhaven Drive to the Treatment Plant.
3. Route 3 follows County roads. It begins the same as the previous routes at Dows Prairie, but heads east on Crannell Road to Hammond Truck Road where it would cross Little River on the existing bridge and continue to work north and west to Westhaven Drive and the treatment plant.

Recent discussions with Green Diamond Company suggest that they may be willing to allow use of their lands and roads for a pipe installation and a route through their lands will also be evaluated.

Each of these alignments will be assessed for feasibility, including a desk top analysis and consideration of the following factors:

- Assessment of pipeline and booster pumps stations sized to convey appropriate quantities of water
- Constriction points of the existing HBMWD/MCSD systems that would limit water delivery and potential remedies to any identified constrictions

GHD Inc.

718 Third Street Eureka CA 95501 USA
T 1 707 443 8326 F 1 707 444 8330 E eureka@ghd.com W www.ghd.com



Ms. Carol Rische
April 23, 2015
Page 2

- Topographic relief
- Public or utility right-of-way availability
- Constructability impacts
- Environmental impacts (qualitative assessment only, e.g. this alignment crosses 20 salmonid bearing streams, each of which will require a Dept. of Fish & Wildlife 1600 permit, etc.)
- Potential general impacts to cities, roads, railways, other major utilities
- Construction cost
- Operation and maintenance costs

The previous cost estimates developed in 2002 and 2008 will be reviewed and adjusted to 2015 dollars and a Class 4 Opinion of Probable Construction Cost estimate meeting the requirements of the Association for the Advancement of Cost Engineering (AACE) International will be developed for each of the transmission routes identified. Along with the construction cost, costs for engineering design, permitting construction monitoring, environmental monitoring, and environmental mitigation will also be prepared for each alternative. All costs will be prepared in 2015 dollars and escalation factors used to project costs out for the next 10 years.

A Draft Reconnaissance Study will then be prepared detailing the alternative alignments and feasibility as well as the anticipated Opinion of Probable Construction Costs and engineering and permitting costs. The Draft Reconnaissance Study will be presented to District Staff as well as Water Resource Committee members for review. Comments on the Draft Study will be incorporated, and a Final Reconnaissance Study will be prepared and submitted to the District.

Deliverables:

- Five (5) hardcopies Draft Reconnaissance Study
- Eight (8) hardcopies and one (1) electronic copy in .pdf format of Final Reconnaissance Study.

Professional Service Fee

GHD will provide the above described scope of services on a Time and Material Basis at our Standard Labor Rates in place at the time of execution of the work. The estimated cost for this scope of work is:

Task 1-Reconnaissance Level Pipeline Study	\$15,000
--	----------

Potential Additional Tasks

The intent of Task 1 is to provide a very high level Reconnaissance Study to assess feasible route(s) and options for providing water to the Trinidad area and provide an order of magnitude construction cost for such. There are a number of additional Tasks that could also be performed to further refine this study and provide more accurate assessments of the feasible route and/or construction and permitting costs. These alternative tasks are detailed below.

Alternative Task A - Needs Assessment

This Task would consist of a needs assessment for the communities of Westhaven and Trinidad, as well as the other communities along the route including the Trinidad Rancheria, and areas north and east of Trinidad/Westhaven. GHD will contact representatives of each of these communities and discuss the project and review their current and projected potable water needs. GHD will also obtain and review copies of any recently completed water demand and/or rate studies. GHD will also review the Water Resource section of the Humboldt County General Plan update and include their projections for potable water demand and water infrastructure updates recommended for these communities. This information



Ms. Carol Rische
April 23, 2015
Page 3

will be summarized in a Technical Memorandum and reviewed with HBMWD Staff. GHD will then work with HBMWD staff to finalize which communities to include in the overall study and will utilize the projected flows for these communities to size the pipeline analyzed in Task 1. Additional lateral lines to these communities can also be included in the construction cost estimate for Task 1, but the extent of these service laterals is unknown at this time and is not included in the cost below.

Deliverables:

- Electronic version of Needs Assessment Technical Memo
- Flow studies and pipeline sizing to be included in the Final Reconnaissance Study.

Fee

All Task A-Need Assessment \$10,000

General Assumptions/Exclusions

This proposal is based on the following assumptions:

1. Field work, including, but not exclusive to geotechnical, survey, or right-of-way acquisition work, is not included in this scope.
2. California Environmental Quality Act (CEQA) studies or permitting are not included.
3. Scope includes only review of Public Right-of-Way alignments and discussions with Green Diamond Company and does not include other discussions with private individuals or businesses for use of their land for right-of-way.
4. Does not include any public meetings or discussions with other parties other than those identified in the scope.

Schedule

GHD proposes to complete the Draft Reconnaissance Study within eight (8) weeks of the receipt of a signed contract. The Final Reconnaissance Study will be completed within two (2) weeks of receipt of comments on the Draft Final Study.

As always, we appreciate the opportunity to assist you on this project. Please do not hesitate to call me if you have any questions.

Sincerely,

Patrick Kaspari, P.E.
District Engineer

Tug-of-water: Trinidad Rancheria says city not acting in good faith

Boutique hotel could come to Trinidad's Main Street



With its latest design, the Trinidad Rancheria's hotel project is intended to be more compatible with the surrounding bay. (Contributed)

SHOMIK MUKHERJEE | smukherjee@times-standard.com |

PUBLISHED: May 18, 2020 at 3:11 p.m. | UPDATED: May 18, 2020 at 3:11 p.m.

The controversial hotel project in Trinidad brinks on the city's agreement to supply the five-story, 100-room development with water, an amount the tribe says is more than adequate but believes the city is refusing to part with.

In a letter dated May 13, tribal Chairman Garth Sundberg accuses the city of not demonstrating good faith in discussions over its ability to provide water for the hotel. The city has considered supporting the development of a separate hotel to be built on Trinidad's Main Street, which a tribal executive said would be a source of competition for the city's water supply.

If the city doesn't play ball, tribal officials will refuse to help the city to complete a stormwater management project on tribal property.

"Surprisingly, rather than working as a partner with the Trinidad Rancheria, the City appears prepared to use its control of the water system, which draws water from outside of the city, to deny the Trinidad Rancheria the most basic and necessary resources," the letter states.

On Monday, tribe CEO Jacque Hostler-Carmesin said the tribe is trying to foster positive dialogue with city officials, even giving a presentation recently that outlined the rancheria's history of offering help to the city on various projects.

In recent months, however, the Trinidad City Council has drafted a water policy that projects a limited water supply, especially in climate change-influenced dry years,

available to the city's residents alone. The rancheria is looking to use 10,000 gallons a day for its hotel.

"We're willing to work with the city in the good years and the lean years," Hostler-Carmesin said. "So far, the rancheria has contributed over \$850,000 to the city's water infrastructure, and we are very willing to look at the new projects outlined in (engineering) studies and request funding for those projects as well."

Now the tribe is threatening to refuse the city "any right to use its land" to rest a stormwater vault, part of a city-led infrastructure project. The council during a special meeting this week will discuss a new memorandum of understanding, or an informal agreement with the tribe to begin new discussions about the city's ability to provide water for the hotel.



Trinidad Rancheria CEO Jacquie Hostler-Carmesin argued for 100-room hotel project's future at the California Coastal Commission meeting in August. (Shomik Mukherjee — The Times-Standard file)

Meanwhile, Hostler-Carmesin said the tribe was "surprised" to learn that city manager Eli Naffah is working to support other parties' development of a separate hotel project in Trinidad proper.

But Naffah said Monday the project in question is to build a "boutique hotel, small and classy." Along with a few other shops, Naffah said the Trinidad Coastal Land Trust-led project would occupy a 5-acre parcel in the city's Main Street area.

"It's just an idea," Naffah said, "a way to create tax dollars because we're losing revenue."

Hostler-Carmesin said earlier this year that the hotel could be finished as early as summer 2020, but the ongoing coronavirus pandemic will delay that target date by at least several months. Despite economic hold-ups and stalled talks with the city, the executive said she remains optimistic about the hotel's construction.

Shomik Mukherjee can be reached at 707-441-0504.

CITIZENS GROUP DECRIES CLOSED MEETINGS ON PROPOSED HYATT HOTEL

May 18, 2020 Kym Kemp [Leave a comment](#)



Trinidad [Photo from the [HARP Facebook page](#)]

Press release from HARP (Humboldt Alliance for Responsible Planning):

The City of Trinidad has called a special City Council meeting-by-videoconference for Thursday, May 21, at 6 p.m., to consider a “memorandum of understanding” to conduct behind-closed-doors negotiations over demands to supply water to a controversial high-rise Hyatt hotel project on Trinidad Bay.

The special meeting is in response to a threat by Garth Sundberg, chairman of the Trinidad Rancheria, that would derail a long-planned environmental cleanup project for Trinidad Bay unless the City of Trinidad agrees to supply city water to the hotel project.

The special City Council meeting is open to the public via video or telephone. Go to <https://trinidad.ca.gov/calendar> and click on May 21 for connection details and the meeting packet. Sundberg’s May 13 letter to the Council is at <https://www.humboldtalliance.org/trinidad-water#>.

Trinidad residents and others are urged to send comments to cityclerk@trinidad.ca.gov, and attend Thursday’s City Council teleconference.

In his letter, Sundberg says the Rancheria will withdraw cooperation with the city in a long-planned Trinidad Bay stormwater control project “until and unless the City provides a final and mutually-acceptable decision” to provide city water to the hotel. The stormwater project was

scheduled to go to the California Coastal Commission for a permit sometime later in 2020 – in conjunction with a separate Stormwater Project for the Rancheria-owned Trinidad Pier. But this late threat throws both stormwater cleanup projects into question.

The Trinidad-based citizens group Humboldt Alliance for Responsible Planning (HARP) objects to the behind-closed-doors negotiating process demanded by the Rancheria, and to the threat of damaging the health of Trinidad Bay as a pressure tactic against the city.

“The City should not give-in to this kind of tactic,” said HARP attorney Bryce Kenny, a former Trinidad mayor. “This discussion needs to take place in full view of the public.”

“The Rancheria is demanding a cart-before-the-horse approach,” he said. “The City Council already has a good process under way to finalize a comprehensive water policy. Before negotiating over providing water for a high-rise Hyatt, the city needs to complete its due diligence, and to consider the needs of its residents.”

The City of Trinidad has been conducting water studies throughout 2019 of the city’s Luffenholtz Creek water supply and water processing plant. In April, the city Planning Commission delivered a draft water policy to the City Council, prioritizing water service to Trinidad residents inside city limits, and then to nearby properties.

At that April 14 meeting, the city planner warned that “drought or climate change or other upstream water rights” could reduce the city’s water supply. Scientists have already concluded that California is in the midst of a 400-year “mega-drought,” and 2020 is already much drier than normal.

The City Council has asked the Planning Commission to draft a drought contingency plan as part of its new water policy, and that is on the commission’s agenda for Tuesday, May 19 (see <https://trinidad.ca.gov/calendar> for details).

About HARP: HARP is an informal grassroots group dedicated to informing citizens about major development projects in their communities that could affect their lives and environment. Visit <https://www.humboldtalliance.org>.

Water glitch not stopping Trinidad Rancheria hotel

News

05/31/2020



The planned Hyatt Hotel on Trinidad Bay.

Jack Durham
Mad River Union

TRINIDAD – The Trinidad Rancheria is forging ahead its with plans to build a five-story, 100-room hotel near its casino, despite the City of Trinidad’s reluctance to provide additional water for the facility.

“The hotel project is alive and well and it’s moving forward,” Trinidad Rancheria Chief Executive Officer Jacque Hostler-Carmesin told the Trinidad City Council at a May 21 special meeting.

The council convened in a remote Webex meeting with more than 67 attendees to consider an eight-point memorandum of understanding between the city and the tribe. The MOU would have allowed in-depth discussions between the two entities regarding the water issue.

The MOU, however, was shot down by a divided council, which voted 3-2 against entering into the agreement. That leaves the issue in limbo, although some council members said they wanted to continue talking with the tribal leaders.

Water request

The rancheria, a sovereign nation outside the city limits, is requesting an additional 9,500 gallons per day of water to serve the hotel. The city already provides water for the casino, tribal offices and homes on the rancheria.

City residents and council members have expressed concerns that the city may not have an adequate supply of water, specially during the end of summer and during drought years.

Last year, the city commissioned a water study, which was completed by GHD, an engineering company. That report concluded that the city's water system has a theoretical surplus of about 48,000 gallons a day.

The report, however, was focused on the plant's ability to treat water, and did not look at droughts.

The city council has also tasked the Trinidad Planning Commission with coming up with a policy on how to handle new water requests.

Officials with the rancheria have expressed frustration with the city and its failure to provide water for the project.

On May 13, Tribal Chair Garth Sundberg **sent a letter** to Trinidad Mayor Steve Ladwig accusing the city of not negotiating in good faith. Sundberg said that as result of this, the rancheria would not allow the city to access tribal lands for a stormwater project.

'Have a dialogue'

That sparked the city to create a draft MOU, which was presented to the council May 20.

"The intent here is to have a dialogue, to have a conversation," said Trinidad City Manager Eli Naffah, as he explaining the purpose of the MOU at the meeting.

Trinidad Councilmember Tom Davies repeatedly questioned Naffah about the MOU and whether it was created through meetings between the tribe and the city officials.

Tribal member Shirley Laos said that the tribe was never consulted about the creation of the MOU and learned about its contents in a newspaper.

"The illusion being casts that there are backroom deals going on is false," Hostler-Carmesin said.

Had the MOU been approved, two councilmembers and the city manager would have met with tribal leaders. Some of their discussions would be confidential, such as hotel business details.

Trinidad resident Bryce Kenny raised concerns about these meetings.

"Avoid the government-to-government meetings as much as possible," said Kenny, who noted that such meetings add to the perception that private deals are being made.

Kenny argued that the city should wait to make decision until the Planning Commission is done making a policy on new water requests.

"You and the rancheria need to be patient while they finish their work," Kenny said.

Fifth District Supervisor Steve Madrone said he didn't think the MOU was needed because the city doesn't have enough water.

"There's no water to offer," Madrone said. He suggested that the city look into getting grants, expand its water storage capacity and explore rainwater collection.

Councilmember Dwight Miller said he agreed with Madrone that there was an insufficient water supply and that more storage was needed to capture water during the rainy season.

Councilmember Jack West said he had received an "unbelievable" number of letters from community members opposed to the MOU.

"I feel like I'm going against the community to vote for this," West said.

'Path of no return'

Davies made a motion to stop the MOU, stating "Considering the Planning Commission has been directed to finish the Water Policy draft, complete with a Drought Contingency Plan, I move to deny the request to develop an MOU with the Trinidad Rancheria at this time.

"Furthermore, if the in the future the topic of this MOU reappears, all negotiations regarding said MOU will take place in an open public meeting."

Hostler-Carmesin warned the council that this was the wrong thing to do.

"It's going down a path of no return," she said. "That's not positive."

Voting in favor of the motion were Ladwig, Davies and Dave Grover. Opposing the motion were Miller and West.

After the vote, Sherri Provolt of the Yurok Tribe urged the council to make a motion to have city representatives meet with the rancheria to continue discussions. "Keeping the relationship is vital," she said.

No motion was made, although councilmembers said they may discuss it at a future meeting.

Another hotel?

Adding to the controversy over supplying water to the tribe for its hotel was a rumor that city officials were considering another hotel within the city limits.

In his May 13 letter, Tribal Chair Garth Sundberg wrote, "Further contradicting the City's purported concerns about water system capacity, the Trinidad Rancheria has recently learned that the City Manager is working with other parties to develop a hotel and shopping center project on the last remaining vacant land within the city limits."

One of the vacant parcels is a former horse pasture located near the Trinidad Cemetery and owned by the Trinidad Coastal Land Trust (TCLT).

According to the TCLT Executive Director Ben Morehead, "While City Manager Eli Naffah did present a concept for a boutique hotel to the TCLT board, there are no plans to pursue this idea. TCLT has not even discussed this.

"His hotel idea is just one of the many ideas we have received via informal community input offering recommendations for future use of this pasture property including: a skatepark, public park, public restroom, amphitheater, visitor info center, community garden, community swim pool, keep it as is open space and create a new botanical garden.

"In addition, the TCLT board received a video presentation about a "green cemetery" (eco-friendly/no casket natural burial) during a board retreat meeting.

"TCLT will not make any decisions about the future uses of the pasture property this year 2020, and likely not next year either," Morehead stated.



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
MICHELLE FULLER, DIRECTOR
DAVID LINDBERG, DIRECTOR

GENERAL MANAGER
JOHN FRIEDENBACH

June 30, 2020

Mr. Garth Sundberg
Tribal Chairman
Trinidad Rancheria
PO Box 630
Trinidad, CA 95570-0630

RE: Water Line Inquiry

Dear Chairman Sundberg,

We are writing in response to your inquiry dated June 4, 2020 regarding possible discussions with our water district regarding a potential waterline service to the Trinidad Rancheria (Rancheria). We are amenable to meeting with your Tribal Council and/or staff regarding this possibility. As you are aware, the issue of extending a waterline from the Humboldt Bay Municipal Water District (HBMWD) to the Rancheria is a complex issue that will take time to jointly work through the various components with other affected parties to analyze the feasibility of the proposed extension.

During our Board meeting of June 11, 2020, our staff and board identified as first steps various pertinent facts that need to be determined as our initial analysis begins. They are:

1. What is the quantity of water that is desired by the Rancheria? This needs to take into consideration the full extent of future consumption demand for your ultimate build out of your Comprehensive Community Based-Plan, December 2011.
2. What is your timeline for obtaining water service from HBMWD?
3. Have you conducted any engineering analyses relevant to your water consumption needs? If so, could you kindly share those with us?
4. What is your plan for funding a possible waterline extension from HBMWD to the Rancheria?

Answers to the above questions will allow us to begin our discussions regarding a possible waterline extension from HBMWD to the Rancheria.

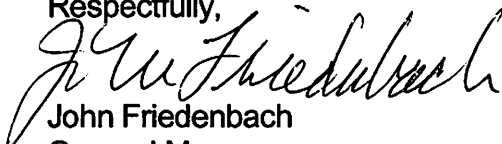
In your letter, there was mention of "Government to Government Consultation" between our two entities. During our board meeting of June 11th and subsequently, our district has received public comment information regarding the use of this term. As we are a California public municipal water district and subject to the California Brown Act's public meeting requirements and to the California Public Records Act, we respectfully request clarification as to how you are using this term relative to our discussions on the current matter, including any legal authority you believe is relevant to its application to California Special Districts.

In addition to the factual questions identified above, some of the issues that we will need to address to move this request forward are:

- A. As the location of the Trinidad Rancheria is outside our current District boundaries, we would need to work through the process to obtain a change in beneficial use location with the California State Water Board for our water rights.
- B. Since our District-owned infrastructure ends on the south side of the Mad River, the most economical waterline extension would originate from the distribution grid in the McKinleyville Community Services District (MCSD). Should a waterline extension prove to be feasible, we would need to initiate discussions with MCSD at an appropriate time.
- C. Based on the quantity of water desired, your customer classification and relevant District Ordinance governing service will need to be determined.
- D. Water main line application will need to be completed and submitted to the District.
- E. All costs for main line extensions are born by the applicant and require a deposit in advance to cover District costs. Should the Rancheria choose to proceed, a reasonable deposit amount must be received by the District prior to advancing this project, including the feasibility analysis.

We look forward to working with the Rancheria to explore the possibility of providing a high quality and reliable water source to satisfy your needs.

Respectfully,



John Friedenbach
General Manager

Cc: Jacque Hostler-Carnesin, Chief Executive Officer

SUPERVISOR MADRONE OUTLINES HIS OPPOSITION TO DEVELOPMENT OF MOTEL AND FREEWAY INTERCHANGE BY TRINIDAD RANCHERIA IN LETTER TO THE EDITOR

June 26, 2020 Kym Kemp 5 comments

Welcome to our letters to the editor/opinion section. To submit yours for consideration, please send to mskymkemp@gmail.com. Please consider including an image to be used—either a photograph of you or something applicable to the letter. However, an image is not necessary for publication. Remember opinions expressed do not necessarily reflect that of Redheaded Blackbelt nor have we checked the letters for accuracy.

After a letter from the Trinidad Rancheria Tribal Government accused Humboldt County Supervisor Steve Madrone and members of the community of racism in their efforts to stop the tribe from developing a five story motel on their lands, Supervisor Madrone responded with the following letter:

To Our Community,

I would like to take a minute to clarify my position on proposed development. I support responsible development in our communities; that includes on the Trinidad Rancheria (TR). I respect sovereignty as well as private property rights. These rights are not open ended. If we are doing something on sovereign lands or on private property then we have the responsibility to not cause negative effects to our neighbors. Rights and responsibilities, they go together.

When the Rancheria rolled out their master plan almost 10 years ago the community attended a workshop put on by the Rancheria. Most in attendance supported the proposed 2-3 story rustic hotel that was presented. Since then the Rancheria ended up deciding to build a 5 and ½ story hotel that does not have enough water and is out of place for the local environment and community. I still support the smaller rustic hotel as does most of the local community.

Then there is the freeway interchange plan that would supposedly mitigate for the increased traffic impacts in Trinidad from the large hotel. The preferred option in that traffic plan is a full 4 way cloverleaf that has many other impacts off of the TR sovereign lands. That option only benefits a private development. The preferred option, as do most of the options in the plan, require condemnation of private lands. I support the option in the plan that would provide an overpass between the TR properties on the east and west sides of Hwy 101. No taking of private land is required for that option. I do not support funding this project with public funds as is currently happening. The public funds should be going into maintaining Scenic Drive. That would benefit the entire community.

This is about sustainable development and working together as a community to help make that happen. I have spent the last 47 years volunteering in this community to help us develop sustainable water supplies and to create sustainable development. I will continue to do just that.

Steve Madrone

Trinidad Rancheria blasts hotel critics, including Steve Madrone

Madrone says he's always supported smaller hotel concept



A rendering of the Trinidad Rancheria Hotel, which Garth Sundberg, chairperson of the Cher-Ae Heights Indian Community of the Trinidad Rancheria, is being opposed by local officials because of racism around the tribe's right to self-govern. (Contributed)

By **SHOMIK MUKHERJEE** | smukherjee@times-standard.com | Times-Standard
PUBLISHED: June 25, 2020 at 3:27 p.m. | UPDATED: June 25, 2020 at 3:27 p.m.

The Trinidad Rancheria is firing back at critics of the tribe's proposed five-story hotel project, saying that some of the proposal's critics have unfairly maligned the project and employed racist rhetoric to do so.

In an open letter attributed to tribal chairman Garth Sundberg, the rancheria addressed what it called "the opposition and racism surrounding our inherent right to self-govern and to develop our trust lands."

The letter, titled "History Repeats Itself," calls out Humboldt County Supervisor Steve Madrone — whose 5th District includes Trinidad — saying the official has "made it his mission to discredit the Rancheria."

The tribe also blasts a local group, the Humboldt Alliance for Responsible Planning (or HARP), saying the group's attorney has singled out the tribe's efforts to expand economically.

"While we do not have the space in this letter to document all of the negative and discriminatory attempts to stop the project, we do want to call out a recent attempt to prevent the Tribe from receiving State Environmental Funding to move into the next phase of our project," the tribe states in the letter.

Specifically, the tribe alleges that Madrone and HARP have individually sent letters to state agencies, opposing any state funding for a highway interchange that would facilitate traffic going toward the proposed hotel.

On Thursday, Madrone sent the Times-Standard a statement saying he supports “responsible development” on the rancheria’s property, but that the tribe’s rights to develop are not open-ended. A publicly funded interchange would end up benefiting only a private entity, Madrone argues in the statement

“I do not support funding this project with public funds as is currently happening,” Madrone said. “The public funds should be going into maintaining Scenic Drive. That would benefit the entire community.”

HARP attorney Bryce Kenny could not be reached for comment. Since the hotel was first announced, the group has raised alarm about the project’s environmental impacts, including its visual imposition on Trinidad’s scenic bay.

In an interview earlier this year, Kenny told the Times-Standard that the group “is totally committed to doing whatever we can to see that the hotel does not come to existence.”

The rancheria’s letter suggests that criticisms of the hotel are racially motivated, since they have singled out the rancheria.

“We find this to be an unsettling deja-vu,” the letter states. “Indian People have experienced this over and over again. It is an overwhelming sense of something that should not be familiar at all — discrimination, prejudice, systemic racism, and a lack of social justice.”

The hotel is planned to be finished with construction in the next year, but the rancheria has said that the ongoing coronavirus pandemic could delay those efforts.

A number of Trinidad residents have opposed the project, speaking vocally at City Council and state Coastal Commission meetings about the hotel’s potential impacts.

Madrone has been among the hotel’s more prominent critics. But the official said Thursday he and other Trinidad residents had always supported a two-to-three-story, rustic-style hotel, not the rancheria’s current five-story project, which has struggled to secure a permanent water source.

“This is about sustainable development and working together as a community to help make that happen,” Madrone said. “I have spent the last 47 years volunteering in this community to help us develop sustainable water supplies and to create sustainable development. I will continue to do just that.”

Shomik Mukherjee can be reached at 707-441-0504.

HISTORY REPEATS ITSELF: TRINIDAD RANCHERIA TRIBAL GOVERNMENT ACCUSES THOSE AGAINST DEVELOPMENT OF RACISM IN LETTER TO THE EDITOR

June 24, 2020 [Kym Kemp](#) [14 comments](#)

Welcome to our letters to the editor/opinion section. To submit yours for consideration, please send to mskymkemp@gmail.com. Please consider including an image to be used—either a photograph of you or something applicable to the letter. However, an image is not necessary for publication.

Remember opinions expressed do not necessarily reflect that of Redheaded Blackbelt nor have we checked the letters for accuracy.



A rendering of the Trinidad Rancheria [Image from the Rancheria]

Trinidad Rancheria Tribal Government would like to address the opposition and racism surrounding our inherent right to self-govern and to develop our trust lands. The Tribe is often portrayed negatively in the press, maligned, and the recipient of ugly comments. In the paragraphs that follow, we would like to share our journey to develop, provide for our Tribal Members, and be true to our Mission Statement.

“SOO-NEE-HLEK”

Translated to English, this Yurok term means, “I dream.” This was the overarching inspiration for the Charette Event or design fair that Trinidad Rancheria held in 2011.

The Tribe was ready to dream, ready to create a blueprint for future development that provided the basis for growth that best serves the health, safety and general welfare of the tribal community. After years of struggling and trying to find a way to develop the Tribal Government capacity to provide for their Tribal Members, the Tribal Leadership embarked on a journey to ensure that they would be able to do this. It was apparent that the Tribe needed a plan. We were able to get grant funding to create a comprehensive plan.

The Tribe prioritized the Cultural Resources Element to identify policies to protect the Tribe's cultural heritage, including language and traditional ceremonies, archaeological sites, and cultural landscapes such as traditional gathering areas and ceremonial sites, and spiritual places both on lands owned by the Tribe and other lands within the traditional ancestral territory.¹

Economic Development was a very important part of the planning. The Trinidad Rancheria is a disadvantaged community that is surrounded by a very affluent community. The surrounding ocean bluffs are highlighted by extravagant homes inside the City of Trinidad, developments outside of the City, including homes that range from one million dollars and upwards, as well as the Westhaven community east of the City of Trinidad on Westhaven Drive. Many of these residents have relocated from Southern California and are only here seasonally. Others have been here for twenty to thirty years or more, which is not a long time in an historical context.

What became apparent from the Tribes' open invitation to the surrounding community to attend the design fair was that a large percentage of this community did not share or support the Tribe's vision and dream. **So here we are almost nine years later and we are very disappointed and sad to say that we do not have the support of the City of Trinidad and a majority of this community, including our current Humboldt County Supervisor, Steve Madrone.**

Some members of the community have formed a group called "Humboldt Alliance for Responsible Planning, (HARP). From the HARP website, the listing of "Current Issues" include: Trinidad Rancheria Hotel, Highway 101 Interchange, Trinidad Water Supply, Long-Term Development in Trinidad/Westhaven, and Trinidad Harbor Land Ownership. Each of these issues, with the exception of

Long-Term Development in Trinidad/Westhaven (which is “under development”) focus on opposition to Trinidad Rancheria Projects. We do not see any other projects listed on their website, which leads us to believe they are only targeting Trinidad Rancheria. **The following is a direct quote from Bryce Kenny Legal Counsel for HARP published in the Times Standard on March 2, 2020: “HARP is totally committed to doing whatever we can to see that the hotel does not come to existence...We will be pursuing that vigorously.” In another matter involving the Rancheria, Bryce Kenny was quoted as saying, “the answer cannot simply be that the tribes always win. Right?” This statement cannot be misinterpreted and is racially biased.**

In the last nine years the Tribe has been successful in moving the Trinidad Rancheria Interchange Project forward to the Environmental Phase. While we do not have the space in this letter to document all of the negative and discriminatory attempts to stop the project, we do want to call out a recent attempt to prevent the Tribe from receiving State Environmental Funding to move into the next phase of our project. Numerous letters were sent to Humboldt County Association of Governments (HCAOG) and the California Transportation Commission (CTC), opposing the Tribe receiving State funds for environmental planning for the interchange. **This effort was led by HARP and Supervisor Madrone. In the last few days, we have also learned that Supervisor Madrone has filed a Public Records Request with Cal-Trans to receive all information regarding the Trinidad Rancheria Interchange Project. Of course, this is not a problem for the Tribe because we have nothing to hide. What it demonstrates is that Madrone is targeting Trinidad Rancheria. Since his campaign to unseat Ryan Sundberg, outgoing Humboldt County 5th District Supervisor, Madrone has persisted in falsehoods, taken credit for projects that he did not accomplish, and made it his mission to discredit Trinidad Rancheria. We call this out as racism and a personal vendetta.** Additionally, over the past nine years the Tribe has been successful in moving forward with the Hotel Project, which has been extremely controversial in this community. Approval of the Environmental Assessment required the BIA to request a Coastal Consistency Determination from the Coastal Commission. HARP Representative, David Hankin testified in San Diego on behalf of HARP.

Supervisor Madrone wrote a letter in adamant objection to our project. The Vice-Chair of the Coastal Commission, Steve Padilla, actually went on record and admonished the Representative from HARP, David Hankin, for showing a cartoon caricature of the Tribe and the City of Trinidad. **In this cartoon, the Tribe was represented as the Hotel and was choking water out of a pipeline or hose representing the City. During the meeting, the Commission Vice-Chair also scolded David Hankin for using a discriminatory cartoon and said it was extremely inappropriate.**

All you have to do is go on the HARP Facebook page and see the racists comments attacking the Tribe that indicate the Tribe is just a money hungry machine driven by a few greedy people. Members of HARP, Supervisor Madrone, and Bryce Kenny (HARP Legal Counsel) and others, do not miss a City of Trinidad Planning Commission Meeting or a City Council Meeting to ensure the City does not enter into an agreement with the Tribe for water. Recently, City Leadership drafted an MOU for discussion purposes in a City Council Meeting. This draft MOU was an effort to keep the City-Rancheria relationship moving forward on our request for water as well as the City's request to place a storm water vault on the Tribes property in the Trinidad Harbor area. Steve Madrone, Bryce Kenny, David Hankin and other HARP members were adamantly opposed to this MOU. A motion had been crafted before the meeting to not enter into the MOU with the Tribe. Consequently, the dialogue between the Tribe and the City has come to a standstill.

With the City of Trinidad's unwillingness to commit to providing water to the Rancheria, the Tribe felt the need to submit a request to Humboldt Bay Municipal Water District (HBMWD). The District General Manager received approximately thirty-seven letters regarding our request. Numerous Trinidad and Community Resident, including HARP members were on the Zoom Meeting. There were two positive comments but the rest were opposing the projects and citing fear of drought, development, and sprawl. Steve Madrone actually contacted the General Manager of Humboldt Bay Water district before the meeting and indicated that the Community was opposed to the project.

We find this to be an unsettling deja-vu. **Indian People have experienced this over and over again. It is an overwhelming sense of something that should**

not be familiar at all – discrimination, prejudice, systemic racism, and a lack of social justice. The Tribe has endured attacks on our integrity, character, environmental stewardship, and cultural relevance. The Tribe has been accused of pumping effluent into the ocean, not valuing mother earth, not embracing environmental best practices, pollution of the viewshed and numerous other offences that don't deserve recognition. This Community is trying to prevent Trinidad Rancheria from embracing Self-Determination and our rights as a Tribal Government.

In June of 2019, Governor Newsom issued Executive Order N-15-19, which included recognition of past depredations and prejudicial policies against Native Americans and a formal apology from the State to California Native Americans. Here we are a year later, a nation in turmoil due to systemic and institutional racism against people of color. **There is no place for racism in our nation and it is our duty to highlight that our local community is actively engaging in the same behavior.**

The Trinidad Rancheria has been a Federally Recognized Tribe since 1917. The Tribe has only in the last three decades been able to find a way to be self-sufficient and develop their lands, tribal law and ordinances, and provide for their people. And now what do we find? **We have found that History Repeats Itself. Indian people experienced genocide, colonization, loss of home lands and so much more. The white invaders did not want the Indian people to be in their way, they wanted everything for themselves, and would kill to take what they wanted.**

Today our message to the City of Trinidad, HARP, Steve Madrone, and others who have made it your mission to stop the Tribe's development is - educate yourselves, understand that your biases, your prejudice, and your discrimination is just as bad as what happened over two hundred years ago, and what is happening in our nation today. We are committed to our Vision and our pathway forward for future generations. It is our sovereign right.

1 Comprehensive Community – Based Plan Chapter 1.05 Cultural Resources.

Trinidad Rancheria makes McKinleyville pipeline plea

6/17/2020

**Jack Durham
Mad River Union**

MCKINLEYVILLE – A proposal by the Trinidad Rancheria to connect to McKinleyville’s water system received a mostly chilly reception from the public during a meeting last week of the Humboldt Bay Municipal Water District (HBMWD) Board of Directors.

A majority of more than three dozen written comments submitted to the district were in opposition to the pipeline, with many saying they are against the rancheria’s proposed hotel.

Others expressed concerns that the water line would spur additional growth in the Westhaven area and result in urban sprawl.

But according to tribal representatives, the proposal has nothing to do with the Hyatt hotel, which would have 100 rooms and stand five-stories tall adjacent to the existing casino.

Representatives of the Cher-Ae Heights Indian Community of the Trinidad Rancheria said the water is needed for the tribe’s future economic development projects, which include a proposed RV park, mini-mart, a gas station, a cultural and community center, a visitor center and housing.

“Our request today is not about the hotel,” Tribal Chairman Garth Sundberg told the board during its virtual Zoom meeting on June 11. “The tribe must have the ability to develop our lands and find alternative water supplies.”

Trinidad Rancheria Chief Executive Officer Jacque Hostler-Carmesin said the rancheria has water for the hotel and will proceed with construction.

“Our design and engineering will be completed in about a month’s time,” Hostler-Carmesin said.

The hotel, she said, is not the issue before the HBMWD.

“The issue before you today is about supporting the tribe’s efforts to move forward to supply the rancheria and its economic development with water for a long-term solution,” Hostler-Carmesin said. “We are not asking for water this year. We know that that’s not going to be possible with this project. This infrastructure project is going to take a lot of planning and it

will take a lot of effort on everyone's part. So we're just asking for the board to begin planning with us and the McKinleyville Community Services District to move that process forward."

Multiple agencies

The HBMWD is the wholesale water supplier to McKinleyville, Arcata, Eureka, Glendale, Fieldbrook, Blue Lake, Manila and the unincorporated area near Eureka. The HBMWD sells the water to governmental agencies, such as the McKinleyville Community Services District (MCSD).

According to MCSD Manager Greg Orsini, the MCSD's northern-most water line extends to Woody Road in the Dow's Prairie area.

That would be the nearest connection for the Trinidad Rancheria. HBMWD directors said they would need to know how much water the rancheria needs and the size of the MCSD water line to determine whether the project is feasible. There are also a number of legal, engineering and financial issues that need to be explored.

The HBMWD would need approval from the MCSD for the project.

Another potential player is the Westhaven Community Services District (WCSD), whose territory the pipeline would pass through.

Westhaven CSD Manager Paul Rosenblatt said his agency would want to be consulted if the pipeline project moves forward. Westhaven might want to have a connection to the pipeline for emergencies, he said.

Rosenblatt also addressed the issue of growth that could come with additional water.

"Our community is very sensitive to growth," Rosenblatt said. "We would ask that growth inducement be figured into this request."

Water woes

The Trinidad Rancheria had approached the City of Trinidad and asked for additional water for its hotel. The city already provides water for the rancheria's casino, housing and offices.

In response, the city tasked its Planning Commission with developing a policy on how to handle new water requests. The commission is currently working on the policy. It also conducted water studies.

In May, Sundberg wrote a letter to Trinidad Mayor Steve Ladwig accusing the city of acting in bad faith. Sundberg said as a result of this, the rancheria would not allow the city to access tribal lands for a stormwater project.

In an effort to mend the relationship, city officials crafted a memorandum of understanding that would have created a formal process for the city and the rancheria to discuss the issue, but that was shot down by a divided Trinidad City Council on May 21.

Opposition to pipeline

Among the opponents of the controversial hotel project is a group called Humboldt Alliance For Responsible Planning (HARP). The group and its members, many of them residing in the Trinidad area, have argued against the City of Trinidad supplying water to the hotel, citing concerns about the adequacy of the city's water supply.

The group is also against the rancheria getting its water from HBMWD, which has a surplus supply.

In a letter submitted to the HBMWD by HARP member David Hankin, the organization cites district regulations that "discourage main extensions that are dead-ends"... Given the HBMWD policy that discourages main extensions that are 'dead-ends,' it seems reasonable to conjecture that such a northern extension of HBMWD water service would require that any adjacent/nearby properties along the route of the main extension pipe would also be eligible to request water service connections."

This could open up what a different speaker described as a Pandora's box.

"If water service connections were offered to adjacent properties along a northward extension of HBMWD water lines, it would induce development and growth within the coastal zone. Indeed, the cumulative impacts of the Rancheria's proposed developments (expanded casino, hotel, gas station, freeway interchange) would also spill over well beyond Rancheria trust lands," states the letter from HARP. "The prospect of substantial development north of Little River within the coastal zone and adjacent to it raises issues that are of enormous concern to residents of the Westhaven/Trinidad area and also to the existing public water service providers (primarily the City of Trinidad and the Westhaven Community Services District) in this general area."

Others at the meeting criticized the hotel, saying it would be a blight on the landscape.

Gather information

HBMWD Board President Sheri Woo presented a lengthy list of information that the board needs to move forward. Some of the items include previous engineering studies done regarding supplying water to the Trinidad area, an estimate of the amount of water needed, the role of the services districts, a time frame and a the public process that would be used.

The board opted to have district staff gather the information rather than create a sub-committee. "Do the best you can, given everything you're doing," Woo said.

Staff will gather the information and bring it to the board at the July or August meeting.

TRINIDAD

Rancheria courts district for hotel water

By Shomik Mukherjee

smukherjee@times-standard.com

@ShomikMukherjee on Twitter

With negotiations falling through between the Trinidad Rancheria and local city officials, the tribe has reached out to a new agency to potentially supply water for a five-story, 100-room hotel above the city's scenic bay.

In May, the rancheria gave Trinidad's city manager an ultimatum to either provide the hotel with water or lose the tribe's cooperation in ongoing infrastructure projects. But at a subsequent meeting, the City Council did not budge, ordering a formal water policy before it enters any further discussion with the tribe.

Now the tribe has reached out to the Humboldt Bay Municipal Water District, looking to resume plans for a water infrastruc-

ture project that have been dormant since 2015.

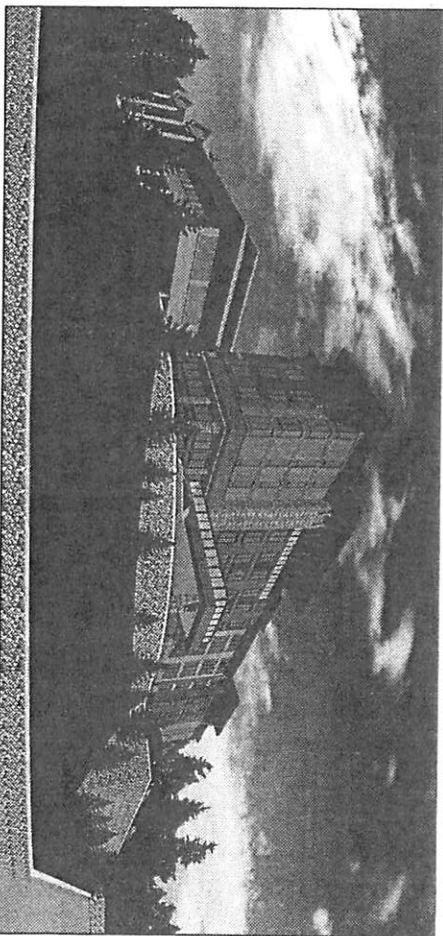
"The Tribe must have the ability to develop its lands and resources for the overall well-being of the Trinidad Rancheria Tribal Membership," tribal chairman Garth Sundberg said in a June 4 letter.

"Water is an integral and basic necessity for all peoples and in order to reach our goals and objectives we must find alternative water sources."

Past discussions between the district and the rancheria included a possible water distribution pipeline that would funnel water to the hotel. But planning came to a "standstill" after the city of Trinidad decided not to pursue the project further, Sundberg wrote.

The district's board will now discuss whether to re-engage the rancheria on supplying water to the hotel.

"It would be expensive to



CONTRIBUTED

With its latest design, the Trinidad Rancheria's hotel project is intended to be more compatible with the surrounding bay.

put a pipeline in, but none of those discussions have been worked out," said John Fridenbach, the district's general manager. "It's still very early."

Humboldt County Supervisor Steve Madrone, whose 5th District includes Trinidad, echoed the notion that a pipeline would be costly,

adding it would take years to develop.

"The costs are so great to do it that the existing customer rates could go up by... hundreds of dollars a month," Madrone said.

"What happens then is if they build (a pipeline), the community is then going to have to grow in order to

keep paying for it."

Madrone added that an eventual construction of a pipeline would need robust planning to protect the needs of communities along the pipeline's path.

The rancheria did not respond to a request for comment on Tuesday. Talks between the ran-

cheria and Trinidad officials broke down after a city-ordered engineering study found that local water could run short for the city's residents alone in drier years.

At a City Council meeting in late May, the city declined to enter an agreement to continue discussions until it created a more clearly defined water policy.

The controversial hotel has won approval from state officials and the federal Bureau of Indian Affairs. Tribal officials are eager to construct the building as soon as possible to create revenue for the Cher-Ae Heights community.

But widespread pushback among Trinidad residents has created obstacles for development at every instance, while the ongoing coronavirus pandemic will delay construction past its target date, the tribe said last month.

Letters to the editor (June 16, 2020)



By LETTERS TO THE EDITOR |
June 16, 2020 at 1:02 a.m.

Trinidad's water problems, neighborly cooperation

Response to "Rancheria courts district for hotel water," (Times-Standard, June 10, Page A1):

Trinidad and Westhaven areas have long been known to be water-poor. Humboldt Bay Municipal Water District supplies water to McKinleyville Community Services District, not so far from Trinidad. Last I heard HBMWD had excess water capacity due to pulp mill closures. It might benefit Trinidad/Westhaven residents to work with the Trinidad Rancheria, MCSD, and HBMWD to explore options. Thanks to Mother Earth and the Mad River for your blessings.

Ken Smith, Bayside

From: Madrone, Steve <smadrone@co.humboldt.ca.us>
Sent: Sunday, June 14, 2020 8:52 AM
To: John Friedenbach <friedenbach@hbmwd.com>; Sheri L Woo <sheri.woo@humboldt.edu>
Cc: mewspaperburns@gmail.com
Subject: Water Line Extension

Good morning. I was unable to attend your board mtg last week where extending a water line to the Rancheria was discussed. At that meeting a Rancheria Representative stated that... the City of Trinidad, its residents and the people in surrounding communities are "extremely fearful" of development.

I have lived in this community for over 47 years. We are not fearful of development. We do not support unsustainable growth that does not fit the character of our community. We prefer to live within the bounds of the local watersheds to supply our water needs and are actively working to increase our water supply through rain water collection and increased storage.

We understand the HBMWD desire to find more customers to cover its costs of operation and to prevent unused water from being sent out of Humboldt County. We support your efforts in that regard but not at the cost of a growth inducing water line extension to the Greater Trinidad area.

I am attaching a White paper I wrote for the City of Trinidad in 2008 and a Power Point I gave the Council last year. These documents provide background for the efforts we are talking about and implementing for our local water resiliency. There is much we can do to increase our storage, reduce our loss, and become more self sufficient and resilient. The vast majority of this community do not want the water line extension.

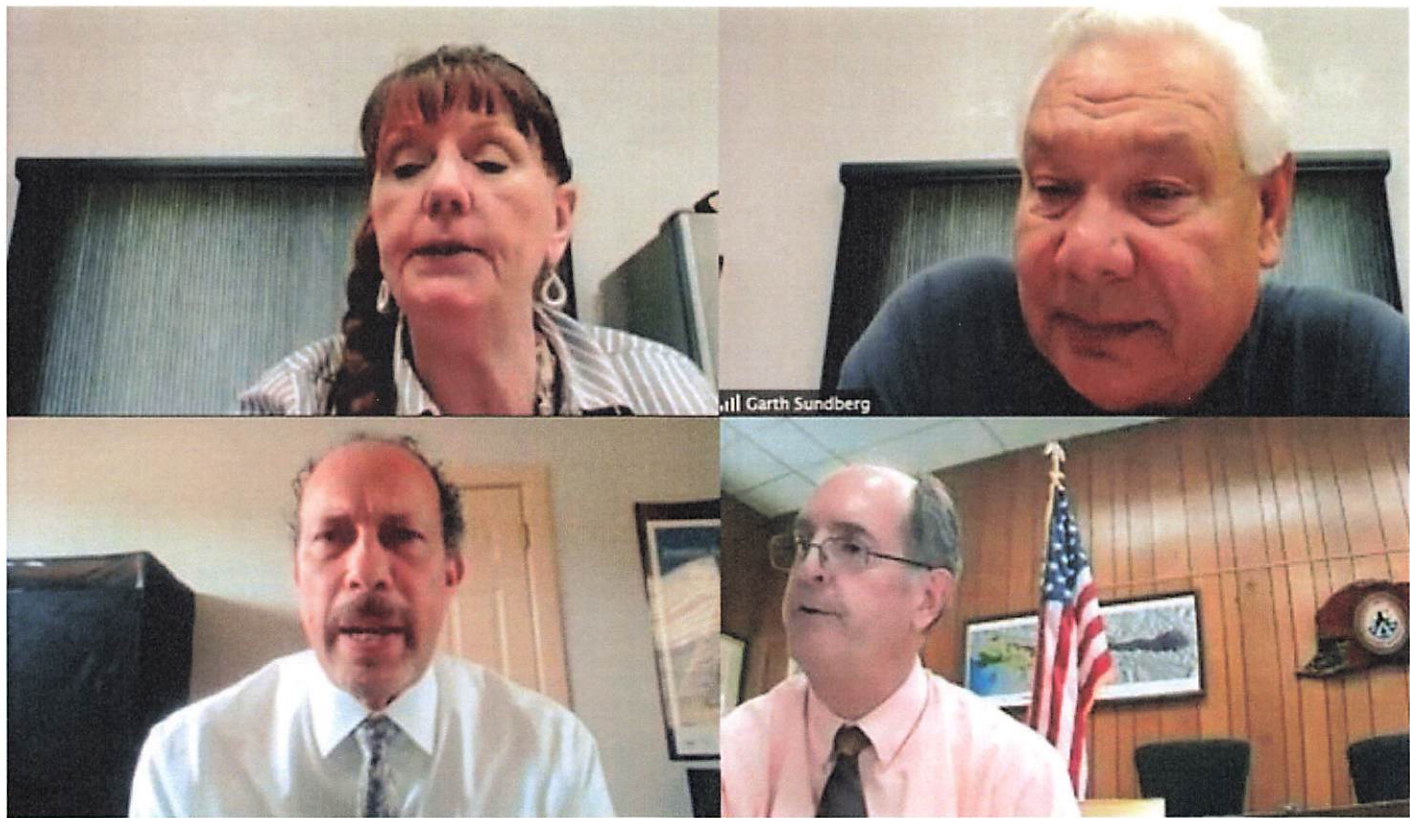
If the District chooses to investigate a water line extension for the Rancheria we would hope that you will bill them for all staff time associated with such an investigation so that the existing rate payers do not have to pay for this effort.

I hope that you can review these papers and pptx I am sending you and that it helps you understand we are not opposed to development. We just want to carefully grow in a sustainable way. Thank you for your consideration.

Sincerely, Steve Madrone

RYAN BURNS / FRIDAY, JUNE 12 @ 4:38 P.M. / LOCAL
GOVERNMENT, TRIBES, TRINIDAD

Trinidad Rancheria Asks for Pipeline Extension to Get Water Via Humboldt Bay Municipal Water District



Screenshots from Thursday's meeting of the Humboldt Bay Municipal Water District. Clockwise from upper left: Trinidad Rancheria CEO Jacque Hostler-Carmesin, Tribal Chair Garth Sundberg, HBMWD General Manager John Friedenbach and board member Neal Latt.

PREVIOUSLY:

- Coastal Commission Gives Green Light to 100-Room Hotel on Trinidad Rancheria ... as Long as the Tribe Can Find a Reliable Water Supply
- That Coastal Commission Meeting Was a Confusing Mess. Did They Even Mean to Advance the Hotel Project?
- The City of Trinidad and the Trinidad Rancheria Are at Odds Again Over the Water Supply for the Tribe's Hotel Project

- City Pumps Brakes on Trinidad Rancheria's Request for Water; Will Draft Policy Before Continuing Formal Negotiations Over New Hotel Development

###

Having hit a roadblock in negotiations with the City of Trinidad, the Trinidad Rancheria has turned a beseeching eye toward the county's largest water supplier — the Humboldt Bay Municipal Water District (HBMWD) — in hopes of securing a reliable water source for future development, including a controversial five-story, 100-room hotel near Cher-Ae Heights Casino.

On June 4, Tribal Chairman Garth Sundberg sent a letter on behalf of the Rancheria to HBMWD General Manager John Friedenbach formally requesting government-to-government consultation on the matter. The Rancheria, a sovereign tribal government, has plans to construct not just a hotel but also an RV park, a gas station/convenience store, tribal housing and more, but its development efforts have been stymied by insufficient water.

"Water is an integral and basic necessity for all peoples and in order to reach our goals and objectives we must find alternative water sources," Sundberg wrote in his letter to the water district.

Yesterday, the HBMWD board of directors met via Zoom to consider the request. All involved seemed to regard the meeting as just the first step in what could be a very long process involving fact-finding, negotiations, technical studies and public review.

Friedenbach began the discussion by pointing out that many questions remain unanswered, including the quantity of water being requested, the Rancheria's development timeline, potential sources of funding for the project and the feasibility of using existing water lines belonging to the McKinleyville Community Service District as a leg to access tribal property.

Chairman Sundberg said the request is about long-term development plans. "As you know, our hotel has been very controversial," he said. "However, our request today is not about the hotel. It's about securing water for the future of our people ... to protect our tribal sovereignty and realize our goals."

Hostler-Carmesin agreed that the matter at hand was not about the hotel. "While we have found alternative water resources for the hotel, we must invest in the tribe's future," she said.

Reached by phone on Friday, Hostler-Carmesin clarified those statements. She said that if the Rancheria succeeds in acquiring water from the HBMWD, it might well use that water to supply the hotel.

"I'm not saying it won't ever be used [for that]," she said. "I'm saying that, overall, the Rancheria needs water."

She said the City of Trinidad, its residents and the people in surrounding communities are "extremely fearful" of development. "But overall, this is the tribe's right to develop." Hostler-Carmesin said economic development is a matter of both self-determination and social justice.

As for the "alternative water resources" she mentioned during Thursday's meeting, Hoster-Carmesin said the tribe hasn't nailed down the specific sources for supplying the hotel but rather has identified a range of possibilities, which are spelled out in the environmental assessment. The tribe plans to continue pursuing negotiations with the City of Trinidad while developing its existing wells and possibly drilling new ones. "The last resort is we could truck in water," she said.

Despite tribal assertions that the request was not about the hotel, the public comment period was very much about the hotel. Thirty-seven written comments had been submitted, all but four of which were opposed to the request. The concerns in these comments, which were read aloud into the record, were primarily focused on the hotel and the potential of future development to ruin the rural character of the greater Trinidad region.

Area resident Elaine Weinreb also expressed concerns about the implications of entering into government-to-government negotiations with a sovereign nation. She suggested that tribes cannot be sued and said they don't have to follow open meeting laws such as the Brown Act or comply with state and federal county environmental regulations.

Later in the meeting, Board Member Neal Latt, who is an attorney, said Weinreb was mistaken about liability: Tribes can be sued when they enter into agreements with public utilities.

[Note: Latt later provided the *Outpost* with this follow-up: "What I said was that it is common for non-tribal entities to insist on the insertion of a limited waiver of sovereign immunity into proposed contracts with tribal entities. These limited waivers are intended to provide for specified dispute resolution by the parties as to the subject of the contract, whether in court or via binding arbitration. I personally would insist on a limited waiver as a term of any proposed contact between HBMWD and a tribal entity, for reasons that are probably obvious."]

Dennis Mayo, a board member with the McKinleyville Community Services District, said, "We think expansion is generally a good idea." Extending a pipeline north, using MCSD infrastructure along the way, would almost certainly benefit both the public and the environment, Mayo said. He just asked that MCSD personnel be included in the negotiations.

Paul Rosenblatt, general manager of the Westhaven Community Services District, also requested inclusion in the process. He said his agency is “pretty much neutral” on the proposal, though he noted that the community is “very sensitive to growth,” so it will be important to understand potential impacts of the project.

When the issue came back to the board, member Bruce Rupp wondered aloud whether the district has an obligation to provide the Rancheria with water now that the request has been made. He suggested moving forward carefully and pursuing more information.

Fellow board member Michelle Fuller said, “We’ve talked about expanding our service area to regions experiencing water scarcity for as long as I’ve been involved with the water district.” She suggested assigning the board’s sales committee — comprised of Rupp and Latt — to further fact-finding.

Latt reiterated that the discussion was still preliminary. “This is not a request to make a decision to build a pipeline,” he said. “It’s an inquiry about getting together facts by which we would *consider* such a request. ... I’m always in favor of making informed decisions, gathering facts and then presenting [that information] in a public forum.”

The board wound up directing staff to do just that: gather more facts to be presented at a future meeting. Staff was asked to summarize a series of engineering reports and to look into such matters as the volume of water being requested, the project’s timeline, which other agencies should be included in deliberations and potential funding sources.

Earlier in the meeting, Hostler-Carmesin addressed that last question, saying the project is bound to be “extremely costly” but the tribe can apply for grants from the state and federal government.

Community opposition will no doubt continue as negotiations move forward. Don Allen, a member of the community group [HARP](#), or Humboldt Alliance for Responsible Planning, told the *Outpost* on Friday, “The implications of extending that water line go way beyond just that hotel.”

He said local residents are protective of the “sleepy, rural atmosphere” of the greater Trinidad region, and they’re concerned that providing access to ample water would remove an important constraint on “unbridled development” — not just from the tribe but from other interests as well.

“I think there’s this whole can of worms that gets opened up,” Allen said.

Hostler-Carmesin, meanwhile, reiterated that from the tribe’s perspective, this is a matter of self-determination. “My hope is that people can understand the tribe has rights to develop regardless of whether the community is supportive,” she said.

Trinidad Rancheria courts Humboldt Bay water district for hotel supply



Pictured: A visualization of the Trinidad Rancheria's hotel project. (Contributed)
By [SHOMIK MUKHERJEE](#) | smukherjee@times-standard.com | Times-Standard
PUBLISHED: June 9, 2020 at 3:36 p.m. | UPDATED: June 9, 2020 at 3:37 p.m.

With [negotiations falling through](#) between the Trinidad Rancheria and local city officials, the tribe has reached out to a new agency to potentially supply water for a five-story, 100-room hotel above the city's scenic bay.

In May, the rancheria gave Trinidad's city manager an ultimatum to either provide the hotel with water or lose the tribe's cooperation in ongoing infrastructure projects. But at a subsequent meeting, the City Council did not budge, ordering a formal water policy before it enters any further discussion with the tribe.

Now the tribe has reached out to the Humboldt Bay Municipal Water District, looking to resume plans for a water infrastructure project that have been dormant since 2015. The district's board will discuss the inquiry at a meeting on Thursday.

"The Tribe must have the ability to develop its lands and resources for the overall well-being of the Trinidad Rancheria Tribal Membership," tribal chairman Garth Sundberg said in a June 4 letter. "Water is an integral and basic necessity for all peoples and in order to reach our goals and objectives we must find alternative water sources."

Past discussions between the district and the rancheria included a possible water distribution pipeline that would funnel water to the hotel. But planning came to a "standstill" after the city of Trinidad decided not to pursue the project further, Sundberg wrote.

The district's board will now discuss whether to re-engage the rancheria on supplying water to the hotel.

“It would be expensive to put a pipeline in, but none of those discussions have been worked out,” said John Fridenbach, the district’s general manager. “It’s still very early.”



One of Humboldt Bay Municipal Water District’s five water pumps along the Mad River. (Times-Standard file)

Humboldt County Supervisor Steve Madrone, whose 5th District includes Trinidad, echoed the notion that a pipeline would be costly, adding it would take years to develop.

“The costs are so great to do it that the existing customer rates could go up by... hundreds of dollars a month,” Madrone said. “What happens then is if they build (a pipeline), the community is then going to have to grow in order to keep paying for it.”

Madrone added that an eventual construction of a pipeline would need robust planning to protect the needs of communities along the pipeline’s path.

The rancheria did not respond to a request for comment on Tuesday.

Talks between the rancheria and Trinidad officials broke down after a city-ordered engineering study found that local water could run short for the city’s residents alone in drier years.

At a City Council meeting in late May, the city declined to enter an agreement to continue discussions until it created a more clearly defined water policy.

The controversial hotel has won approval from state officials and the federal Bureau of Indian Affairs. Tribal officials are eager to construct the building as soon as possible to create revenue for the Cher-Ae Heights community.

But widespread pushback among Trinidad residents has created obstacles for development at every instance, while the ongoing coronavirus pandemic will delay construction past its target date, the tribe said last month.

Shomik Mukherjee can be reached at 707-441-0504.

J. Bryce Kenny
Attorney at Law
P.O. Box 361
Trinidad, California 95570
Telephone: (707) 442-4431
Email: jbrycekenny@gmail.com

June 20, 2020

By US Mail and e-mail

Humboldt Bay Municipal Water District
Board of Directors
General Manager John Friedenbach
828 7th St.
Eureka, CA. 95501

**Re: HBMWD Board Meeting July 9, 2020: Open Public Comment
The Brown Act precludes closed-door, confidential meetings
such as those requested by Trinidad Rancheria
to discuss water purchase / line extension.**

Dear General Manager Friedenbach and Members of the Board,

I write on behalf of Humboldt Alliance for Responsible Planning, an unincorporated, non-profit, pro-bono citizens organization comprised largely of Trinidad-area residents and property-owners, with focus on natural resources, development, and local governmental issues.

This letter follows-up on the public discussion at Your Board's June 11, 2020 Board meeting of the June 4, 2020 "formal request" letter from Trinidad Rancheria Tribal Chairman Garth Sundberg that HBMWD "enter Government to Government Consultation" with the Rancheria on the matter of the Rancheria's request to purchase HBMWD water and for a water line extension to the Rancheria.¹ (A copy of Chairman Sundberg's letter is attached hereto as Exhibit 1.)

¹ Letter, June 4, 2020, Trinidad Rancheria Tribal Chairman Garth Sundberg to Humboldt Bay Municipal Water District: <https://drive.google.com/file/d/15mtx2oTZ97exvboiaK5kLfQvktCMILxL/view?usp=sharing>; also found at HBMWD Board Agenda Packet for June 11, 2020 Board Meeting, at page 54: <https://www.hbmwd.com/files/5e4c75bbb/June+11%2C+2020+Board+Packet.pdf>

We believe that the Rancheria intends these “Government to Government” meetings be closed-to-the-public and confidential. At Your Board’s June 11 meeting, Board Members Latt, Rupp, Lindberg, and Fuller said that any discussions between HBMWD and the Rancheria should not be conducted in private or in secret but should be open and transparent. Board Member Latt said “the Brown Act does not go away.”

We agree. The Brown Act, California Government Code Sections 54950-54963² applies to HMBWD, its Board and the Board’s committees. Among other things, the Brown Act provides: (i) **“All meetings of the legislative body of a local agency shall be open and public**, and all persons shall be permitted to attend any meeting of the legislative body of a local agency, except as otherwise provided in this chapter. . .” (Gov.C. 54953(a); (ii) **“As used in this chapter, “local agency” means a county, city, whether general law or chartered, city and county, town, school district, municipal corporation, district, political subdivision, or any board, commission or agency thereof, or other local public agency”** (Gov.C 54951); (iii) **“... standing committees of a legislative body**, irrespective of their composition, which have a continuing subject matter jurisdiction, or a meeting schedule fixed by charter, ordinance, resolution, or formal action of a legislative body **are legislative bodies for purposes of this chapter”** (Gov.C. 94952(b); (iv) **“no closed session may be held by any legislative body of any local agency”** (Gov.C. 54962); (v) **“At least 72 hours before a regular meeting, the legislative body of the local agency, or its designee, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session.”** (Gov.C. 54954.2(a)(1); and (vi) **“The provisions of this chapter shall apply to the legislative body of every local agency notwithstanding the conflicting provisions of any other state law.”** (Gov.C. 54958)

We find no California law that provides for the legislative body of any California local agency to meet in closed “Government to Government” meetings with Native American tribes. The closest things we find are the protocols for local governmental/tribal consultation and **limited** confidentiality provisions for information about Native American cultural,

² California Government Code Sections 54950-54963
https://leginfo.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=2.&title=5.&part=1.&chapter=9.

historic, religious, and burial sites developed in the course of such consultations with regard to General Planning and Open Space planning matters under the provisions of SB-18 (Government Code Sections 65352.3(b)³, 65352.4⁴; 65562.5⁵) and with respect to CEQA review for projects under AB-52 (Public Resources Code Section 21080.3.1(b)⁶). Discussions between the Trinidad Rancheria as prospective water-purchaser and

³ Government Code Section 65352.3 . . . (b) Consistent with the guidelines developed and adopted by the Office of Planning and Research pursuant to Section 65040.2, the city or county shall protect the confidentiality of information concerning the specific identity, location, character, and use of those places, features, and objects.

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65352.3.&lawCode=GOV

⁴ Government Code Section 65352.4: For purposes of Section 65351, 65352.3, and 65562.5, “consultation” means the meaningful and timely process of seeking, discussing, and considering carefully the views of others, in a manner that is cognizant of all parties’ cultural values and, where feasible, seeking agreement. Consultation between government agencies and Native American tribes shall be conducted in a way that is mutually respectful of each party’s sovereignty. Consultation shall also recognize the tribes’ potential needs for confidentiality with respect to places that have traditional tribal cultural significance.

http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65352.4.&lawCode=GOV

⁵ On and after March 1, 2025, if land designated, or proposed to be designated as open space, contains a Native American historic, cultural, or sacred site or feature described in Public Resources Code Section 5097.9(http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=5097.9.&lawCode=PRC) and Section

[5097.993\(http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=5097.993.&lawCode=PRC#:~:text=\(A\)%20On%20public%20land,both%20that%20fine%20and%20imprisonment\)](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=5097.993.&lawCode=PRC#:~:text=(A)%20On%20public%20land,both%20that%20fine%20and%20imprisonment), the city or county in which the place, feature, or object is located shall conduct consultations with the California Native American tribe, if any, that has given notice pursuant to Government Code Section 65092

(https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65092.&lawCode=GOV) for the purpose of determining the level of confidentiality required to protect the specific identity, location, character, or use of the place, feature, or object and for the purpose of developing treatment with appropriate dignity of the place, feature, or object in any corresponding management plan.

⁶ Public Resources Code Section 20182(c)(1) Any information, including, but not limited to, the location, description, and use of the tribal cultural resources, that is submitted by a California Native American tribe during the environmental review process shall not be included in the environmental document or otherwise disclosed by the lead agency or any other public agency to the public, consistent with subdivision (r) of Section 6254 of, and Section 6254.10 of, the Government Code, and subdivision (d) of Section 15120 of Title 14 of the California Code of Regulations...

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=PRC§ionNum=21082.3.

HBMWD as prospective water-seller, would not appear to involve a General Plan covered by SB-18 or a project subject to CEQA within AB-52.

In any event, the SB-18 and AB-52 confidentiality provisions are limited to location information about specific cultural, historic, religious, and burial sites. California law does not throw a wider “confidentiality” blanket over other topics or subject matters -- such as the provision of water or the extension of a water line -- that may be discussed at such meetings.

Moreover, the Brown Act very specifically provides, at Government Code Section 54958, that the open public legislative body meetings mandate supersedes “the conflicting provisions of any other state law.”⁷

We respectfully remind Your Board that the Trinidad Rancheria would not be the only party affected by or interested in a water line extension and water sale agreement between HBMWD and the Rancheria. Ratepayers, taxpayers, cities, the County of Humboldt, and local, state, and federal regulatory agencies would be affected and/or interested in any such line extension / water sale agreement. They must not be kept in the dark.

Accordingly, any discussions between the Trinidad Rancheria and the HBMWD Board (or a standing committee such as the New Sales Committee or a committee tasked to meet with the Rancheria), that could be construed to be relating to or discussing a water sales or line extension agreement, should be done in open public meetings, and should not be subject to any confidentiality except in the very limited circumstances and for the limited purposes of SB-18 and/or AB-52.

Thank you for your public service, and please feel free to contact me for any reason.

Very truly yours,

⁷ California Government Code Section 54958: “The provisions of this chapter shall apply to the legislative body of every local agency notwithstanding the conflicting provisions of any other state law.”
https://leginfo.legislature.ca.gov/faces/codes_displayText.xhtml?lawCode=GOV&division=2.&title=5.&part=1.&chapter=9.

/s/

J. Bryce Kenny
Attorney for HARP

Copies: see next page

cc: Humboldt County Supervisor Steve Madrone
Humboldt County Supervisor Mike Wilson
Trinidad Mayor Steve Ladwig and Members of the City Council
Sarah Lindgren-Akana, Tsurai Ancestral Society
Jen Kalt, Humboldt Baykeeper
HARP Executive Committee

EXHIBIT 1

Letter, June 4, 2020, Trinidad Rancheria Tribal Chairman Garth Sundberg
to Humboldt Bay Municipal Water District:
[https://drive.google.com/file/d/15mtx2oTZ97exvboiaK5kLfQvktCMILxL/view?
usp=sharing](https://drive.google.com/file/d/15mtx2oTZ97exvboiaK5kLfQvktCMILxL/view?usp=sharing)



August 6, 2020

Humboldt Bay Municipal Water District
Sherri Woo, President
John Friedenbach, General Manager
P.O. Box 95
Eureka, CA 95502-0095

Dear Board of Directors,

On behalf of the Cher-Ae Heights Indian Community of the Trinidad Rancheria, I would like to thank you for your response to our letter of June 4, 2020, regarding water service. We agree this is a complex issue and are prepared and look forward to working through the various components with other affected parties to analyze the feasibility of the extension.

Please find below the information the Board requested to initially move forward as identified in your letter of June 30, 2020, and our responses to those requests:

1) **The quantity of water needed which includes the build out of our Comprehensive Plan**

The Tribe hired the Wright Group as the developer for the hotel project in 2017 and they subcontracted with Thalden Boyd Emery Architects (TBE) for the design and engineering of the hotel. TBE contracted with FEA Consulting Engineers to analyze the water usage for the Hotel Environmental Assessment and the following statement was made in their letter of May 8, 2019:

*"We estimate that the **maximum** water use per day will be 14,184 gallons per day. The calculations were based off of our previous experience in hotel design and construction. **Should the owner decide to implement a grey water recovery system to supplement the guest room toilets, they could see up to a 15% reduction in water used per day.**"¹*

Based on review and research from resources and our engineers, we estimate the future water need to be approximately 20,000 gallons per day (gpd). This would include the Casino, Hotel, and Tribal Office Complex as well as future development of the RV Park, Gas Station/Mini-Mart, and Community Center.

2) **Regarding our timeline for obtaining water service from HBMWD**

We realize and understand that a project of this magnitude will require planning, preliminary design and engineering, permitting and then final design and construction. We would like to move this forward as soon as possible, but anticipate that it could be a slow process depending on where the pipeline is located. We are hesitant to put forth any dates at this time, but would anticipate a 5-year project.

¹ FEA Consulting Engineers Letter to TBE Architects, May 8, 2019

3) **Engineering analyses relevant to our water consumption needs.**

We have the projection from our developer for our build out as outlined in our Comprehensive Plan which includes the 100-room hotel, as stated above. The basis for our analysis is the Water System Design Manual guidance (see link below). Please note that the reduction in water estimated for the hotel is due to the installation of a grey water system.

[http://wiki.watermissions.org/\(S\(jnbqm14501134245no2rnwnp\)\)/GetFile.aspx?Page=MainPage&File=design_manual_chapter_5-WATER%20DEMAND%20REQUIREMENTS.pdf&AspxAutoDetectCookieSupport=1](http://wiki.watermissions.org/(S(jnbqm14501134245no2rnwnp))/GetFile.aspx?Page=MainPage&File=design_manual_chapter_5-WATER%20DEMAND%20REQUIREMENTS.pdf&AspxAutoDetectCookieSupport=1)

4) **Project Funding**

The possible waterline extension from HBMWD to the Trinidad Rancheria could be funded from leveraging grant funds, tribal economic revenues and possibly loans if needed.

5) **Government to Government Consultation**

HBMWD has asked the Tribe to clarify how we are using the term “Government to Government Consultation” relative to the Tribe’s request to HBMWD to extend the existing HBMWD waterline to the Trinidad Rancheria. The concept of Government to Government Consultation is rooted in the relationship between Indian tribes and the United States. The federal government and the State of California both acknowledge that they have a government to government relationship with Indian tribes, and both federal and state agencies are directed to consult and work with tribes on a government to government basis. President Clinton formally acknowledged the federal government’s special relationship with tribe in Executive Order 13175 (November 6, 2000), which directs federal agencies to engage with meaningful consultation with tribal officials. On September 19, 2011, Governor Brown issued Executive Order B-10-11, which recognized that “the State and Tribes are better able to adopt and implement mutually-beneficial policies when they cooperate and engage in meaningful consultation, and that “the State is committed to strengthening and sustaining effective government to government relationships between the State and the Tribes by identifying areas of mutual concern and working to develop partnerships and consensus.” The Brown Executive Order, which was reaffirmed by Governor Newsom in Executive Order N-15-19, further recognized the government to government relationship between the State and Tribes, and directs that every state agency and department subject to the Governor’s executive control encourage communication and consultation with California Indian Tribes.

Consistent with these executive orders, and the recognition of the government to government relationships, the Trinidad Rancheria has engaged in Government to Government Consultation with state and federal agencies on numerous occasions, and these efforts have often resulted in collaborative approaches and projects that have been disputes but for the respectful and open Government to Government Consultation. This is especially true in the area of natural resources, as is reflected in the California Water Action Plan, which states that “collaboration between federal, state, local and tribal governments . . . is essential.” The Tribe and the City of Trinidad have also collaborated on significant achievements when they have been able to engage in such consultation (e.g. mutually supported improvements to the City’s water system and reconstruction of the Trinidad Pier). Although the HBMWD is not a state agency and is not bound by Executive Order B-10-11, the Tribe believes that Government to Government Consultation between the Tribe and the HBMWD may open the door to significant achievements that provide greater water resource resiliency for the entire region. While there

are some vociferous advocacy groups who oppose Government to Government Consultation when it involves an Indian tribe (notably their opposition does not appear to extend to such dialogue and cooperation between non-Indian governments), we know from experience that intergovernmental consultation and collaboration are keys to good governance and lead to the best outcomes.

The Tribe is mindful of the requirements applicable to public entities under California law, such as the Brown Act restrictions. In 2005, the Governor's Office of Planning and Research (OPR), in the context of Senate Bill 18 (Chapter 905, Statutes of 2004) (known as "S.B. 18"), published Tribal Consultation Guidelines Supplement to General Plan Guidelines (OPR Guidelines), which directly address the question of Brown Act compliance. Although SB 18 may not be directly applicable here, the advice provided in the OPR guidelines is instructive. The guidelines recognize that the Brown Act applies to all local agencies within California and that it would be a violation of California's open meeting laws for a local legislative body to take an action in secret (absent certain exceptions for "closed meetings"). See OPR Guidelines at 27. However, noting that the Brown Act defines a "meeting" as a gathering of a majority of the members of an applicable body to hear, discuss, or deliberate on matters within the agency's or board's jurisdiction, the OPR Guidelines advise that, if a local legislative body participates in confidential tribal consultations, it do so as an advisory committee with less than a quorum, so as to not invoke the Brown Act's requirements of public participation. *Id.*

The Trinidad Rancheria requested Government to Government Consultation because it has proven to be essential to intergovernmental collaboration, and can result in mutually beneficial achievements. The OPR Guidelines provide a path for HBMWD to undertake such a process in compliance with its obligations under the Brown Act, and we urge the District to establish a committee tasked with engaging the Tribe and other governmental stakeholders in a dialogue about the potential extension of the HBMWD's waterline to the Trinidad Rancheria. The Tribe has sought this consultation in good faith, and with the intent to discuss these issues with mutual respect and with the understanding that the Tribe and HBMWD are both interested not only in the interests of our individual members, but in our shared community more broadly.

If it would facilitate these discussions, the Tribe would be happy to reach out to Anecita Agustinez, Tribal Policy Advisor for the California Department of Water Resources to request coordination of such discussions.

6) **SWRCB Change in Beneficial Use Location**

We understand that you will need to work through the process to obtain a change in beneficial use location with the CA State Water Board for your water rights and we will be a strong partner to help accomplish this if needed.

7) **McKinleyville Community Services District (MCSD)**

As per the previous discussion at the June Board meeting, we are more than happy to work with MCSD and understand that the waterline extension would originate from the distribution grid in McKinleyville. We believe Mr. Mayo committed to assist us in any way possible and we look forward to the collaboration.

8) **Customer Classification**

We understand that our customer classification would be based on our projected water usage and the relevant District Ordinance governing service will need to be determined.

9) **Application**

We are agreeable to completing the water main line application at your convenience.

10) **Deposit**

We are willing submit a reasonable deposit and believe a reasonable deposit could be mutually negotiated after we have estimated project costs.

We too look forward to working with you and the District Board to explore the possibility of a reliable water source for the future of our Tribe and Tribal Members. We are committed to being a collaborative partner and appreciate your assistance.

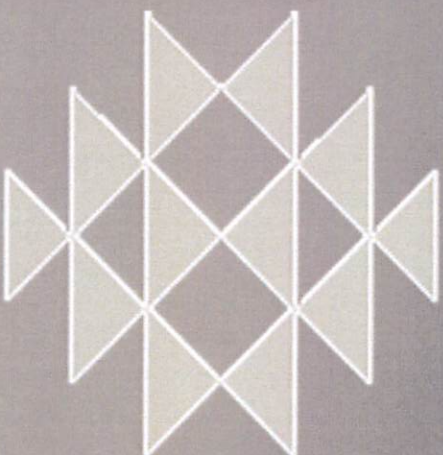
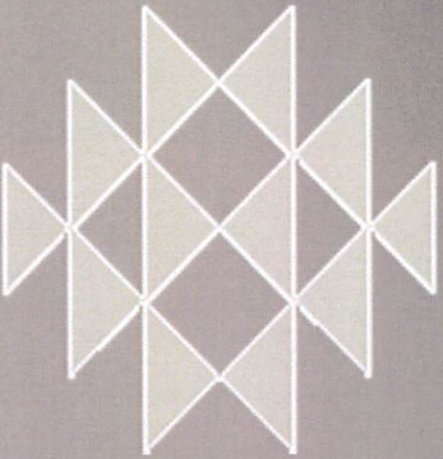
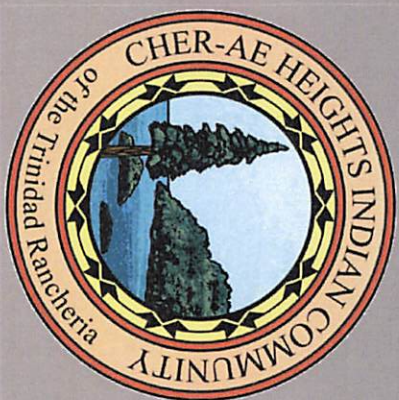
Sincerely,



Garth Sundberg
Tribal Chairman
Trinidad Rancheria

Humboldt Bay Municipal Water District HBMWD

Trinidad Rancheria Water Request





Vision Statement

Honoring the Past, Living in the Present, Looking Towards the Future

Mission Statement

The mission of the Cher-Ae Heights Indian Community of the Trinidad Rancheria is to preserve and promote our cultural and traditional beliefs; improve quality of life and self-sufficiency; uphold tribal sovereignty; create positive partnerships; and protect the environment in order to provide a healthy community, honor our elders, and guide our youth.

Guiding Principle

It is with faith in The Creator that we undertake these tasks and it shall be with a spirit of respect and cooperation that we reach these goals.





Presentation Topics

- Trinidad Rancheria Comprehensive Plan/Master Plan
- Quantity of Water Needed—Including Build out of Comprehensive Plan
- Timeline for Obtaining Water Service from HBMWD
- Engineering Analyses Relevant to Water Consumption Needs
- Government to Government Consultation
- SWRCB Change in Beneficial Use Location
- McKinleyville Community Services District (MCSD)
- Project Funding, Customer Classification, Application, and Deposit



Comprehensive Plan/Master Plan



Quantity of Water Needed–Including Build out of Comprehensive Plan

- Based on review and research from resources and our engineers, we estimate the future water need to be approximately 20,000 gallons per day (gpd).
- This would include the Casino, Hotel, and Tribal Office Complex as well as future development of the RV Park, Gas Station/Mini-Mart, and Community Center.

Timeline for Obtaining Water Service from HBMWWD

- A project of this magnitude will require planning, preliminary design and engineering, permitting and then final design and construction.
- We would like to move this forward as soon as possible, but anticipate a 5-year project.



Engineering Analyses Relevant to Water Consumption Needs

- The projection from our developer for our build out is as outlined in our Comprehensive Plan which includes the 100-room hotel.
- The basis for our analysis is the Water System Design Manual guidance (see link below). Please note that the reduction in water estimated for the hotel is due to the installation of a grey water system.

- [http://wiki.watermissions.org/\(S\(inbqgm14501134245no2rnwmp\)\)/GetFile.aspx?Page=MainPage&File=design_manual_chapter_5-WATER%20DEMAND%20REQUIREMENTS.pdf&AspxAutoDetectCookiesSupport=1](http://wiki.watermissions.org/(S(inbqgm14501134245no2rnwmp))/GetFile.aspx?Page=MainPage&File=design_manual_chapter_5-WATER%20DEMAND%20REQUIREMENTS.pdf&AspxAutoDetectCookiesSupport=1)



Government to Government Consultation

- The concept of Government to Government Consultation is rooted in the relationship between Indian tribes and the United States. The federal government and the State of California both acknowledge that they have a government to government relationship with Indian tribes.
- President Clinton issued Executive Order 13175 (November 6, 2000). Governor Brown issued Executive Order B-10-11, which was reaffirmed by Governor Newsom in Executive Order N-15-19.
- This is especially true in the area of natural resources, as is reflected in the California Water Action Plan, which states that “collaboration between federal, state, local and tribal governments . . . is essential.”
- Although the HBMWD is not a state agency and is not bound by Executive Order B-10-11, the Tribe believes that Government to Government Consultation between the Tribe and the HBMWD may open the door to significant achievements that provide greater water resource resiliency for the entire region.



Government to Government Consultation

- The Tribe is mindful of the requirements applicable to public entities under California law, such as the Brown Act restrictions.
- Although SB 18 may not be directly applicable here, the advice provided in the OPR guidelines is instructive.
- The Trinidad Rancheria requested Government to Government Consultation because it has proven to be essential to intergovernmental collaboration, and can result in mutually beneficial achievements. The OPR Guidelines provide a path for HBMW D to undertake such a process in compliance with its obligations under the Brown Act, and we urge the District to establish a committee tasked with engaging the Tribe and other governmental stakeholders in a dialogue about the potential extension of the HBMW D's waterline to the Trinidad Rancheria.



SWRCB Change in Beneficial Use Location

- HBMWD will need to work through the process to obtain a change in beneficial use location with the CA State Water Board for your water rights and we will be a strong partner to help accomplish this if needed.

McKinleyville Community Services District (MCSD)

- The Tribe is more than happy to work with MCSD and understands that the waterline extension would originate from the distribution grid in McKinleyville.
- We believe Mr. Mayo committed to assist us in any way possible and we look forward to the collaboration.



Project Funding, Customer Classification, Application & Deposit

- The possible waterline extension from HBWWD to the Trinidad Rancheria could be funded from leveraging grant funds, tribal economic revenues and possibly loans if needed.
- The Tribe understands that our customer classification would be based on projected water usage and that the relevant District Ordinance governing service will need to be determined.
- The Tribe is agreeable to completing the water main line application.
- The Tribe is willing to submit a reasonable deposit and believe that a reasonable deposit could be mutually negotiated after estimated project costs are known.



Next Steps

- Move forward in a collaborative manner.
- Build on past work with HBMMWD.
- Complete the water main line application.
- Relevant District Ordinance will need to be determined.
- Mutually negotiate and submit a reasonable deposit after we have estimated project costs.



Trinidad Water Supply Reports

<u>Report Name</u>	<u>BY</u>	<u>DATE</u>	<u>PAGES</u>
1 City of Trinidad Tech Memo #9 Water Feasibility Study (supply from HBMWD)	Winzler and Kelly	11/1/2001	24
2 City of Trinidad Preliminary Engineering Report Project Alternatives to improve the operation of the City's water system and to meet state standards	Winzler and Kelly	6/1/2008	81
3 Clean Water at less cost and with sustainable energy and freedom tanks	Sungnome Madrone	12/8/2008	16
4 Fine sediment sources in coastal watersheds with uplifted marine terraces in Northwest Humboldt County A thesis (Masters)	Stephen Madrone	7/1/2011	93
5 Scope and budget for reconnaissance level assessment water distribution Pipeline North to Trinidad area	GHD	4/23/2015	3
6 Letter to Trinidad Rancheria & City of Trinidad re Reconnaissance Level Assessment	HBMWD	5/7/2015	1
7 City of Trinidad Alternative raw water source evaluation (possible pipeline routes)	GHD	9/6/2019	9
8 City of Trinidad Conceptual Hydrological Assessment of the Luffenholtz Creek Watershed	GHD	9/6/2019	12
9 Cityof Trinidad Watershed & Water supply And Storage System Analysis Presentation	GHD	?	11



My Word: Trinidad mayor on water and community

By STEVE LADWIG |

July 14, 2020 at 12:24 p.m.

I'd like to share some thoughts on what is happening in Trinidad and what I believe is needed to help us build a sense of community. I've been the mayor of this town for several years now and have learned much about the many intersections of thought and beliefs. I wanted to add my piece to recent comments made regarding our town and the folks who make up this community.

I look at Trinidad more like a watershed than simply a square mile of streets, homes and businesses. We provide water to our residents, to some customers in Westhaven, and need to be able to consider new water requests holistically. For years, we've been able to keep pace with the demand for water. Only twice since we put in the treatment plant have we approached the critical point where the creek wasn't able to meet the demand.

Last year, the city invested considerable resources in trying to get a clear picture of:

- how much our water source, Luffenholtz Creek, could produce,
- how much water the treatment plant can produce,
- how much water we're losing to old and leaky pipes, and
- most importantly, what other options exist for us to stabilize this valuable resource and allow our community to meet its needs.

This year-long effort was coming to a point where the city was going to gather its residents, all of the folks who also tap into our water source, and other interested people, and consider a request from the Trinidad Rancheria to supply water to its hotel project. This meeting would have occurred in the spring and would have been a chance for the town hall to fill and have a rich discussion. Then COVID-19 shut down all in-person meetings and we were faced with a need to switch to the infamous Zoom/Webex format of meeting and it didn't go well. A whole community had to learn how to interact in a totally different way. So, as a City Council, and based on input from many, we decided to postpone this important decision until we could again meet in person.

In the last week or so, letters have come out from Mr. Sundberg from the Rancheria and Mr. Madrone from the county Board of Supervisors, both discussing this hotel project and their perceptions of the process. These letters focus on what isn't working instead of encouraging the community to find ways to work collaboratively. It appears to me as if this new way of meeting virtually, less often, and without the crucial element of being face-to-face, has allowed this situation to deteriorate.

I write today to call for us to reflect on what this community needs and who is a part of it. If we don't invest in the people that make up our community, then we're not participating and carrying our own load. The city is in a position to make a decision that reaches far beyond the one square mile that we inhabit and long past our own lifespans. The City Council is an elected body that's meant to represent our residents, our community, and to make decisions in the public eye in a way that isn't driven by our own personal gain. The Rancheria's offered to help the city improve its water plant on the one hand, and has ceased all support on other important projects like the

stormwater project until we provide water for the hotel. Citizen groups like Humboldt Alliance for Responsible Planning (HARP) have opposed the hotel, but haven't successfully offered to help find suitable solutions. There's an incredible amount of talent in the Rancheria and HARP that's lost by making ultimatums. The best use of these talents would be to work together with the city to find a solution. In my time as mayor I've met with all of these groups. Even if I disagree, I always come out better, having learned something about my neighbors' perspectives, experiences, and what's important to them.

The city remains committed to continuing this discussion and finding a solution to our water needs. We also remain committed to having open discussions with all members of the community on important projects within our city and within our neighboring communities. COVID-19 has thrown a major wrench in this process, and I look forward to meeting in person again, to have that rich discussion and democratic process that's so important. I wholeheartedly ask for this community to reflect on our values and to include ALL of us in our decisions.

Steve Ladwig serves on the Trinidad City Council as mayor.



July 14, 2020

H.B.M.W.D. JUL 21 2020

PRESIDENT

Sara Prendergast

PRESIDENT-ELECT

Jill Rice

SECRETARY/TREASURER

Joshua Cook

PAST PRESIDENT

Victoria Copeland

DIRECTORS

Robin Bailie

Heather Bergen

Felicia Costa

Tina Christensen-Kable

Ruthie Jones - MLS

Joe Matteoli

Mike Novak

Michelle Rowland

Lauren Smith

Jeremy Stanfield

Somer Wallan

Hannah Winans

AFFILIATE LIAISON

Marysa Castro

EXECUTIVE OFFICER

Kristen Kelley

Humboldt Bay Municipal Water District
828 Seventh Street
Eureka, CA 95501

Re: Letter of Support of Trinidad Area Water Extension Pipeline

Dear HBMWD Board of Directors,

The Humboldt Association of Realtors® would like to convey support of the Humboldt Bay Municipal Water District researching feasible water supply proposals to the Trinidad area.

After reading the articles by Ryan Burns on June 12, 2020, featured on Lost Coast Outpost “Trinidad Rancheria Asks for Pipeline Extension to Get Water Via Humboldt Bay Municipal Water District” and the Jack Durham Mad River Union featured article “Trinidad Rancheria makes McKinleyville pipeline plea”, the Humboldt Association of Realtors® supports taking steps in the direction of supplying water and needed infrastructure where it is greatly needed in underserved communities.

We are in full support of private property rights and understand that the limitation of water effects private property rights to many landowners and in turn entire communities can experience a lack of growth and sustainability.

We thank you for considering the feasibility and implementation of a pipeline extension from the McKinleyville Community Service District to the Trinidad area. As the saying goes, “Water is Life” and communities that greatly need it should be given the opportunity to obtain such a basic commodity. If you have any questions, contact us at (707) 442-2978 or email kristen@harealtors.com.

Sincerely,

Sara Prendergast
2020 President



NEWS FROM THE CENTER

Larry Glass, Executive Director and Carrie Tully, Admin & Dev. Director

To quote Julie Sze's *Environmental Justice in a Moment of Danger*, "The resurgence of explicit racism is unsurprising for justice activists, who see their lives impacted by legacies of structural domination and racist public policies. Social movements for environmental and climate justice are mobilizing large numbers of people (including virtually) and having a broad national and global impact outside of local contexts. Oil pipeline protests on the Standing Rock Sioux Reservation; responses to mass lead poisonings in Flint, Michigan; mobilizations against police killings of African Americans [such as Breonna Taylor, George Floyd, and Ahmaud Arbery] and other people of color; impassioned actions of Indigenous and small island populations in opposition to climate change - all comprise a snapshot of the hundreds of protests in the United States that have foregrounded the convergence between environmentalism and movements to combat social justice and inequality."

We see that our job at the NEC is to

provide our members and supporters with factual reporting about the challenges that we all face. Most of the challenges we are confronting are linked together by a common thread of selfishness and greed. The mission is to shine a light on these, and connect the dots.

One of the most frustrating aspects of the current times we live in is the widespread amount of ignorance and science-denial. This has led to us seeing long-time environmental protections being abandoned by the White House, and the elevation of junk-science and conspiracy theories about things as important as climate collapse and worldwide pandemics. Here at the Center, we strive to stay factual and rooted in proven science. Because of that, let us take this opportunity to remind our readers that our natural environment is still being threatened by uncontrolled changes in our climate.

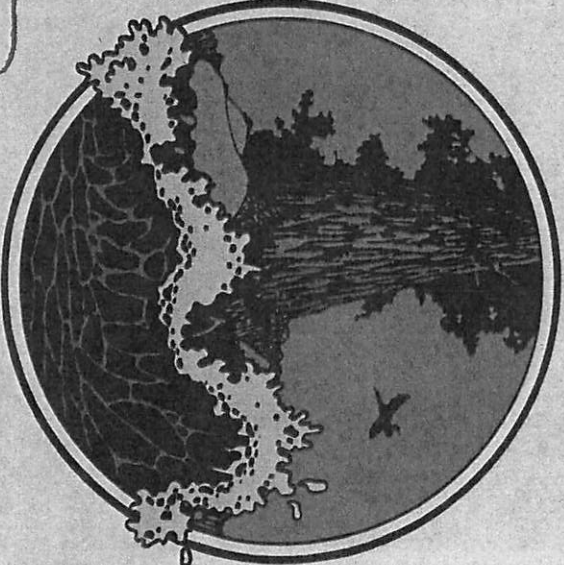
Our office still remains closed. We understand that it's human nature to be impatient and to want to go back to normal life, but we are still in the middle of a pandemic - no matter what propaganda is coming out of Washington D.C. We will continue to

be cautious and protect our staff and members until it is truly safe to open back up.

Closed or not, the NEC staff continues to do their job. Right now we are focused on the new monthly Econews print editions, which are being warmly received by the public. If you've been having trouble finding a copy, it's because they've been flying off the racks! We've been restocking as fast as we can. Please visit our website if you wish to become a member, and you can get one mailed directly to you.

As we're going to press, we've just learned about another controversial potential project that will certainly be holding our attention, and that is a proposed water line that would extend the Humboldt Bay Municipal Water District's service area all the way to Trinidad. This proposal could result in an unchecked wave of development in Northern McKinleyville and beyond. We will keep you posted as this project develops or is stopped.

We are excited to introduce the NEC's newest interactive clean-up project: Trash-a-thon! Similar to a walk-a-thon, where you raise money



from sponsors for each mile walked, Trash-a-thon is a way of raising donations for the number of pieces of trash that are picked up within a 24-hour timeframe. Anyone can volunteer to pick up trash, either as an individual or in teams of 2-5 people. Leading up to the day of the cleanup, volunteers are encouraged to collect pledges (donations) from their network. A suggested pledge could range anywhere from \$0.05 - \$5 per piece of trash. Be sure to sign up so you can participate in this great event! Our dynamic new Administrative Director is heavily involved in

Continued →

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

MAINLINE EXTENSION AGREEMENT

THIS MAIN LINE EXTENSION AGREEMENT (“Agreement”) is entered into as of _____, 2020, by and between the **HUMBOLDT BAY MUNICIPAL WATER DISTRICT (“District”)**, a California public entity, and the **CHER-AE HEIGHTS INDIAN COMMUNITY OF THE TRINIDAD RANCHERIA (“Tribe”)**, a federally recognized Indian Tribe. The District and Tribe may be referred to individually as a **“Party”** or collectively as the **“Parties”**.

RECITALS

1. WHEREAS, the District is a duly formed and existing Municipal Water District, formed pursuant to Division 2 of the California Water Code and providing municipal water services to parcels within its sphere of influence and District boundaries.
2. WHEREAS, the Tribe is a federally recognized Indian tribe eligible for the special programs and services provided by the United States to Indians and possessing inherent powers of self-government.
3. WHEREAS, the United States government holds lands in the State of California in trust for the benefit of the Tribe over which the Tribe exercises jurisdiction and possesses sovereign governmental powers (**“Tribe’s Lands”**).
4. WHEREAS, the Tribe intends to develop its Comprehensive Plan on the Tribe’s Lands (**“Project”**) located south of the City of Trinidad, which is located outside the District’s boundaries and sphere of influence.
5. WHEREAS, the Tribe has requested that District provide water service to the Project, which will necessitate an extension of the District’s water main from _____ to the _____.
6. WHEREAS, the District has determined that it has available water supply a to provide water service to the Project, subject to the Tribe’s installation and construction of certain system improvements and other terms and conditions as provided by this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the hereinafter mutual promises and covenants, and for other good and valuable consideration as set forth herein, the receipt and sufficiency of which are expressly acknowledged, the District and the Tribe agree as follows.

Section 1. Effective Date. This Agreement shall become effective on date fully executed by the parties. Each party warrants and represents to the other that the person executing this Agreement has

the full authority and capacity to execute this Agreement and bind the respective party to the terms hereof.

Section 2. Regulatory Approvals.

2.1 Regulatory Approvals. The District shall have no obligation under this Agreement unless and until each of the following are satisfied in full by the Tribe (collectively, the “Regulatory Approvals”)

2.1.1 Local Area Formation Commission Approval. The Tribe understands and agrees that the District shall have no obligation under this Agreement unless and until the extra territorial extension of water service contemplated hereunder is approved by the Humboldt Local Area Formation Commission (“LAFCo”). The Tribe acknowledges that LAFCo may condition its approval of the extra territorial extension of water service contemplated hereunder upon the performance of certain actions, including, but not limited to, review under the California Environmental Quality Act (“CEQA”).

2.1.2 County Approval. The Tribe understands and agrees that the District shall have no obligation under this Agreement unless and until the extra territorial extension of water service and the improvements contemplated hereunder are approved by the County of Humboldt (“County”) as reflected in a final Coastal Development Permit or other final permit as may be required by the County. The Tribe acknowledges that the County may condition its approval of the extra territorial extension of water service and the improvements contemplated hereunder upon the performance of certain actions, including but not limited to review under the California Environmental Quality Act (“CEQA”).

2.1.3 State Water Board Approval. The Tribe understands and agrees that the District shall have no obligation under this Agreement unless and until this Agreement and the extra territorial extension of water service contemplated hereunder are approved by the State Water Board.

2.1.4 Bureau of Indian Affairs Approval. To the extent required by law, the Tribe shall obtain any and all approvals from the Bureau of Indian Affairs that may be required by law, including approval of any easements or other property rights across the Tribe’s Land.

2.2 Regulatory and Approval Costs. The Tribe shall pay, either directly or by way of reimbursement to the District, any and all application, processing, or other costs imposed by any government entities having jurisdiction or approval authority over the Project. Without limiting the generality of the foregoing, the Tribe shall be responsible for any costs associated with environmental review under applicable laws, including CEQA. In the event the District pays any such costs, the Tribe shall reimburse the District within fifteen (15) days of a written demand by the District. The Tribe’s obligation under this sub-section applies regardless of whether the regulatory agency approves or denies the application.

Section 3. Cost Recovery.

3.1. For District Services. Upon execution of this Agreement, the Tribe agrees to advance to District a deposit in the amount of Ten Thousand dollars (\$ 10,000.00) to fund the District engineering, legal and administrative services in connection with District's study and investigation of water service to the Project, plan review, inspection of construction, testing of improvements, and other costs incurred by District in the performance of its duties under this Agreement and otherwise in connection with extending and providing water, sewer, drainage, and recycled water facilities and service to the Project. District will draw on this deposit to pay or reimburse periodic invoices from the District consultants and to reimburse District for the cost of District staff time and materials. If, before acceptance of the Work, the deposit becomes depleted or 20% or less of the deposit remains, District reserves the right to require additional deposits to cover additional anticipated District costs. If any requested deposit or payment is not timely made, District may so notify the Tribe and it will have ten days to cure the default. If deposit or payment has not been made within the ten-day period or if the funds become depleted, then District will suspend all services in connection with the Work pending receipt of the deposit or payment. If the deposit or payment remains unpaid, then District may terminate this Agreement. District will refund to the Tribe any deposit remaining upon termination of the Agreement without interest. District shall deposit the Tribe's deposits into a special fund for the purpose of paying and reimbursing District costs. Any Tribe deposit remaining upon completion and acceptance of the Work will be refunded without interest to the Tribe. If the final total District costs exceed the amount of the deposit(s), the Tribe must pay the difference upon demand and before the District accepts the Work.

3.2 District Fees. All District development-related fees for each Project building and structure are due and payable at the then-prevailing rate at the time water permits are requested for the Project.

Section 4. Plans and Specifications. The Tribe, at its sole costs and expense, in consultation with District and the District engineer, will design and prepare detailed plans, specifications and drawings for the construction of the on-site improvements and off-site improvements necessary to extend and provide water service to the Project, and will submit them to District for approval. The plans, specifications and drawings must comply with all District ordinances, resolutions, rules, regulations, policies, standards and specifications, as well as all other federal, state and local standards and requirements, whichever are most stringent. The plans, specifications, and drawings, when approved in writing by District and its engineer, will become a part of this Agreement. The water improvements as described on the approved plans, specifications and drawings will be referred to as the "Work." The Tribe may modify the plans, specifications and drawings for the Work prior to or during the course of construction, provided that any modification is approved in advance and in writing by District.

Section 5. Construction of Work.

5.1. Construction by the Tribe. The Tribe, at its sole cost and expense, shall furnish, construct and install the Work, and, where necessary, pay the cost of acquiring land or rights-of-way necessary for the construction and installation of the Work. The construction and materials must be in accordance with the provisions of this Agreement; the approved plans, specifications and drawings;

District Code, ordinances, resolutions, rules, regulations, policies, standards and specifications; other federal, state and local statutes, regulations, ordinances, codes and other requirements; and standard construction practices.

5.2. Materials. Prior to commencing construction of any portion of the Work, the Tribe or its contractor must submit to District a written list of materials, in a form acceptable to District, showing the particular manufacturer and specifications of all materials proposed to be installed by the Tribe. The District will either disapprove with reasons or approve the list of materials. Only materials approved in advance by District may be installed on the Work.

5.3 Licensed Contractor. The contractor constructing and installing the Work (the "Contractor") must be licensed pursuant to the California Business and Professions Code to do the Work. No construction can be performed on the Work except by a licensed Contractor approved by District. District may request evidence of qualifications that the Contractor has satisfactorily constructed other projects of like kind and magnitude and comparable difficulty. To the extent required by law, the Tribe and its Contractor, and any contract entered into by the Tribe and its Contractor, must comply with California Labor Code provisions concerning payment of prevailing wage rates, penalties, employment of apprentices, hours of work and overtime, keeping and retention of payroll records, and other requirements applicable to public works projects within the meaning of the Labor Code.

5.4 Performance Bond. Prior to commencement of construction of any portion of the Work by the Tribe's Contractor, the Tribe must provide District with a faithful performance bond in a sum equal to no less than 100% of the estimated cost of the Work to be constructed in public or private streets or rights-of-way or on public property. The Performance Bond will be for the purpose of insuring the proper and timely completion of the Work. In the event of the failure of the Tribe to complete the Work covered by the Performance Bond and District completes construction of the Work or any portion of it, the Tribe and its surety under the Performance Bond will be jointly and severally liable to District for the costs of completion, including, but not limited to, management and administrative costs, and engineering, legal and other costs incurred relating to the completion. District will bill the Tribe and the surety for the costs, which bill must be paid within thirty days of its date. Interest will accrue on any late payment at the legal rate then prevailing.

5.5 Time for Performance. The Tribe agrees to commence construction of the Work within six months from the date of receipt of all Regulatory Approvals, and it will complete construction of the Work within five (5) years from the date of commencement. Time is of the essence of this Agreement. Upon a showing of good cause by the Tribe, District may extend these deadlines. Any extension granted by District may be done without notice to any of the Tribe's sureties, and the extension will not relieve any surety's liability. District also may condition the granting of any extension by requiring acceptable new or amended faithful performance guarantee. If construction of the Work has not been completed and accepted by District within these deadlines, and any extensions, then District may terminate this Agreement at any time thereafter by giving written notice of termination to the Tribe. The Tribe must give District at least forty eight (48) hours advance notice of the commencement of construction and

installation of the Work. Any construction performed without notice to and inspection by District will be subject to rejection.

5.6 Inspections. District, may, at its option, inspect and test all or part of the construction or material being used in construction of the Work and the Tribe will provide reasonable assistance in performing all inspection and testing. The inspection and testing of the Work will not relieve the Tribe of its obligation to construct the Work in accordance with the approved plans, specifications and drawings. If all or any portion of the Work, or any materials used in connection with the Work, are found to be defective, substandard or nonconforming, then the Tribe must replace, repair or otherwise remedy the Work to the satisfaction of District, notwithstanding that the Work and materials may have been previously overlooked or inspected by District. The Tribe must pay for the costs of inspection and testing by District and District's engineer.

5.7 Final Inspection. Upon completion of construction of the Work (or any portion of the Work), the Tribe agrees to notify District and request a final inspection of the Work. District will inspect and test the Work to determine whether it meets the requirements of this Agreement. District will not accept any Work that does not satisfy District inspection and testing requirements. Pursuant to section 4.6, above, the Tribe must pay the costs of inspections and tests by District and District's engineer. The Tribe also will be responsible for all costs incurred in the testing of the Work as needed or required by other governmental agencies having jurisdiction.

5.8 Termination Prior to Construction. Notwithstanding anything in this Agreement to the contrary, the Tribe may terminate this Agreement at any time prior to commencement of construction of any portion of the Work by giving written notice to District. After commencement of Work, the Tribe may terminate this Agreement only with the written consent of District, which consent may be given subject to reasonable conditions as necessary or appropriate to protect the public health, safety, aesthetics or welfare.

Section 6. Permits, Licenses, and Easements. The Tribe must obtain, maintain and comply with all federal, state, county and other permits, licenses, approvals, and entitlements, including encroachment permits, that are necessary or appropriate for the Work. The Tribe must give all notices required by and comply with all federal, state, county and other laws, statutes, regulations, codes, ordinances, rules, regulations and policies relating to the construction of the Work. The Tribe agrees to obtain all real property and permanent and temporary easements of a width as determined by District to be necessary for the Work and for ingress and egress to and from the facilities for the purpose of construction, installation, operation, maintenance, repair, removal, replacement and improvement of the Work facilities. All completed Work-related grant deeds, easements and bills of sale must be in a form approved by District.

Section 7. Transfer of Property and Easements. For purposes of this Agreement, the "District Owned Improvements" means all the Work excluding the "private water line" beyond (upstream from) the water meter, meter stop and meter box. After District has finally inspected and approved the Work

and as a condition precedent to District's acceptance of the Work, the Tribe must deliver conveyance documents (e.g., deeds, easements, bills of sale) satisfactory in form and content as necessary and appropriate to transfer absolute and unencumbered ownership of the completed District-Owned Improvements to District. Title to the District-Owned Improvements and the interests in real property transferred must be good, clear and marketable title and free and clear of all encumbrances, liens or charges. The Tribe will obtain and pay any costs of title insurance deemed necessary by District. With or without separate conveyance documents, all right, title and interest of the Tribe in and to the completed District-Owned Improvements shall transfer to District upon District's written notice of acceptance of Work.

Section 8. Maintenance

8.1. Prior to District's acceptance of the work, the Tribe must provide District with a maintenance bond in a sum equal to 50% of the cost of the District-Owned Improvements to be transferred to District. The Maintenance Bond is for the purpose of warranting all materials and workmanship furnished pursuant to this Agreement for one year from the date of District's notice of acceptance of the Work.

8.2. The Tribe and/or its surety under the Maintenance Bond must repair or replace to the satisfaction of District all or any portion of the Work that may prove defective in workmanship or materials, ordinary wear and tear excepted, together with any other Work or facilities which may be damaged or displaced in so doing.

8.3. In the event of failure to comply with the above-stated conditions within a reasonable time, District is authorized to have the defect repaired and made good. The Tribe and its surety under the Maintenance Bond will be jointly and severally liable to District for the costs of repair, including, but not limited to, management and administrative costs, and engineering, legal and other costs incurred relating to the repair. District will bill the Tribe and the surety for the costs, which bill must be paid within 30 days of its date. Interest will accrue on any late payment at the legal rate then prevailing.

Section 9. Tribe Assistance. The Tribe, both before and after District's acceptance of the Work, will cooperate with District and secure and provide any information, documents or data reasonably requested by District to accept the ownership, operation and maintenance of the Work and implement the transfer of the Work.

Section 10. Ownership and Operation and Maintenance Responsibilities. After acceptance of the Work by the District Board of Directors, the District-Owned Improvements shall become the property of District on the date that the Work is accepted by District Board. Upon such date, the Tribe will be deemed to have conveyed and transferred all of its right, title and interest in and to the completed District-Owned Improvements to District. District thereafter will own and be free in every respect to operate, maintain, repair, replace, manage, expand, and improve the District-Owned Improvements, as it deems appropriate. District assumes no obligation as to operation and maintenance of the District-

Owned Improvements until such time as it accepts the Work. After District's acceptance of the Work, the Tribe or the successor landowner will continue to own and be responsible for the operation, maintenance, repair and replacement of the portion of the Work not conveyed to District (i.e., the private water line).

Section 11. Risk of Loss. Until the date of District's acceptance of the Work, all risk of loss or injury, damage or destruction to the Work shall be upon the Tribe. After the date of the District's acceptance, and except as provided by the Maintenance Bond and any applicable insurance or indemnification obligation, all risk of loss or injury or destruction to the District-Owned Improvements shall be upon District.

Section 12. Water Service. After District gives its notice of acceptance of the Work, it will provide water service to the Project. All District utility service will be provided in accordance with District ordinances, resolutions, regulations, rules, policies, and rates and charges, as the same may be amended from time to time. The Tribe shall not, nor shall it allow any person to, use or commence operation of any part of the Work prior to the notice of acceptance of the Work by District, except for construction and testing purposes, without the express written consent of District. District's water service obligation under this Agreement will not exceed the scope of the Project described on **Exhibit A [We should include flow and capacity limitations on an Exhibit A. This exhibit should include language re: disclaimed of fire suppression or any minimum flow rate.]** of this Agreement.

Section 13. Indemnification and Hold Harmless.

13.1 In General. The Tribe agrees to indemnify, protect, defend and hold harmless District and its officers, employees, engineers, and agents, from any and all claims, demands or charges and from any loss or liability, including all costs, expenses, attorney's fees, litigation costs, penalties, and other fees arising out of or in any way connected with the construction of the Work or the performance or failure to perform under this Agreement by the Tribe or its officers, employees, contractors, subcontractors or agents. The parties agree and acknowledge that the Tribe's duties under this section extend to claims, lawsuits and liability of or against District resulting from the alleged failure to comply with any provision of California Labor Code division 2, part 7, chapter 1 (sections 1720-1861) in connection with the construction of the Work by the Tribe's contractor.

13.2 Regulatory Approval Claims. In the event any claim, action, or proceeding is instituted against the District, and/or its officers, agents and employees, by any third party on account of the processing or approval of the Agreement or the extension of water service to the Project (including but not limited to any alleged defect in any environmental review and mitigation), the Tribe shall defend, indemnify and hold harmless the District, and/or its officers, agents and employees. This obligation is limited to, the payment of all costs of defense, any amounts awarded by the Court by way of damages or otherwise, including any attorney fees and court costs. District may elect to participate in such litigation at its sole discretion and at its sole expense. As an alternative to defending any such action, the Tribe may terminate this Agreement by written notice to the District.

Section 14. Insurance.

14.1. The Tribe or its Contractor at their sole cost and expense must procure and maintain for the duration of this Agreement the following types and limits of insurance:

Type	Limits No Less Than:
Commercial general liability	\$5,000,000/occurrence
Automobile liability	\$5,000,000/accident for bodily injury and property damage
Worker's compensation	Statutory limits
Professional liability	\$2,000,000 per occurrence or claim; \$2,000,000 policy aggregate

14.2. The general and automobile liability policy(ies) must be endorsed with Additional Insured Status: naming the District, its directors, officers, employees and authorized volunteers are to be given insured status(at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of **both** CG 20 10 10 01 and CG 20 37 10 01), with respect to liability arising out of work or operations performed by or on behalf of the Tribe including materials, parts, or equipment furnished in connection with such work or operation The Tribe's coverage will be primary and will apply separately to each insurer subject to a claim or lawsuit, except with respect to the limits of the insurer's liability. District's insurance, if any, will be excess and shall not contribute with the Tribe's insurance.

14.2 Builder's Risk – (Course of Construction) insurance utilizing an "All Risk" (Special Perils) coverage form with limits equal to the completed value of the project and no coinsurance penalty provision shall be required.

14.4 Insurance must be placed with insurers with a current A.M. Best's rating of A-:VII or better unless otherwise acceptable to District.

14.5 The Tribe or its Contractor shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein and the Tribe or its Contractor will ensure that District is an additional insured on insurance required from subcontractors.

14.6 Prior to commencing the Work, the Tribe must provide to District the following proof of insurance: (a) certificate(s) of insurance on ACORD Form 25-S (or insurer's equivalent) evidencing the required insurance coverages; and (b) endorsement(s) as stated in subsection 14.2 above, signed by a person authorized to bind coverage on behalf the insurer(s), certifying the additional insured coverages.

Section 15. Limited Waiver of Sovereign Immunity.

15.1 For purposes of actions based on disputes between the District and the Tribe that arise under or are related to this Agreement, the Work, or operations performed under this Agreement and the enforcement of any judgment or award resulting therefrom, the Tribe expressly and irrevocably grants this limited waiver or its right to assert sovereign immunity from suit and enforcement and execution of any ensuing judgment or award and consents to be sued in the Superior Court of the State of California in and for the County of Humboldt. All actions brought pursuant to this limited waiver shall be brought in the Superior Court of California in and for the County of Humboldt, and no other court. No action shall be brought in court pursuant to this limited waiver prior to the observance and implementation of the Dispute Resolution provisions of Section 16 of this Agreement. This limited waiver of sovereign immunity is limited solely to disputes arising under this Agreement and does not apply to any other matter, party or dispute. This limited waiver is further limited solely to claims for injunctive relief, specific performance, declaratory relief, and actual damages.

15.2 The waivers and consents to jurisdiction expressly provided for under this section shall extend to all civil actions authorized by this Agreement, including, but not limited to, actions to compel any proceeding herein, any action to enforce or execute on any judgment rendered in any such proceedings, and any appellate proceeding emanating from any such proceedings. The Tribe does hereby unconditionally waive any claim or defense of exhaustion of tribal administrative or judicial remedies.

15.3 Prior to the effective date of this Agreement, the Tribe shall adopt, and at all times hereinafter shall maintain in continuous force, an ordinance or resolution, in accordance with tribal law, that expressly waives its sovereign immunity as stated in this Section 15, and authorizes the Tribal Chairman, or other tribal member or entity authorized by tribal law to waive sovereign immunity, to sign a waiver of sovereign immunity, which waiver shall be irrevocable and binding on the Tribe for the term of this Agreement.

Section 16. Dispute Resolution. In recognition of the government-to-government relationship of the Tribe and the District, the Parties shall make their best efforts to resolve disputes that arise under this Agreement by good faith negotiations whenever possible. Therefore, except for the right of either party to seek injunctive relief against the other when circumstances are deemed to require immediate relief, the Tribe and the District shall seek to resolve disputes by first meeting and conferring in good faith in order to foster a spirit of cooperation and efficiency in the administration and monitoring of the performance and compliance of the terms, provisions, and conditions of this Agreement, as follows:

- (a) Either party shall give the other, as soon as possible after the event giving rise to the concern, a written notice setting forth the facts giving rise to the dispute and with specificity, the issues to be resolved.
- (b) The other party shall respond in writing to the facts and issues set forth in the notice within fifteen (15) calendar days of receipt of the notice, unless both parties agree in writing to an extension of time.

- c) The parties shall meet and confer in good faith by telephone or in person in an attempt to resolve the dispute through negotiation within thirty (30) calendar days after receipt of the notice set forth in subdivision (a), unless both parties agree in writing to an extension of time.
- d) Disputes that are not otherwise resolved, may be resolved in the Superior Court of California in and for the County of Humboldt.

Section 17. Notices.

All notices required or provided for under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid, return receipt requested, to the principal offices of the District and Tribe. Notice shall be effective on the date delivered in person, or on the date when the postal authorities indicated that the mailing was delivered to the address of the receiving party indicated below:

Notice to the District: Humboldt Bay Municipal Water District
 Attn: District General Manager
 828 7th St, Eureka, CA 95501

With courtesy copy to: friedenbach@hbmwd.com

Notice to the Tribe: Cher-Ae Heights Indian Community Of The Trinidad
 Rancheria
 Attn: _____

Such written notices, demands, correspondence and communications may be sent in the same manner to such other persons and addresses as either the District and/or Tribe may from time to time designate by mail as provided in this section. The District and/or Tribe may change its address by giving notice in writing to other party and thereafter notices shall be delivered or sent to such new address.

Section 18. No Third Party Beneficiaries. Nothing in this Agreement, whether express or implied, shall be construed to give any person, other than the parties hereto, any legal or equitable right, remedy, claim or benefit under or in respect of this Agreement, or any provision contained within such Agreement or any right to purport to enforce any provision hereof or to claim any right hereunder.

Section 19. Amendments. This Agreement may be amended only by mutual written agreement of the parties hereto which writing must be duly executed by the lawfully authorized officers or officials of each party.

Section 20. Assignment. Neither the Tribe or District shall assign any of its rights nor transfer any of its obligations under this Agreement without the prior written consent of the other party hereto and any

attempt to so assign or so transfer without such consent shall be void and without legal effect and shall constitute grounds for termination.

Section 21. Section Headings. The headings of the several sections, and any table of contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

Section 22. Incorporation by Reference. Any and all exhibits to this Agreement are incorporated herein by reference.

Section 23. Remedies Not Exclusive. No remedy herein conferred upon or reserved to either party hereto is intended to be exclusive of any other remedy or remedies, and each and every such remedy, to the extent permitted by law, shall be cumulative and in addition to any other remedy given hereunder or now or hereafter existing at law or in equity or otherwise.

Section 24. Time is of the Essence. Time is of the essence in this Agreement and each covenant and term is a condition herein.

Section 25. Waiver of Default. No delay or omission to exercise any right or power arising upon the occurrence of any event of default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given by this Agreement shall be exercised from time to time and as often as may be deemed expedient in the sole discretion of either party hereto.

Section 26. Entire Agreement and Amendment. In conjunction with the matters considered herein, this Agreement contains the entire understanding and agreement of the District and Tribe and there have been no promises, representations, agreements, warranties or undertakings by any of the parties hereto, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the District and Tribe to this Agreement and by no other means. Each party hereto waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded, or changed by any oral agreements, course of conduct, waiver or estoppels.

Section 27. Successors and Assigns.

All representations, covenants and warranties set forth in this Agreement, by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

Section 28. Compliance with Law.

Both parties hereto shall, at their sole cost and expense, comply with all applicable tribal, county, state and federal ordinances and statutes now in force or which may hereafter be in force with regard to this Agreement.

Section 29. California Law.

Federal law and the laws of the State of California shall govern this Agreement. Any litigation regarding this Agreement or its contents shall be filed in the Superior Court of the State of California County of Del Norte. Other than the Limited Waiver of Sovereign Immunity in Article VI of this Agreement, nothing herein shall extend the jurisdiction of the State of California or the District over the Tribe.

Section 30. Execution in Counterparts.

This Agreement may be executed in any number of counterparts and each of such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

CHER-AE HEIGHTS INDIAN COMMUNITY OF THE TRINIDAD RANCHERIA

_____, Tribal Chairperson

Date

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

Sherri Woo, President of the Board of Directors

Date

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING (this “MOU”) is entered into this ____ day of _____, 2020, by and between the HUMBOLDT BAY MUNICIPAL WATER DISTRICT, a California municipal water district (the “District”), and CHER-AE HEIGHTS INDIAN COMMUNITY OF THE TRINIDAD RANCHERIA (“Tribe”), a federally recognized Indian Tribe (the District and Tribe are sometimes referred to herein individually as a “Party” and collectively as the “Parties”).

Recitals

A. The District is a duly formed and existing Municipal Water District, formed pursuant to Division 2 of the California Water Code and providing municipal water service to customers within its sphere of influence and District boundaries.

B. The Tribe is a federally recognized Indian tribe eligible for the special programs and services provided by the United States to Indians and possessing inherent powers of self-government.

C. The United States government holds lands in the State of California in trust for the benefit of the Tribe over which the Tribe exercises jurisdiction and possesses sovereign governmental powers (“Tribe’s Lands”).

D. The Tribe intends to develop a hotel, residential housing, and other uses on the Tribe’s Lands (“Project”) located near Trinidad, CA and outside the District’s boundaries and sphere of influence.

F. The Tribe has requested that District provide water service to the Project, which will necessitate an extension of the District’s water main to the Project location.

G. The Parties desires to enter into this MOU for the purpose of conducting feasibility studies, conceptual planning, and consultations with regulatory agencies to determine whether the mainline extension is feasible and desirable for both Parties and, if so, on what terms and conditions (collectively “Preliminary Feasibility Study”). The Parties further desire to enter into this MOU to provide for the reimbursement of certain costs and expenses incurred by the District relating to or arising from the Preliminary Feasibility Study.

NOW, THEREFORE, in consideration of the mutual understandings and agreements set forth herein, the parties hereby agree as follows:

Section 1. Term and Termination. This MOU shall become effective immediately once approved by the District’s governing body and shall terminate upon the earliest to occur of the following: (a) the execution by the Parties of one or more definitive agreements with respect to the subject matter of this MOU; or (b) twenty-four (24) months from the date hereof. The term of this MOU can be extended upon the written mutual agreement of the Parties. Notwithstanding any other provision of this MOU, including the provisions of this Section 1, either Party may

terminate this MOU at any time by providing at least thirty (30) days written notice of such termination to the other Party.

Section 2. Non-Binding Effect. This MOU is intended to serve as a general basis for studying the feasibility of the main line extension. With the exception of Section 4 hereof, which is intended to be binding upon the Parties, the Parties shall not have any legal obligation under or by virtue of this MOU, including any obligation to enter into any definitive agreement or other contract for the mainline extension, to provide any services, to commit to development of the mainline extension, to make any investment or pay any consideration or compensation, whether or not expressly described herein, regardless of the results of the Preliminary Feasibility Study.

Section 3. Coordination and Preliminary Feasibility Study. The Parties agree to meet and confer with one another to prepare a scope of work for Preliminary Feasibility Study. Among the tasks to be performed are as follows:

- (a) Evaluating and defining all potential service areas to be served or potentially served by the mainline extension;
- (b) Evaluating the water demands for the Project and growth projections of potential service areas;
- (c) Evaluating the necessary regulatory approvals and conducting preliminary meetings with agencies regarding permitting processes and entitlements. For purposes of this sub-section, regulatory agencies including, but may not be limited to, LAFCo, County of Humboldt, California Water Board, California Coastal Commission, and CalTrans;
- (d) Evaluate potential mainline routes and conceptual designs;
- (e) Evaluate need for related infrastructure and facilities, including elevated storage, pumping stations, and metering;
- (f) Evaluate cost to operate and maintain facilities, transmission and distribution systems including staffing, equipment, utility and other operating and administrative costs;
- (g) Make projections for the rates and fees necessary to cover capital and operating expenses;
- (h) Preliminary assessment of environmental impacts and CEQA scoping;
- (i) Evaluate property entitlements and rights held or to be acquired;
- (j) Meet with community stakeholders;
- (k) Evaluate funding sources and financing structure; and
- (l) Negotiate definitive agreement for the mainline extension.

Section 4. Cost Reimbursement. Upon execution of this MOU, the Tribe agrees to advance to District a deposit in the amount of Ten Thousand dollars (\$10,000.00) to fund the District engineering, legal and administrative services in connection with the Preliminary Feasibility Study. The District will draw on this deposit to pay or reimburse periodic invoices from the District consultants and to reimburse District for the cost of District staff time, legal fees, and materials. In the event this MOU is terminated by either Party prior to the expiration of the Term, The District shall return any unused funds deposited by the Tribe. The District shall

have no obligation to reimburse the Tribe for any costs relating to the subject matter of this MOU.

The Parties authorized representatives have executed this MOU on the date(s) indicated below:

CHER-AE HEIGHTS INDIAN COMMUNITY OF THE TRINIDAD RANCHERIA

_____, Tribal Chairperson

Date

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

Sherri Woo, President of the Board of Directors

Date

HUMBOLDT BAY MUNICIPAL WATER DISTRICT

To: Board of Directors
From: John Friedenbach
Date: December 4, 2020
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

Nordic Aquafarms – staff meeting on Dec. 11th .

Trinidad Rancheria – draft MOU. The Rancheria has requested that language be inserted into the MOU to enable them to apply for grant funding for the project. They are working on their proposed language. They are exploring opportunities under the FEMA Pre-disaster mitigation grant program. Staff recommends that we allow insertion of such language and that we bring the MOU back to our Board for consideration and approval at our January meeting.

b) Transport

No update.

c) Instream Flow Dedication

Team is moving forward with edits to District's Habitat Conservation Plan (HCP).



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

MICHELLE FULLER, DIRECTOR

DAVID LINDBERG, DIRECTOR

GENERAL MANAGER

JOHN FRIEDENBACH

December 4, 2020

Board of Directors
McKinleyville Community Services District
1656 Sutter Road
McKinleyville CA 95519

Re: Participation in Feasibility Analysis to Extend HBMWD service to Trinidad Rancheria

Dear Board Members,

As you may be aware, our District has been approached by the Trinidad Rancheria to explore the feasibility of extending municipal water service to their tribal lands near the City of Trinidad. Our District is in the initial stages of its investigation and analysis of this possibility. In that regard, we would like inquire if the MCSD would be willing to investigate the feasibility of possibly connecting to your distribution grid's northern area for a possible water line extension. Please note that the feasibility analysis does not obligate or otherwise determine whether a waterline extension will be constructed.

For a waterline extension to the Trinidad Rancheria to be economically feasible, the most logical beginning point is at the northern end of your distribution grid. As you know, sizing a waterline extension is dependent upon the water consumption demands by the end users. Furthermore, in this situation, the needs and capacity of MCSD's consumers and system would need to be considered in the feasibility analysis. It is in that regard that we would like to begin preliminary discussions with your district.

The HBMWD Board directed that a feasibility analysis for the Rancheria move forward, so we respectfully request that you provide us with your decision no later than by February 4, 2021.

HBMWD staff or Directors are available to attend a MCSD board or committee meeting to answer any questions that you or your constituents may have regarding this feasibility analysis.

Respectfully,

A handwritten signature in blue ink that reads "John Friedenbach".

John Friedenbach
General Manager

Cc: Pat Kaspari, General Manager MCSD
Steve Madrone, 5th District Supervisor



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

MICHELLE FULLER, DIRECTOR

DAVID LINDBERG, DIRECTOR

GENERAL MANAGER

JOHN FRIEDENBACH

December 4, 2020

Trinidad City Council
PO Box 390
Trinidad CA 95570-0390

Re: Participation in Feasibility Analysis to Extend HBMWD service to Trinidad

Dear Council Members,

As you may be aware, our District has been approached by the Trinidad Rancheria to explore the feasibility of extending municipal water service to their tribal lands near the City of Trinidad. Our District is in the initial stages of its investigation and analysis of this possibility. Would the City of Trinidad be interested in participating in this analysis? Please note that the feasibility analysis does not obligate or otherwise determine whether a waterline extension will be constructed.

We understand that the City has been conducting long range water planning and that one possible source of water resilience is potential supply from our Humboldt Bay Municipal Water District. If the City desires to keep this as a viable alternative, now is a good opportunity to investigate that possibility. As you know, sizing a waterline extension is dependent upon the water consumption demands by the end users. If a potential waterline to the Rancheria is sized only for their consumption needs, the possibility of a further extension to the City of Trinidad will be very unlikely and will cost considerably more.

The HBMWD Board directed that a feasibility analysis for the Rancheria move forward. We respectfully request that you indicate whether you would like to participate no later than by February 4, 2021. If we do not hear from you by then, we will assume that you are not interested and we will proceed with the feasibility analysis without the City of Trinidad.

HBMWD staff or Directors are available to attend a Trinidad City Council or committee meeting to answer any questions that you or your constituents may have regarding this feasibility analysis.

Respectfully,

A handwritten signature in blue ink, appearing to read "John Friedenbach".

John Friedenbach
General Manager

Cc: Eli Naffah, Trinidad City Manager
Steve Madrone, 5th District Supervisor



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
MICHELLE FULLER, DIRECTOR
DAVID LINDBERG, DIRECTOR

GENERAL MANAGER
JOHN FRIEDENBACH

December 4, 2020

Board of Directors
Westhaven Community Services District
PO Box 2015
Trinidad CA 95570-2015

Re: Participation in Feasibility Analysis to Extend HBMWD service to WCSD

Dear Board Members,

As you may be aware, our District has been approached by the Trinidad Rancheria to explore the feasibility of extending municipal water service to their tribal lands near the City of Trinidad. Our District is in the initial stages of its investigation and analysis of this possibility. Would the WCSD be interested in participating in this analysis? At our July Board meeting, your General Manager mentioned that he would be interested in exploring the feasibility of an intertie for supplemental water supply options to the WCSD if a waterline extension were to be sited near the WCSD boundary. Please note that the feasibility analysis does not obligate or otherwise determine whether a waterline extension will be constructed.

If WCSD has been conducting long range water planning, one possible source of water resilience is potential supply from our Humboldt Bay Municipal Water District. If WCSD desires to have this as a viable alternative, now is the opportunity to investigate that possibility. As you know, sizing a waterline extension is dependent upon the water consumption demands by the end users. If a potential waterline to the Rancheria is sized only for their consumption needs, the possibility of any future extension to or connection with WCSD will be very unlikely and will cost considerably more.

The HBMWD Board directed that a feasibility analysis for the Rancheria move forward, so we respectfully request that you indicate whether you would like to participate no later than by February 4, 2021. If we do not hear from you by then, we will assume that you are not interested and we will proceed with the feasibility analysis without the WCSD.

HBMWD staff or Directors are available to attend a WCSD board or committee meeting to answer any questions that you or your constituents may have regarding this feasibility analysis.

Respectfully,

A handwritten signature in blue ink that reads "John Friedenbach".

John Friedenbach
General Manager

Cc: Paul Rosenblatt, General Manager WCSD
Steve Madrone, 5th District Supervisor

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **ACTION**

ITEM: E.4 **Consider Approval of the Right of Entry and Design Agreement Between the Humboldt Skatepark Collective and McKinleyville Community Services District**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the information provided, air questions, take public comment, discuss and approve the Right of Entry and Design Agreement between the Humboldt Skatepark Collective (HSC) and the McKinleyville Community Services District.

Discussion:

In August of 2019, Wendi and Jason Orlandi contacted MCSD Parks & Recreation to discuss the potential options in McKinleyville for the development of a BMX track. Staff identified the undeveloped 3-acre parcel at School Rd. and Washington Ave. as a possible location for a BMX track. Since that time, the Orlandi's have conducted community outreach to get input from the residents living adjacent to the property and have established a relationship with the Humboldt Skatepark Collective (HSC) which is serving as the umbrella non-profit for this project. Under the umbrella of HSC the Orlandi's have created a governing committee for the development and operation of a BMX track in McKinleyville.

In December of 2019, a public input meeting to inform residents of the potential project and gather input was hosted at Azalea Hall. 25 residents attended that meeting and provided input regarding the location and concept of the BMX Track at the School Rd. and Washington Ave. parcel. The majority of the attendees supported the concept. There were a few who were concerned about potential noise and excessive dust created by the project.

The Orlandi's and other interested community members, along with HSC, have worked steadily with District Staff and the Park and Recreation Committee (PARC) to develop a concept design and plan for development of a BMX Track. A presentation of the concept was made to the MCSD Board in September 2020. The PARC voted approval to recommend that the MCSD Board approve the Right of Entry and Design Agreement between HSC and MCSD at the December 17, 2020 PARC meeting. HSC and the BMX community are poised to begin the design process in earnest as well as to begin soliciting donations for the project. The next step is to get permission from MCSD to move forward in the process.

Working with the HSC, staff drafted a Right of Entry and Design Agreement, **Attachment 1**. The agreement is modeled after the existing Right of Entry and

Design Agreement with HSC for the design and development of a skatepark at Pierson Park.

Additionally staff has begun drafting an Agreement for Operations and Maintenance between HSC and MCSD for a BMX track. The Draft, which is still in process and has questions to be answered and considered can be reviewed in **Attachment 2**. Feedback and input from the Board on the draft agreement is welcome at this time.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

The intent of the BMX volunteers, HSC, and District Staff is the design, permitting, and construction of the BMX track be revenue neutral for the District. BMX and HSC will work with District Staff to seek grant and volunteer funding for the design, permitting and eventual construction of the track. Reporting of the success in these endeavors will occur as detailed in Attachment 1.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Right of Entry and Design Agreement Between HSC and MCSD
- Attachment 2- DRAFT Agreement for Operations and Maintenance Between HSC and MCSD

RIGHT OF ENTRY AND DESIGN AGREEMENT

THIS RIGHT OF ENTRY AND DESIGN AGREEMENT (this "Agreement") is entered into on January 6, 2021, by and between the McKinleyville BMX Track project ("BMX track") part of the HUMBOLDT SKATEPARK COLLECTIVE (hereinafter referred to as " COMMITTEE", and McKinleyville Community Service District (MCSD) (hereinafter referred to as " DISTRICT ") for construction and operation of a BMX track located on MCSD property of School Road and Washington Ave.

RECITALS

- A. The DISTRICT owns real property located at School Road and Washington Ave. and has consented to enter into this Agreement for the sole purpose of allowing COMMITTEE to develop a proposal for the design and potential construction of a BMX Track on the property located on the North side of School Road, and west of Washington Ave. as more specifically described in attached **Exhibit A** (the "DISTRICT Park Property").
- B. The COMMITTEE, as a public service to the citizens of McKinleyville, wishes to assist in the potential project including assistance with the development, financing, design, construction, and establishment of maintenance and operation of the planned BMX track.

AGREEMENT

THEREFORE, IT IS AGREED:

1. For a period of thirty-six (36) months from the date hereof, with an option to extend the agreement an additional six (6) months if needed and if said need is communicated and requested within six (6) months of the of the original thirty-six (36) month period, DISTRICT hereby grants to COMMITTEE the right to enter upon the DISTRICT Property for the limited purposes and on the terms and conditions stated in this Agreement. Further agreements for construction and conveyance that meet state contract and prevailing wage laws will be required before any project is authorized or any construction can commence. The District is not obligated to proceed with any project and makes no commitment to do so by method of this Agreement.
2. COMMITTEE shall work to develop the BMX track engineering design and submit said design to the DISTRICT'S Board of Directors for approval of the final design, in the Board's sole and absolute discretion. COMMITTEE shall further seek financing for construction based on grants, charitable donations and other sources for submission to the DISTRICT'S Board when considering the final design and whether to sponsor and approve, in the Board's sole and absolute discretion, construction of a BMX track as shown in the Preliminary Concept Design on **Exhibit A** on DISTRICT Property for use by the public and the community.
3. During the thirty-six (36) month term of this Agreement the COMMITTEE shall:
 - 3.1 Seek and demonstrate to the Board sufficient financing and committed supplies and services from local businesses to cover the entire costs of the engineering design, development, inspection, construction, maintenance and administration of the project, except as noted below. No work of construction shall be commenced unless and until the DISTRICT'S Board, in its sole and absolute discretion, approves the final design, agrees to sponsor a project, and the COMMITTEE demonstrates sufficient and secure financing for all aspects of design, permitting and construction of the BMX track.

- 3.2 Cause the preparation of plans and specifications suitable for the construction of the BMX Track at its sole cost and expense.
- 3.3 If approved by the DISTRICT, cause to be obtained all necessary permits and approvals for the construction of the bike track as required by law, expressly including, without limitation, review and analysis under the California Environmental Quality Act ("CEQA") (California Public Resources Code Section 21000, et seq.). The parties acknowledge that before the DISTRICT approves the construction of the BMX Track the District will need to complete CEQA assessment, including without limitation a determination as to whether the project is exempt from CEQA; if not exempt, a preliminary analysis to determine whether an environmental impact report or negative declaration is required; and preparation of an environmental impact report or negative declaration.
- 4. COMMITTEE shall submit a progress report to the DISTRICT's Recreation Director quarterly. Said progress report shall include the following information:
 - A. Summary of current fundraising efforts;
 - B. Summary of current funds raised to date; and
 - C. Summary of grant application status.
 - D. Summary of design and permitting status
- 5. COMMITTEE shall consult with DISTRICT representatives during the design phase, and the plans and specifications for the construction shall be subject to DISTRICT's written approval, in the DISTRICT's sole and absolute discretion, before the plans and specifications are submitted to the DISTRICT's Board of Directors for consideration.
- 6. COMMITTEE shall hold harmless, indemnify and defend DISTRICT, its officers, agents, employees, and directors from and against any and all claims, liabilities, demands, costs and contracts of any nature arising out of, resulting from or in any way related to the activities under this Agreement. This obligation shall survive the delivery of the PROJECT to the DISTRICT.

_____ Date _____

McKinleyville Community Service District
Dennis Mayo, President - Board of Directors

_____ Date _____

Charlie Caldwell, President – Humboldt Skatepark Collective

_____ Date _____

Wendy Orlandi, BMX Project Lead

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
BMX Track
Agreement for Operations & Maintenance

This AGREEMENT made and entered into this _____ day of _____, 2020 by and between the McKinleyville Community Services District, a California Community Services District, and the Humboldt Skatepark Collective, a non-profit organization, with reference to the following facts, which are acknowledged as true and correct by each of the parties:

- (a) As used in this AGREEMENT, the following terms shall have the following definitions:
1. "AGREEMENT" shall mean the Agreement for Operations and Maintenance
 2. "DISTRICT" shall mean the McKinleyville Community Services District.
 3. "COLLECTIVE" shall mean the Humboldt Skate Park Collective.
 4. "BMX Track & Park" shall mean the DISTRICT owned facility located at Washington Ave. and School Rd. (APN 508-242-043)
 5. "District Facilities" shall mean any facility owned and operated by the District available for public use.
 6. "General Manager" shall mean the employee of the DISTRICT serving in said capacity.
 7. "BOARD OF DIRECTORS" shall mean the five elected members of the McKinleyville Community Services District Board of Directors.
 8. "Article IV of the McKinleyville Community Services District Rules and Regulations" shall mean the then current portion of the document containing the Rules and Regulations of the DISTRICT as adopted by the Board of Directors.
- (b) DISTRICT is the owner of the 3 acre parcel at Washington Ave. and School Rd. (APN 508-242-043) on which the BMX Track is located
- (c) The COLLECTIVE desires to operate and use the BMX Track located at as its primary base of operations and is willing to provide certain services to DISTRICT in consideration of said use and occupancy; and
- (d) COLLECTIVE and DISTRICT each desires to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (e) The documents which are part of the AGREEMENT, and each of which are incorporated herein by this reference as though set forth in full, are the following:

1. Exhibit A: Article IV of the McKinleyville Community Services District Rules and Regulations
2. Exhibit B: Schedule of Track Use

Commented [LF1]: Exhibit B: Schedule of Use TBD at this time

NOW, THEREFORE, in consideration of their mutual covenants and promises set forth herein, the parties hereto agree to as follows:

Section 1. Grant of Facility Use

- 1.01 DISTRICT grants COLLECTIVE use of BMX Track as specifically described in Exhibit B. Facility use is subject to modification as a result of the provisions described in Section 20 of this AGREEMENT.
- 1.02 COLLECTIVE shall adhere to the most current Park Rules & Regulations as adopted by DISTRICT and attached as Exhibit A. DISTRICT Board of Directors shall have the right to modify the Rules & Regulations, from time to time, in its sole discretion and any modifications shall become binding on COLLECTIVE immediately after adoption.

Section 2. Maintenance

- 2.02 DISTRICT shall provide monthly general landscape and playground maintenance for the park areas adjacent to the BMX track on the property.
- 2.03 COLLECTIVE shall provide all necessary track maintenance to ensure the safety and integrity of the BMX track.

Section 4. Utilities

- 4.01 DISTRICT shall pay all utility charges incurred to provide electricity and gas to the BMX Track and landscaping adjacent to and around the track on the property.

Commented [2]: A storage container would be easier and safer until a few small sheds/structures can be built. And I imagine that would be a while until funds would be raised for those.

Section 5. Equipment and Supplies Storage

- 5.01 Storage of COLLECTIVE's equipment at the BMX track shall be at COLLECTIVE's sole risk and DISTRICT shall not warrant security of stored materials.
- 5.02 Storage of COLLECTIVE's equipment must not interfere or compromise access to facility amenities available to other facility users.

Commented [3]: What are BMX supply storage needs?

Commented [4R3]: A metal storage container is best. We could take items off the property until we find a storage container.

Section 6. Facility Use and Access

- 6.01 COLLECTIVE agrees to comply with DISTRICT's established use guidelines, as defined in Article IV of the McKinleyville Community Services District Rules and Regulations, and attached as Exhibit A and incorporated by reference herein.

6.02 HSC will sign for facility access keys; maintain custody of all keys during the term of this AGREEMENT; and return all keys upon completion of the term of this AGREEMENT. COLLECTIVE shall not duplicate any keys or provide security codes to any other party. COLLECTIVE will follow the procedures established by DISTRICT in locking and unlocking storage facilities on the property. COLLECTIVE will be responsible to pay any charges levied resulting from any need to call on DISTRICT staff for assistance in locking or unlocking storage facilities.

Commented [5]: If keys are required

Commented [6R5]: If the track is fenced there will be locks for the gates

6.03 Should this AGREEMENT be terminated, COLLECTIVE will surrender to DISTRICT, any and all keys held by COLLECTIVE on or before the last day the AGREEMENT is still valid.

Section 7. Use of Equipment

7.01 COLLECTIVE agrees not to use equipment owned by those other than COLLECTIVE and stored at BMX track property without first obtaining written approval from the owner of said equipment. A copy of written approval must be provided to the DISTRICT.

Commented [7]: Even basic hand tools?

Commented [8R7]: This just means the district isn't going to supply tools/equipment to the site. If it turns out the district does store equipment there and the collective would like to use it, it would be easy to get written approval.

Section 8. Entry by DISTRICT

8.01 COLLECTIVE shall permit DISTRICT, and DISTRICT's agents and assigns, at all reasonable times, to enter the BMX track (and those portions occupied by COLLECTIVE), for the purposes of inspection, compliance with the terms of this AGREEMENT, exercise of all rights under this AGREEMENT, posting notices, and all other lawful purposes.

Section 9. Use Compatibility

9.01 COLLECTIVE agrees that all use of the BMX track by COLLECTIVE shall be conducted in a manner within the intended use of BMX track and compatible with respect to the surrounding neighborhood and community.

Section 10. Site Improvements

10.01 COLLECTIVE will have sole discretion over making site improvements to the BMX track proper for the sole purpose of making the BMX track safe and engaging for users.

Commented [9]: Meaning just the track on which bikes race/practice etc.

10.02 Should COLLECTIVE desire to have specific site improvements installed at the BMX track and park property beyond improvements to BMX track proper as outlined in 10.01, MSC must first obtain written approval from the DISTRICT for such improvements and pay for all costs related to any pre-approved improvements.

Commented [10]: Assuming this would apply to fencing and semi-permanent installations. Would this also include BMX track specific items such as the starting gate?

10.03 It is understood and agreed between the parties that all installations, additions, and improvements constructed or installed at any time at the BMX and park

Commented [11R10]: as it is written here I would say yes, but I think changing the language to state "permanent" installations and adding language to establish expectations for how the site needs to be left should semi-permanent installations or items need to be removed at some point.

property during the term of this AGREEMENT shall immediately become the property of and belong to the DISTRICT upon such construction or installation.

Section 11. Prohibited Actions

11.01 COLLECTIVE shall not:

- 11.01.a Use BMX track and park for any purpose other than as authorized in this AGREEMENT and described in Exhibit B and authorized by DISTRICT; and
- 11.01.b Perform or permit to be done anything which may interfere with the effectiveness and accessibility of BMX track and park; nor perform or permit to be done anything which may interfere with free access and passage at BMX track and park or the public areas adjacent thereto; or hinder police, fire fighting, or other emergency personnel in the discharge of their duties; and
- 11.01.c Rent, sell, lease, or offer any space for any articles whatsoever within or on BMX track and park property without the prior written consent of the DISTRICT; and
- 11.01.d Place any additional lock of any kind upon any door, cabinet, or storage space, unless a key therefore is provided to the DISTRICT, and, upon expiration or termination of this AGREEMENT, to surrender to DISTRICT any and all keys, and in the event of loss of any keys furnished by DISTRICT, COLLECTIVE shall pay DISTRICT the cost for replacement thereof; and
- 11.01.e Use or allow BMX track to be used for any improper purposes or for purposes in violation of Article IV of the McKinleyville Community Services District Rules and Regulations, as the same may be modified from time to time by DISTRICT.

Section 12. Equal Opportunity and Non-Discrimination Clause

- 12.01 DISTRICT has zero tolerance for harassment or any other form of discriminatory behavior, as set forth in this Policy Against Discrimination. The DISTRICT does not tolerate discrimination or harassment based on gender, pregnancy, childbirth (or related medical conditions), race, color, religion, national origin, ancestry, age, physical disability, mental disability, medical condition, marital status, sexual orientation, family care or medical leave status, military or veteran status, or any other status protected by federal, state, or local law. DISTRICT requires that all contractors and /or vendors adhere to DISTRICT policy. DISTRICT will respond to any discriminatory behavior in an appropriate manner, including, but not limited to, termination of contract or vendor agreement, reporting to appropriate legal authorities or other appropriate responses. All incidences of discriminatory behavior are to be reported to the DISTRICT General Manager immediately.

DISTRICT will not tolerate harassment by its employees of Contractors and Vendors with whom District employees have a business, service or professional relationship. Additionally, the DISTRICT will not tolerate harassment by Contractors and Vendors directed at employees or the participants of programs or recipients of services provided by Contractors or Vendors.

For all communications, both written and electronic, DISTRICT does not tolerate any correspondence that degenerates into improper use. DISTRICT's technology resources are governed by DISTRICT policies. Under no circumstances may anyone use DISTRICT's technology resources to transmit, receive, or store any information that is discriminatory, harassing, or defamatory in any way, such as sexually explicit or racially disparaging messages, jokes, or cartoons.

Section 13. Americans with Disabilities Act Compliance

- 13.01 DISTRICT shall indemnify, defend, and hold harmless COLLECTIVE from any fines or penalties which may be imposed on COLLECTIVE its pursuant to the Americans with Disabilities Act as a result of DISTRICT's failure to make any required improvements to the premises as required by the Americans with Disabilities Act.
- 13.02 COLLECTIVE shall be responsible for compliance with any and all requirements of the Americans with Disabilities Act with respect to the operation of COLLECTIVE programs and use of BMX track for which COLLECTIVE is responsible. COLLECTIVE shall indemnify, defend, and hold harmless DISTRICT from any fines or penalties which may be imposed upon it pursuant to the Americans with Disabilities Act as a result of COLLECTIVE's failure to comply with any requirement of the Americans with Disabilities Act with respect to the operation of COLLECTIVE programs and use of BMX track and park for which COLLECTIVE is responsible.

Section 14. Compliance with Law

- 14.01 COLLECTIVE shall comply with and conform to all laws and regulations, state, and federal and any and all requirements and orders of any state, or federal board or authority, present or future, in any way relating to the condition or use of BMX Track throughout the entire term of this AGREEMENT.

Section 15. Coordination, COLLECTIVE Board and Staffing Requirements

- 15.01 DISTRICT Coordination and Staffing
 - 15.01.a DISTRICT shall designate a Parks & Recreation employee who shall be the primary contact person with the COLLECTIVE.
- 15.02 MSC Meeting and Coordination Requirements

- 15.02.a During the term of this Agreement the COLLECTIVE shall maintain an active Board of Directors which shall meet at least quarterly or as needed during each year this AGREEMENT is in effect.
- 15.02.b DISTRICT Staff Liaison shall be invited to each Regular meeting of the COLLECTIVE Board of Directors, and an item shall be included on each COLLECTIVE Board meeting agenda to address the BMX track and park and any issues pertinent to this AGREEMENT. DISTRICT will appoint a Staff Liaison to facilitate communications and cooperation between the two entities.

Section 16. Compensation

16.01 COLLECTIVE shall pay to DISTRICT an amount, agreed upon by both parties, of ~~XX%~~ of quarterly gross revenue, to contribute to the cost of landscape maintenance as outlined in Section 3.

16.02 Payment Procedure

- 16.02.a COLLECTIVE shall provide DISTRICT with quarterly reports of COLLECTIVE'S gross revenue for each quarter of the fiscal year.
- 16.02.b DISTRICT shall invoice COLLECTIVE within 15 days of receipt of quarterly revenue report from COLLECTIVE for the amount as outlined in 16.01.
- 16.02.c COLLECTIVE shall pay DISTRICT all sums required under this Agreement within thirty (30) days after receipt by COLLECTIVE of Quarterly invoices for each quarter for which payments are due.

16.03 Delinquent Payment

16.03.a In the event COLLECTIVE shall be delinquent by more than fifteen (15) days in the payment of any sums due under the terms of this Section, such delinquencies shall be considered to be a breach of this AGREEMENT.

Section 17. Insurance

17.01 Minimum Scope

17.01.a At COLLECTIVE's cost, COLLECTIVE shall obtain and maintain throughout the term of this AGREEMENT, comprehensive general public liability insurance, issued by an admitted carrier with a Best Company Rating of no less than "A" and acceptable to DISTRICT. Such insurance shall provide coverage for COLLECTIVE's actions in performing this AGREEMENT and use of BMX Track and Park and insuring DISTRICT against loss or liability caused by or

Commented [12]: A % of revenue ensures that both organizations have an opportunity to cover cost and/or contribute to improvements over time.

Commented [13R12]: Agree. Wondering if % of revenue is money made by racing fees. What if someone donates \$1,000 to resurface the track or buy a new compressor for the gate. Are donations considered a part of that revenue?

Commented [14R12]: What about grants?

Commented [15R12]: I think we can specify "racing" revenues or have the language call out specifically what revenues would be obligated to contribute to MCSD's cost for the park. Grants are generally project specific and therefore considered "restricted" so I don't think we'd consider grants as revenue eligible to contribute to compensating MCSD.

Commented [16R12]: I always plan my budgets on worst case scenario and I have been told by other track operators that the first year is barely breaking even. I hope that we can work out a low percentage, and/or have some forgiveness. As we build success we can contribute more. I am sure we will get there, but we are building a business from the dirt up :)

connected with COLLECTIVE's occupation and use of BMX Track and Park under this AGREEMENT. Insured amounts shall be not less than \$1,000,000.00 per occurrence and DISTRICT, its officers, agents, assigns, and employees shall be designated as additional insured pursuant to said policy.

Commented [17]: Insurance for when we hold events? Like weekly scheduled practice/races, but what about on a normal day when community members want to ride the track? USABMX will cover the insurance during our scheduled races, practices.

Commented [18R17]: yes. The insurance would be for things sanctioned by the Collective...so racing events or scheduled practices. General unsanctioned use would likely fall under MCSD's general liability insurance.

17.02 Proof of Insurance

17.02.a Prior to the commencement of this AGREEMENT and the inception of the term, COLLECTIVE shall provide DISTRICT written notification from the insurance carrier, of the existence of such policies and shall also provide a certificate of insurance and separate endorsement in the amounts listed in 17.01. Coverage provided by the policy shall not be canceled or amended until the DISTRICT is first provided with at least thirty (30) days written notice concerning such cancellation or notice.

Section 18. Indemnity

18.01 Hold Harmless

18.01.a Except for the active negligence or willful misconduct of DISTRICT, COLLECTIVE undertakes and agrees to defend, indemnify, and hold harmless DISTRICT and all its officers, agents, assigns, and employees from and against any and all suits, actions, and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature in connection with or arising directly or indirectly out of this AGREEMENT whatsoever, for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties, arising out of or in any manner by reason of, or incident to, the performance of this AGREEMENT, on part of COLLECTIVE, its officers, agents, assigns, and employees of any tier.

Section 19. Unavoidable Delays

19.01 The provisions of this Section shall be applicable if there shall occur, during the term of this AGREEMENT, any (a) inability to obtain labor or materials, or reasonable substitutes (other than lack of funds); or (b) acts of God, governmental restriction, regulations or controls, enemy or hostile government, civil commotion, fire, or other casualty; or (c) other conditions similar to those enumerated in this Section beyond reasonable control of the party obligated to perform (other than lack of funds). If DISTRICT or COLLECTIVE shall, as the result of any of the above-described events, fail to provide or perform any obligation on its part under this AGREEMENT, then upon written notification to the other within ten (10) days of such event, such failure shall be excused and not be a breach of this AGREEMENT by the party claiming unavoidable delay, but only to the extent

occasioned by such event. Notwithstanding anything contained herein to the contrary, this Section shall not be applicable to the obligation of the DISTRICT or COLLECTIVE to pay any sums, monies, costs, charges, or expenses required paid pursuant to the terms of this AGREEMENT.

Section 20. Amendments and Assignments

- 20.01 This AGREEMENT contains the complete and final AGREEMENT between DISTRICT and COLLECTIVE. No AGREEMENT or other understanding in any way purporting to modify, add to, or supersede the terms and conditions hereof, shall be binding upon either party unless made in writing and duly executed by authorized representatives. This provision shall not limit or restrict DISTRICT's right to modify the Rules and Regulations, during the term of this Agreement.
- 20.02 This AGREEMENT may not be assigned or transferred, in whole or in part, by COLLECTIVE without first obtaining the written consent of DISTRICT. Consent may be withheld, for any reason, in the DISTRICT's sole discretion.
- 20.03 This AGREEMENT may not be assigned or transferred, in whole or in part, by DISTRICT without first obtaining written consent of COLLECTIVE and approval by COLLECTIVE's Executive Board of Directors. Consent may be withheld, for any reason, in the MSC's sole discretion.
- 20.04 Furthermore, the DISTRICT agrees that proposals for amendments and assignments to this AGREEMENT shall not be submitted in any DISTRICT Board or Committee meeting packet, given to any Board or Committee member, or otherwise posted unless such amendments and assignments have been presented in writing to COLLECTIVE's Executive Board of Directors.

Section 21. Taxes

- 21.01 COLLECTIVE shall be solely responsible for the payment, when due, for any possessory interest or other unsecured tax levied by any governmental authority with respect to the use and occupancy of BMX Track and Park by COLLECTIVE.

Section 22. Resolution of Disputes

- 22.01 Process for Resolution
- 22.01.a Any dispute arising under the terms of this AGREEMENT, which is not resolved within a reasonable period of time by authorized representatives of the DISTRICT and the COLLECTIVE shall be brought to the attention of DISTRICT General Manager (or designated representative of the DISTRICT) and the Chair of the COLLECTIVE Board of Directors (or designated representative) of the MSC for joint resolution of the dispute. If these means are pursued without success, either party may seek resolution employing whatever remedies exist in law or equity beyond this

Commented [19]: property tax?

Commented [20R19]: I know what possessory tax is from a rental property on the school's property where I work. Would we be exempt being a non-profit? If not, how much is this?

Commented [21R19]: non-profits are not exempt. I'm not sure how much it would be, it is generally based on hours of use and fees paid. it may not even apply to this kind of property use. I'll have to look into it.

AGREEMENT. Despite an unresolved dispute, the DISTRICT and COLLECTIVE hereto shall continue without delay to perform its obligations under this AGREEMENT.

22.02 Attorney's Fee's

22.02.a In the event of any litigation arising between the parties regarding the terms of this AGREEMENT, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to other relief provided by law.

Section 23. Law Governing

23.01 The AGREEMENT shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 24. Notices

24.01 Any notice, demand, communication under or in connection with this AGREEMENT, may be served upon DISTRICT by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to the DISTRICT as follows:

General Manager
McKinleyville Community Services District
1656 Sutter Road / P.O. Box 2037
McKinleyville CA 95519

24.02 And may likewise be served on HSC by personal service or by so mailing the same addressed to HSC as follows:

Board Chair
Humboldt Skatepark Collective
XXXX some Road
Some City, CA 955xxx

Commented [22]: Insert correct address for HSC

24.03 Either DISTRICT or COLLECTIVE may change such address by notifying the other party in writing as to such new address as DISTRICT or COLLECTIVE may desire used and which address shall continue as the address until further written notice.

Section 25. Term and Extensions

25.01 Term and Extensions

25.01.a Subject to the provisions of this AGREEMENT, the term of this AGREEMENT shall be for three (3) years, commencing on the date

herein and shall continue through and including the 30th day of January 2024.

25.01.b Opportunities shall be made for DISTRICT and COLLECTIVE to review this AGREEMENT on a yearly basis to enact amendments and assignments to this AGREEMENT as provided in Section 20 of this AGREEMENT.

25.02 Termination by DISTRICT

25.02.a Notwithstanding the foregoing, DISTRICT, in the case of COLLECTIVE's breaches, may terminate this AGREEMENT by giving COLLECTIVE written notice, to the address herein set forth, which notice shall identify COLLECTIVE's deficiencies in performance of this AGREEMENT. If, within thirty (30) days of the date of said notice, COLLECTIVE has not cured the deficiency in performance, DISTRICT may, by further written notice, terminate this AGREEMENT to be effective sixty (60) days following the date of said second written notice.

25.02.b In the event this AGREEMENT is so terminated, it shall be lawful for DISTRICT immediately hereafter to remove all persons and property from the premises.

25.03 Termination by HSC

25.03.a Notwithstanding the foregoing, COLLECTIVE, in the case of DISTRICT's breaches, may terminate this AGREEMENT by giving DISTRICT written notice to the address herein set forth which notice shall identify DISTRICT's deficiencies in performance of this AGREEMENT. If, within thirty (30) days of the date of said notice, DISTRICT has not cured the deficiency in performance, COLLECTIVE may, by further written notice, terminate this AGREEMENT to be effective sixty (60) days following the date of said second written notice.

25.04 Obligations Upon Expiration or Termination

25.04.a Upon the expiration or termination of this AGREEMENT, for any reason whatsoever, COLLECTIVE shall promptly deliver the following to the DISTRICT's appointed agent:

25.04.b All access keys and codes to storage facilities at BMX Track and Park property.

25.05 Disposition of Certain Property

25.05.a COLLECTIVE hereby acknowledges and agrees that any and all

equipment not directly owned by COLLECTIVE and all DISTRICT-owned equipment and materials used in connection with BMX Track and Park property shall remain the property of the DISTRICT, and COLLECTIVE acknowledges that it shall not be entitled to remove such property from BMX Track and Park property upon the expiration or termination of this AGREEMENT, regardless of reason.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year first above written.

McKinleyville Community Services District

Humboldt Skatepark Collective

By: _____
Dennis Mayo, President
MCSD Board of Directors

By: _____
Chairman, Humboldt Skatepark
Collective Board of Directors

Date: _____

Date: _____

Attest:

By: _____

April Sousa, Secretary to the Board of Directors

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **ACTION**

ITEM: E.5 **Approve Resolution 2021-01 Authorizing the Application for the Statewide Park Development and Community Revitalization Program Funding for the BMX Track and Park Project**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review all pertinent information, allow public comment and adopt Resolution 2021-01 authorizing the application for the Statewide Park Development and Community Revitalization Program Funding for the development of a BMX Track and Park at the District owned property at Washington Ave. and School Rd.

Discussion:

This Resolution is a requirement of the grant application that authorizes staff and the General Manager to complete and sign the grant application for funding from the Statewide Park Development and Community Revitalization Program.

The adoption of this Resolution will not authorize the General Manager to enter into or execute any type of long term agreement for debt, just the authority to complete the application and fulfill the Grant Administration contract if funds are awarded.

Alternatives:

Staff's analysis includes the following potential alternative:

- Take no action

Fiscal Analysis:

Potential for 100% funding to expand develop a new park and BMX track in a critically disadvantaged neighborhood of McKinleyville.

Environmental Requirements:

Not applicable

Exhibits/Attachments

- Attachment 1- Resolution 2021-01

RESOLUTION 2021-01

A RESOLUTION AUTHORIZING THE APPLICATION FOR STATEWIDE PARK DEVELOPMENT AND COMMUNITY REVITALIZATION PROGRAM GRANT FUNDS

WHEREAS, the State Department of Parks and Recreation has been delegated the responsibility by the Legislature of the State of California for the administration of the Statewide Park Development and Community Revitalization Grant Program, setting up necessary procedures governing the application; and

WHEREAS, said procedures established by the State Department of Parks and Recreation require the Applicant to certify by resolution the approval of the application before submission of said application to the State; and

WHEREAS, successful Applicants will enter into a contract with the State of California to complete the Grant Scope project;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District does hereby:

APPROVE THE FILING OF AN APPLICATION FOR THE BMX TRACK AND PARK PROJECT; AND

1. Certifies that said Applicant has or will have available, prior to commencement of any work on the project included in this application, the sufficient funds to complete the project if the grant is awarded; and
2. Certifies that if the project is awarded, the Applicant has or will have sufficient funds to operate and maintain the project, and
3. Certifies that the Applicant has reviewed, understands, and agrees to the General Provisions contained in the contract shown in the Grant Administration Guide; and
4. Delegates the authority to General Manager to conduct all negotiations, sign and submit all documents, including, but not limited to applications, agreements, amendments, and payment requests, which may be necessary for the completion of the Grant Scope; and
5. Agrees to comply with all applicable federal, state and local laws, ordinances, rules, regulations and guidelines.
6. Will consider promoting inclusion per Public Resources Code §80001(b)(8 A-G).

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on June 5, 2019 by the following polled vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

Dennis Mayo, Board President

Attest:

April Sousa, CMC, Board Secretary

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **ACTION**

ITEM: E.6 **Consider Approval of Proposed Reserve Policy Updates**

PRESENTED BY: **Colleen M. R. Trask, Finance Director**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the proposed Reserve Policy update and comparison, discuss, take public comment, make any recommendations or adjustments, and approve the updated Reserves policy.

Discussion:

The current 2012 Reserve Policy language is in many ways vague and difficult to implement as a functional policy. Methods of reserve calculation outlined in the 2012 policy result in reserves not based on risk assessments and sometimes disproportionate to actual risk. With this revision, the Reserve policy operates consistently with the District's guiding financial policies and Capital Improvement Plan. The baseline requirements for implementation are laid out as a regular review of the District's rate structure, capacity fees, and risk assessment. The various categories of reserves are also defined. Legally restricted reserves are differentiated from Board designated reserves; working capital reserves will be held separately from invested reserves.

Each reserve is defined as to its purpose, when and how it is calculated, where and how the money is to be held, and under what conditions and circumstances it will be utilized. The last section of the policy outlines how reserves funding is to be prioritized. Each reserve has been brought before the Board as an informational item for review and discussion prior to this Board meeting.

Alternatives:

Take No Action

Fiscal Analysis:

Overall, the fiscal impact of the proposed update will be generally neutral. There may be a very modest increase in interest revenue or gains on investment. Funds will be shifted from some reserves and either placed in working capital or in other reserve funds. Once a Section 115 Trust is set up for prefunding of the liability for other post-employment benefits (OPEB), the actuarially calculated liability will be lowered, since the calculation will account for potential investment returns as well as District contributions.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 - Comparison Table – side-by-side comparison of the current and proposed policy language
- Attachment 2 – Draft Updated Reserve Policy 2020
- Attachment 3 – Current Reserve Policy (2012)

Reserve Policy	2012	2021
Policy Statement	<p>A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. McKinleyville Community Services District (District) will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. This policy is to develop and ensure the appropriate and necessary funds are accumulated and maintained in a manner consistent with the District's Capital Improvement Plan, Connection and Capacity Fee Plan, and other guiding financial policies. Furthermore, the policy will increase the District's flexibility to avoid significant rate fluctuations due to unforeseen changes in cash flow requirements.</p>	<p>A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. McKinleyville Community Services District (District) will, at all times, strive to have sufficient funding available to meet its operating, capital, and debt service obligations. This policy is to develop and ensure the appropriate and necessary funds are accumulated and maintained in a manner consistent with the District's guiding financial policies and Capital Improvement Plan. Furthermore, the Reserves policy will aid in the prevention of significant rate fluctuations due to unforeseen changes in cash flow requirements.</p>
Targets and Allocation/ Utility Rate and Capacity Fee Reviews	<p>From risk and long-range financial planning perspectives, the targets established for each Fund represents the baseline financial condition that is acceptable to the District. Maintaining funds at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to fees and charges, water usage, capital financing, investment of funds, and levels of capital expenditures.</p>	<p>The primary requirement for maintaining adequate District reserves is a regular review of the District's utility rates and capacity fee structures. Accordingly, through this policy, the District requires that regular utility rate and capacity fee analyses be completed every five (5) years as allowed by California state law. This is not meant to be exclusive of other revenue generating methods, either alone or in combination, including regular review and adjustment or fees and charges, capital financing, investment returns in accordance with the District's investment policy, or adjusting the capital expenditures budget.</p>
Description of Funds/ Categories (includes Delegation of Authority)	<p>Reserves are categorized into either unrestricted or restricted reserves. Unrestricted Fund reserves consisting of undesignated funds, such as the Operating Fund, can be used for any lawful purpose at the discretion of the Board of Directors (Board). The monies held within designated funds can be shifted or re-allocated at any time at the Board's discretion. Restricted Fund reserves, such as the Bond Reserve Fund consist of monies with external restrictions imposed by creditors, grantors, contributors, or by laws or regulations of government and can only be used for a specific purpose.// The Board has sole authority to amend or revise the Designated Funds Policy. Through approval of this Policy, the Board has established written procedures for staff to follow in the management of District Unrestricted and Restricted Funds.</p>	<p>Reserves can be categorized in various ways, including by the level of legal restrictions on use, and by how the reserves are held. Currently, District Reserves that are legally restricted for a particular use will be labeled Restricted. These reserves may not be used for any purpose other than that for which they are legally restricted. Reserves that are designated by the Board for a purpose, but not legally restricted, will be labeled Designated. These reserves may be shifted or re-designated for any lawful purpose at the discretion of the District's elected Board of Directors. Reserves that need to be readily available to meet the District's operating cash-flow needs can be held in a money-market account associated with the District's operating checking account. These will be labeled Working Capital reserves. Invested reserves may be held in medium or long-term investment accounts according to the District's Investment policy.</p>
Working Capital Reserves		<p>The balances in the District's Money Market account should never be less than the liabilities shown for the Reserves included in this category. Sufficient funds to cover Compensated Absences, Customer and Subdivision Deposits, the Operating Reserve, and one year of PayGo Capital projects should be maintained</p>
Compensated Absences	<p>The Compensated Absences Fund reserves for unpaid employee vacation and sick leave hours that are vested with each individual employee. The liability for compensated absences is calculated annually as part of the fiscal year-end closing process. It is the number of vested hours of accrued leave multiplied by the individual employee's hourly rate. TARGET CRITERIA: Staff recommends the full liability for compensated absences be fully funded.</p>	<p>This Reserve is included in the Working Capital balance, as it is used to pay for vacation and sick leave during each fiscal year, as required. The total retained in this Reserve will equal the totals of the compensated absences liability accounts by fund, which are calculated annually as part of the year-end process.</p>

Reserve Policy	2012	2021
Customer Deposits	<p>The Customer and Development Deposits Fund consist of monies held on behalf of District customers as required for their utility account or as cash bonds for development projects. As deposits on utility accounts are released, they will be refunded to the customer. When development projects are complete, the projects will be closed and a final accounting will be completed. Excess deposit monies will be returned to the development customer. TARGET CRITERIA: Customer deposits required are based upon the process outlined in District’s Rules and Regulations for Water and Sewer service; as are deposit requirements for development projects. The balance in this account will fluctuate depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no minimum or maximum levels will be established.</p>	<p>This Reserve is included in the Working Capital balance and used to refund Customer Deposits on a regular monthly cycle per the District’s policy. Customer Deposit refunds payable are verified every month, so the Payables balance is always current. Deposits for subdivisions will be tracked in a separate liability account. Enough cash should be held to not only cover the monthly Customer Deposit refunds, but also the entire Customer Deposit Balance. This total does not vary greatly and is shown as a total on the Utility Accounts Receivable Aging report that includes all customers with a zero balance.</p>
PayGo Capital Projects		<p>This Reserve exists to allow the District to attend to smaller Capital Projects (less than \$500,000) as approved during the Budget process without incurring additional debt. The Board has recommended a \$1,000,000 cumulative limit across all Funds (Water, Wastewater, and Parks) to be held in Working Capital. The purpose of this limitation is to encourage prudent, staggered timing of Capital Projects so that a healthy balance is maintained in the District’s Working Capital. Larger projects should be bundled together and financed in such a way as to maintain the District’s required Debt Parity Ratio.</p>
Operating Reserves	<p>The Operating Fund is an unrestricted fund and serves as a short term or immediate purpose. Monies held in the Operating Fund meet a variety of potentially competing purposes including paying operating expenses during temporary revenue shortfalls. This fund would also be used to cover timing differences for periodic expenses paid in advance of revenues collected and to pay for expenses for special events not budgeted. In developing the annual operating budget, staff expends a tremendous amount of effort to identify its program expenses and prudent spending levels. However, unforeseen developments can occur which cause the actual program expenses to exceed the budgeted expenses. In addition, opportunities not budgeted for may arise during the fiscal year that require the District to expend monies which will not be reimbursed. Other times the District will pay expenses that will be reimbursed only after the event is complete. The Operating Fund would cover these types of situations. TARGET CRITERIA: To meet MCSble resources, but as with capacity fee and rate studies, maintenance of an adequate Catastrophe reserve depends on regular risk assessments. Accordingly, th</p>	<p>The Operating Reserve is intended to act as a short-term line of credit for the District, covering unanticipated timing gaps between expenditures and revenues, or unanticipated necessary expenditures. As a current and short-term reserve, it will be held in the money market account with the other working capital reserves. The Operating reserve will be calculated at thirty (30) days of total District expenditures, based on the currently approved budget. If any major Board-approved capital project temporarily requires additional working capital to bridge between the cash expenditure and the receipt of grant or loan funds, the General Manager and Finance Director may draw from the Repair and Replacement reserve to supplement the Operating reserve for the duration of the project</p>
Invested Reserves		<p>Invested Reserves are not for immediate or ongoing expenses in the current Fiscal Year. These reserves are to be held in a Board-approved investment fund (such as the Local Agency Investment Fund (LAIF), CalTRUST, or the County of Humboldt), in accordance with the Board’s Investment policy.</p>

Reserve Policy	2012	2021
Capacity Fees Reserve	<p>The Capacity Fees Fund consists of monies received through development impact fees (system capacity fees) and is utilized to offset new development related capital improvements as outlined by the District's Capital Improvement Plan. <u>TARGET CRITERIA:</u> Capacity Fees are development driven as are the costs incurred; therefore, no minimum or maximum levels will be established.</p>	<p>Capacity Fees are a legally restricted reserve to be used to fund the expansion of the District's capacity to provide water and wastewater services to rate payers. The collection of Capacity Fees must be reviewed at minimum every 5 years with a Capacity Fee Study to ensure that changes in the District's capacity needs are accounted for in the way capacity fees are collected and used through buildout. Any unused balance of the Capacity Reserve can be held in Invested Reserves. The draw from this Reserve will be calculated annually according to the percentage capacity increase from completed capital projects. The amount to be drawn from the Capacity Fees reserve into the District's working capital is comprised of the total capacity increase percentage from all completed capital projects in a year. For example, the WWMF upgrade that was completed in 2018 increased overall District sewage processing capacity by 30%. 30% of the overall project cost was therefore related to increasing District capacity, so 30% of the overall project cost would be drawn into working capital from the Capacity Reserves. The capacity increase percentage of each capital project completed in a given fiscal year would be added together to create the total capacity increase for the year. Capacity fees equal to that total would be drawn into the District's working capital funds. If the balance in the Capacity Fees Reserve is less than the total capacity increase, the entire balance could be moved into Working Capital. Capacity Fees collected in future years would be drawn into working capital until the entire total of capital project costs related to increased capacity is fully funded. Annual tracking and reconciliation of the multiple capital projects comprising this total is a necessary part of the District's year-end closing process.</p>
Repair and Replacement Reserve	<p>The Repair and Replacement Reserve (R&R) Fund reserves for both short-term and long-term purposes. The objective of the R&R Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. There are three sub-funds within the Repair and Replacement Fund: CAPITAL ASSET REPLACEMENT - As the Districts' utility and system infrastructure continues to age, there will be increasing demands on this fund to replace or repair these facilities. Generally, maintenance costs for an asset becomes more expensive as that asset ages, and eventually the economic decision is made to replace that asset. EMERGENCY REPAIRS - Although the preventive maintenance program is intended to increase the predictability of equipment replacement, unanticipated equipment failure is unavoidable. As a result, these funds would be used to cover periodic short-term replacements made necessary by unplanned failures. SYSTEM ENHANCEMENTS - With the rapid changes in technology, assets are becoming obsolete at a faster rate than originally planned. If these improvements increase productivity, reduce operating cost, or extend the useful life of the Districts' facilities, then expenditures will be made from this fund. The District recognizes that the R&R Fund will only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future water rates. <u>TARGET CRITERIA:</u> Staff recommends funding levels based on projected replacement cost of pipelines and other system infrastructure. To ensure adequate funding and availability for emergency repairs, a minimum R&R Fund reserve balance is recommended. In addition to the minimum, staff recommends using 10% of the projected capital asset replacement cost to determine the target level for the R&R Fund.</p>	<p>This Reserve serves to accumulate and track funds for long-term capital projects that cost more than the Pay-Go limit and have no other designated funding source such as a grant or a dedicated rate stream. Examples would include projects like water tank re-coating, or biosolids removal from the wastewater treatment plant. Capital projects like mainline replacement have their own dedicated portion of utility rates and would not need to draw on this reserve. Grant and loan-funded capital projects would also not draw on this reserve, unless the grant had a match requirement that exceeded the District's Pay-Go limitations for a given fiscal year. Using the Repair & Replacement Reserve as a sinking fund to set aside money for these projects will allow the District to repair or replace various pieces of infrastructure at the end of useful life without causing major disruptions in the District's operating cash flow. Funds should be held with Invested Reserves and may be drawn into working capital as the capital projects are completed and paid for. The list of projects and the funding contribution required per fiscal year would be revised and reviewed annually as part of the Capital project budgeting process. As these projects might change over time, regular rate studies are necessary to ensure sufficient funds are available to complete the projects as they come due.</p>

Reserve Policy	2012	2021
Catastrophe Reserves (includes 2012 Rate Stabilization Fund)	<p>The Catastrophe Fund consists of funds used to begin repair of the water system after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed. TARGET CRITERIA: Following current Federal Emergency Management Agency (FEMA) guidelines, staff recommends funding levels shall be targeted at two (2%) percent of the District's total plant and equipment. // The Rate Stabilization Fund operates as a buffer to water rates during any period where there are unexpected increases in operating costs or decreases in revenues. For example, in the event an unexpected rate increase from Humboldt Bay (HBMWD) is approved and the District chooses not to pass the increase on to its customers immediately, this fund could cover the shortfall in revenue. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. As such, the Rate Stabilization Fund will absorb these types of projects are completed and paid for. The list of projects and the funding contribution required per fiscal year would be revised and reviewed annually as part of the Capital project budgeting process. As these projects might change over time, regular rate studies are necessary</p>	<p>This Reserve consists of funds that may be drawn to pay for operations during a catastrophic event, and to begin repair of the water and wastewater systems, and other District assets after such an event. Examples of catastrophic events include, but are not limited to, a severe earthquake, drought, storm, or fire. Unanticipated catastrophic spikes in expenditures or drops in revenue from any unforeseeable event would also be included in this category. Funds should be held in Invested Reserves and may be drawn from this account into working capital while long-term financing is being arranged or insurance claims are being processed. The Catastrophe reserve is based on operating expenditures and a District risk assessment. There are a wide range of available tools for risk analysis from a high-cost professional analysis done by an external contractor to the risk ranking system available from the Government Finance Officers' Association (GFOA). The risk assessment tool utilized will depend on the District's available resources, but as with capacity fee and rate studies, maintenance of an adequate Catastrophe reserve depends on regular risk assessments. Accordingly, through this policy, the District requires a regular risk assessment and expenditure analysis be completed every five (5) years.</p>
Bond Reserves	<p>The Bond Reserve Fund consists of bond proceeds that provide additional security for the payment of annual debt service if rates and other funds are insufficient or not available. The bonding institution establishes the restricted account at the time the debt is issued. The funds cannot be used for any other purpose. TARGET CRITERIA: The debt service reserve requirement is established at the time of the obligation is issued. This amount may be recalculated as the debt is paid-off.</p>	<p>There are other reserves that fall outside the above listed categories, including loan and bond reserves, and reserves for accumulating unfunded pension liabilities and other post-employment benefits (OPEB). Where the law or a lender requires loan reserves to be held in a zero-interest account, they may be held in County Trust Fund 9390, which earns no interest. Reserves for the 1982 USDA Sewer Bonds are held at U.S. Bank with the bond service funds, but in a separate account. Reserves for any future bond issues should be held in a similar way.</p>
Pension & OPEB Reserves	<p>The Retiree OPEB Fund consists of rate revenue monies set aside to fund Other Post Employment Benefits. These funds will be transferred to the third party administrator of the Trust that makes disbursement to the medical insurance carrier. TARGET CRITERIA: Staff recommends, as does the trustee, a target funding level based on the actuarial calculated liability for OPEB.</p>	<p>Reserves for unfunded pension and OPEB liabilities should be held in a Section 115 Trust. The District's pension is managed by CalPERS, which has a Section 115 Trust for additional contributions towards the unfunded accrued pension liability. Contributions towards the District's OPEB liability are not eligible for any of the CalPERS trusts, as our health insurance is not run by CalPERS for reasons of cost effectiveness. A separate Section 115 Trust is necessary to hold contributions towards the unfunded accrued OPEB liability and will be invested according to the District's Investment policy. Unfunded accrued liabilities are recalculated annually on an actuarial basis and amortized for the current year's portion. // The actuarially calculated current year's portion of the Unfunded Accrued Pension and OPEB liabilities for the Enterprise Funds (Water and Wastewater) will be funded next by deposits to the appropriate Section 115 Trust. Contributions from the Governmental Funds (Streetlights, Parks & Recreation) will depend more on budget surpluses, as those Funds are only partially funded on a cost of services basis. The tax apportionment that forms the bulk of the Parks & Recreation budget is calculated by the County of Humboldt based on current property tax valuation rather than cost of services. Available surplus from the Governmental Funds will be applied towards funding the pension and OPEB reserves before Operating, Repair & Replacement, or Catastrophe reserves are funded from this source.</p>

Reserve Policy	2012	2021
<p>Prioritize of Reserves/ Reserve Policy Process</p>	<p>Table 1. Reserve Process: Tiers, targets, limits// Table2. Fund Balance (as of October 31, 2011) Calculation examples (see attached)</p>	<p>Legally restricted reserves will be prioritized first for funding in any given fiscal year. Customer Deposits and Compensated Absences reserves would be funded first, as those are a necessary part of operational cash flow. Any new Loan or Bond reserves will be funded and placed in appropriate accounts according to whether they are allowed to accumulate interest or not. Capacity Fees and any reserve with a legally dedicated rate-funding stream, such as the Mainline Replacement Project reserve, will be sequestered into the appropriate investment reserve account. ((Duplicated in OPEB section: The actuarially calculated current year's portion of the Unfunded Accrued Pension and OPEB liabilities for the Enterprise Funds (Water and Wastewater) will be funded next by deposits to the appropriate Section 115 Trust. Contributions from the Governmental Funds (Streetlights, Parks & Recreation) will depend more on budget surpluses, as those Funds are only partially funded on a cost of services basis. The tax apportionment that forms the bulk of the Parks & Recreation budget is calculated by the County of Humboldt based on current property tax valuation rather than cost of services. Available surplus from the Governmental Funds will be applied towards funding the pension and OPEB reserves before Operating, Repair & Replacement, or Catastrophe reserves are funded from this source.)) The next reserve funded would be the PayGo Capital Projects and Operating reserves, which are held in the working capital account and are needed for operational cash flow. The remaining two reserves funded would be the Repair & Replacement reserve, followed by the Catastrophe reserve. While the last-listed reserves will always be at greatest risk of reduced funding during any budget shortfall, the prioritization is designed to reduce risk produced by a lack of appropriate reserves to the District as a whole.</p>

Reserve Policy Revision 2020 (Draft)

McKinleyville Community Services District Reserves Policy

A key element of prudent financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. McKinleyville Community Services District (District) will, at all times, strive to have sufficient funding available to meet its operating, capital, and debt service obligations. This policy is to develop and ensure the appropriate and necessary funds are accumulated and maintained in a manner consistent with the District's guiding financial policies and Capital Improvement Plan. Furthermore, the Reserves policy will aid in the prevention of significant rate fluctuations due to unforeseen changes in cash flow requirements.

Utility Rate and Capacity Fee Reviews

The primary requirement for maintaining adequate District reserves is a regular review of the District's utility rates and capacity fee structures. Accordingly, through this policy, the District requires that regular utility rate and capacity fee analyses be completed every five (5) years as allowed by California state law. This is not meant to be exclusive of other revenue generating methods, either alone or in combination, including regular review and adjustment of other fees and charges, capital financing, investment returns in accordance with the District's investment policy, or adjusting the capital expenditures budget.

Categories of Reserves

Reserves can be categorized in various ways, including by the level of legal restrictions on use, and by how the reserves are held. Currently, District Reserves that are legally restricted for a particular use will be labeled Restricted. These reserves may not be used for any purpose other than that for which they are legally restricted.

Reserves that are designated by the Board for a purpose, but not legally restricted, will be labeled Designated. These reserves may be shifted or re-designated for any lawful purpose at the discretion of the District's elected Board of Directors.

Reserves that need to be readily available to meet the District's operating cash-flow needs can be held in a money-market account associated with the District's operating checking account. These will be labeled Working Capital reserves. Invested reserves may be held in medium or long-term investment accounts according to the District's Investment policy.

The Working Capital Reserves

The balances in the District's Money Market account should never be less than the liabilities shown for the Reserves included in this category. Sufficient funds to cover Compensated Absences, Customer and Subdivision Deposits, the Operating Reserve, and one year of PayGo Capital projects should be maintained.

Compensated Absences Reserve

This Reserve is included in the Working Capital balance, as it is used to pay for vacation and sick leave during each fiscal year, as required. The total retained in this Reserve will equal the totals of the compensated absences liability accounts by fund, which are calculated annually as part of the year-end process.

Customer Deposits Fund

This Reserve is included in the Working Capital balance and used to refund Customer Deposits on a regular monthly cycle per the District's policy. Customer Deposit refunds payable are verified every month, so the Payables balance is always current. Deposit totals for subdivisions will be tracked in a separate liability account. Enough cash should be held to cover the Subdivision Deposits and, not only the monthly Customer Deposit refunds, but also the entire Customer Deposit Balance. The Customer Deposit balance total does not vary greatly and is shown as a total on the Utility Accounts Receivable Aging report that includes all customers with a zero balance.

PayGo Capital Projects

This Reserve exists to allow the District to attend to smaller Capital Projects (less than \$500,000) as approved during the Budget process, without incurring additional debt. The Board has recommended a \$1,000,000 cumulative limit across all Funds (Water, Wastewater, and Parks) to be held in Working Capital. The purpose of this limitation is to encourage prudent, staggered timing of Capital Projects so that a healthy balance is maintained in the District's Working Capital. Larger projects should be bundled together and financed in such a way as to maintain the Debt Parity Ratio required by the District's lenders.

Operating Reserve

The Operating Reserve is intended to act as a short-term line of credit for the District, covering unanticipated timing gaps between expenditures and revenues, or unanticipated necessary expenditures. As a current and short-term reserve, it will be held in the money market account with the other working capital reserves.

The Operating reserve will be calculated at thirty (30) days of total District expenditures, based on the currently approved budget. If any major Board-approved capital project temporarily requires additional working capital to bridge between the cash expenditure and the receipt of grant or loan funds, the General Manager and Finance Director may draw from the Repair and Replacement reserve to supplement the Operating reserve for the duration of the project.

Invested Reserves

Invested Reserves are not for immediate or ongoing expenses in the current Fiscal Year. These reserves are to be held in a Board-approved investment fund (such as the Local Agency Investment Fund (LAIF), CalTRUST, or the County of Humboldt), in accordance with the Board's Investment policy.

Capacity Fees

Capacity Fees are a legally restricted reserve to be used to fund the expansion of the District's capacity to provide water and wastewater services to rate payers. The collection of Capacity Fees must be reviewed at minimum every 5 years with a Capacity Fee Study to ensure that changes in the District's capacity needs are accounted for in the way capacity fees are collected and used through buildout. Any unused balance of the Capacity Reserve can be held in Invested Reserves.

The draw from this Reserve will be calculated annually according to the percentage capacity increase from completed capital projects. The amount to be drawn from the Capacity Fees reserve into the District's working capital is comprised of the total capacity increase percentage from all completed capital projects in a year. For example, the WWMF upgrade that was completed in 2018 increased overall District sewage processing capacity by 30%. 30% of the overall project cost was therefore related

to increasing District capacity, so 30% of the overall project cost would be drawn into working capital from the Capacity Reserves.

The capacity increase percentage of each capital project completed in a given fiscal year would be added together to create the total capacity increase for the year. Capacity fees equal to that total would be drawn into the District's working capital funds. If the balance in the Capacity Fees Reserve is less than the total capacity increase, the entire balance could be moved into Working Capital. Capacity Fees collected in future years would be drawn into working capital until the entire total of capital project costs related to increased capacity is fully funded. Annual tracking and reconciliation of the multiple capital projects comprising this total is a necessary part of the District's year-end closing process.

Repair and Replacement Reserve

This Reserve serves to accumulate and track funds for long-term capital projects that cost more than the Pay-Go limit and have no other designated funding source such as a grant or a dedicated rate stream. Examples would include projects like water tank re-coating, or biosolids removal from the wastewater treatment plant. Capital projects like mainline replacement have their own dedicated portion of utility rates and would not need to draw on this reserve. Grant and loan-funded capital projects would also not draw on this reserve, unless the grant had a match requirement that exceeded the District's Pay-Go limitations for a given fiscal year.

Using the Repair & Replacement Reserve as a sinking fund to set aside money for these projects will allow the District to repair or replace various pieces of infrastructure at the end of useful life without causing major disruptions in the District's operating cash flow. Funds should be held with Invested Reserves and may be drawn into working capital as the capital projects are completed and paid for.

The schedule of projects and the funding contribution required per fiscal year would be revised and reviewed annually as part of the Capital project budgeting process. As these projects might change over time, regular rate studies are necessary to ensure sufficient funds are available to complete the projects as they come due.

Catastrophe Reserve

This Reserve consists of funds that may be drawn to pay for operations during a catastrophic event, and to begin repair of the water and wastewater systems, and other District assets after such an event. Examples of catastrophic events include, but are not limited to, a severe earthquake, drought, storm, or fire. Unanticipated catastrophic spikes in expenditures or drops in revenue from any unforeseeable event would also be included in this category. Funds should be held in Invested Reserves and may be drawn from this account into working capital while long-term financing is being arranged or insurance claims are being processed.

The Catastrophe reserve is based on operating expenditures and a District risk assessment. There are a wide range of available tools for risk analysis from a high-cost professional analysis done by an external contractor to the risk ranking system available from the Government Finance Officers' Association (GFOA). The risk assessment tool utilized will depend on the District's available resources, but as with capacity fee and rate studies, maintenance of an adequate Catastrophe reserve depends on regular risk assessments. Accordingly, through this policy, the District requires a regular risk assessment and expenditure analysis be completed every five (5) years.

Other Reserves

There are other reserves that fall outside the above listed categories, including loan and bond reserves, and reserves for accumulating unfunded pension liabilities and other post-employment benefits (OPEB). Where the law or a lender requires loan reserves to be held in a zero-interest account, they may be held in County Trust Fund 9390, which earns no interest. Reserves for the 1982 USDA Sewer Bonds are held at U.S. Bank with the bond service funds, but in a separate account. Reserves for any future bond issues should be held in a similar way.

Reserves for unfunded pension and OPEB liabilities should be held in a Section 115 Trust. The District's pension is managed by CalPERS, which has a Section 115 Trust for additional contributions towards the unfunded accrued pension liability. Contributions towards the District's OPEB liability are not eligible for any of the CalPERS trusts, as our health insurance is not run by CalPERS for reasons of cost effectiveness. A separate Section 115 Trust is necessary to hold contributions towards the unfunded accrued OPEB liability and will be invested according to the District's Investment policy. Unfunded accrued liabilities are recalculated annually on an actuarial basis and amortized for the current year's portion.

Prioritization of Reserves

Legally restricted reserves will be prioritized first for funding in any given fiscal year. Customer Deposits and Compensated Absences reserves would be funded first, as those are a necessary part of operational cash flow. Any new Loan or Bond reserves will be funded and placed in appropriate accounts according to whether they are legally allowed to accumulate interest or not. Capacity Fees and any reserve with a legally dedicated rate-funding stream, such as the Mainline Replacement Project reserve, will be sequestered into the appropriate investment reserve account.

The actuarially calculated current year's portion of the Unfunded Accrued Pension and OPEB liabilities for the Enterprise Funds (Water and Wastewater) will be funded next by deposits to the appropriate Section 115 Trust. Contributions from the Governmental Funds (Streetlights, Parks & Recreation) will depend more on budget surpluses, as those Funds are only partially funded on a cost of services basis. The tax apportionment that forms the bulk of the Parks & Recreation budget is calculated by the County of Humboldt based on current property tax valuation rather than cost of services. Available surplus from the Governmental Funds will be applied towards funding the pension and OPEB reserves before Operating, Repair & Replacement, or Catastrophe reserves are funded from this source.

The next reserve funded would be the PayGo Capital Projects and Operating reserves, which are held in the working capital account and are needed for operational cash flow. The remaining two reserves funded would be the Repair & Replacement reserve, followed by the Catastrophe reserve. While the last-listed reserves will always be at greatest risk of reduced funding during any budget shortfall, the prioritization is designed to reduce risk produced by a lack of appropriate reserves to the District as a whole.

McKinleyville Community Service District

Designated Funds Policy

POLICY STATEMENT

A key element of **prudent** financial planning is to ensure that sufficient funding is available for current operating, capital, and debt service needs. Additionally, fiscal responsibility requires anticipating the likelihood of, and preparing for, unforeseen events. McKinleyville Community Services District (District) will at all times strive to have sufficient funding available to meet its operating, capital, and debt service obligations. This policy is to develop and ensure the appropriate and necessary funds are accumulated and maintained in a manner consistent with the District's Capital Improvement Plan, Connection and Capacity Fee Plan, and other guiding financial policies. Furthermore, the policy will increase the District's flexibility to avoid significant rate fluctuations due to unforeseen changes in cash flow requirements.

DESCRIPTION OF FUNDS

Reserves **are categorized into** either unrestricted or restricted reserves. Unrestricted Fund reserves consisting of undesignated funds, such as the Operating Fund, can be used for any lawful purpose at the discretion of the Board of Directors (Board). The monies held within designated funds can be shifted or re-allocated at any time at the Board's discretion. Restricted Fund reserves, such as the Bond Reserve Fund consist of monies with external restrictions imposed by creditors, grantors, contributors, or by laws or regulations of government and can only be used for a specific purpose.

UNRESTRICTED FUNDS

OPERATING FUND

The **Operating Fund** is an unrestricted fund and serves as a short-term or immediate purpose. Monies held in the Operating Fund meet a variety of potentially competing purposes including paying operating expenses during temporary revenue shortfalls. This fund would also be used to cover timing differences for periodic expenses paid in advance of revenues collected and to pay for expenses for special events not budgeted. In developing the annual operating budget, staff expends a tremendous amount of effort to identify its program expenses and prudent spending levels. However, unforeseen developments can occur which cause the actual program expenses to exceed the budgeted expenses. In addition, opportunities not budgeted for may arise during the fiscal year that require the District to expend monies which will not be reimbursed. Other times the District will pay expenses that will be reimbursed only after the event is complete. The Operating Fund would cover these types of situations.

TARGET CRITERIA: To meet MCSD cash flow needs and unbudgeted expenses, the Operating Fund will be equal to approximately six months (180 days) of the annual budgeted operating expenses.

REPAIR AND REPLACEMENT FUND

The **Repair and Replacement Reserve** (R&R) Fund reserves for both short-term and long-term purposes. The objective of the R&R Fund is to provide monies for the current and future replacement of existing capital assets as they reach the end of their useful lives. There are three sub-funds within the Repair and Replacement Fund:

CAPITAL ASSET REPLACEMENT - As the Districts' utility and system infrastructure continues to age, there will be increasing demands on this fund to replace or repair these facilities. Generally, maintenance costs for an asset becomes more expensive as that asset ages, and eventually the economic decision is made to replace that asset.

EMERGENCY REPAIRS - Although the preventive maintenance program is intended to increase the predictability of equipment replacement, unanticipated equipment failure is unavoidable. As a result, these funds would be used to cover periodic short-term replacements made necessary by unplanned failures.

SYSTEM ENHANCEMENTS - With the rapid changes in technology, assets are becoming obsolete at a faster rate than originally planned. If these improvements increase productivity, reduce operating cost, or extend the useful life of the Districts' facilities, then expenditures will be made from this fund.

The District recognizes that the R&R Fund will only be sufficient to pay a portion of the full cost of future capital asset replacements and other sources of replacement funding may be needed, such as a bond issuance. This fund will also help normalize the impact of the capital asset replacements on future water rates.

TARGET CRITERIA: Staff recommends funding levels based on projected replacement cost of pipelines and other system infrastructure. To ensure adequate funding and availability for emergency repairs, a minimum R&R Fund reserve balance is recommended. In addition to the minimum, staff recommends using 10% of the projected capital asset replacement cost to determine the target level for the R&R Fund.

COMPENSATED ABSENCES FUND

The Compensated **Absences Fund** reserves for unpaid employee vacation and sick leave hours that are vested with each individual employee. The liability for compensated absences is calculated annually as part of the fiscal year-end closing process. It is the number of vested hours of accrued leave multiplied by the individual employee's hourly rate.

TARGET CRITERIA: Staff recommends the full liability for compensated absences be fully funded.

RATE STABILIZATION FUND

The **Rate Stabilization Fund** operates as a buffer to water rates during any period where there are unexpected increases in operating costs or decreases in revenues. For example, in the event an unexpected rate increase from Humboldt Bay (HBMWD) is approved and the District chooses not to pass the increase on to its customers immediately, this fund could cover the shortfall in revenue. In addition, in a severe drought or extremely wet conditions, it is reasonable to expect that water sales could fluctuate significantly. As such, the Rate Stabilization Fund will absorb these types of fluctuations in operations and help stabilize rates.

TARGET CRITERIA: As discussed above, water rates can fluctuate for many different reasons. Staff recommends a target level to be sufficient to cover reduced net sales by as much as 20% for up to two consecutive years.

CATASTROPHE FUND

The **Catastrophe Fund** consists of funds used to begin repair of the water system after a catastrophic event, such as a severe earthquake or fire, while long-term financing is being arranged or insurance claims are being processed.

TARGET CRITERIA: Following current Federal Emergency Management Agency (FEMA) guidelines, staff recommends funding levels shall be targeted at two (2%) percent of the District's total plant and equipment.

RETIREE OPEB FUND

The Retiree **OPEB Fund** consists of rate revenue monies set aside to fund Other Post Employment Benefits. These funds will be transferred to the third party administrator of the Trust that makes disbursement to the medical insurance carrier.

TARGET CRITERIA: Staff recommends, as does the trustee, a target funding level based on the actuarial calculated liability for OPEB.

RESTRICTED FUNDS

BOND RESERVE FUND

The Bond **Reserve Fund** consists of bond proceeds that provide additional security for the payment of annual debt service if rates and other funds are insufficient or not available. The bonding institution establishes the restricted account at the time the debt is issued. The funds cannot be used for any other purpose.

TARGET CRITERIA: The debt service reserve requirement is established at the time of the obligation is issued. This amount may be recalculated as the debt is paid-off.

CUSTOMER AND DEVELOPMENT DEPOSITS FUND (SELF FUNDED – RESTRICTED)

The **Customer** and Development Deposits Fund consist of monies held on behalf of District customers as required for their utility account or as cash bonds for development projects. As deposits on utility accounts are released, they will be refunded to the customer. When development projects are complete, the projects will be closed and a final accounting will be completed. Excess deposit monies will be returned to the development customer.

TARGET CRITERIA: Customer deposits required are based upon the process outlined in District's Rules and Regulations for Water and Sewer service; as are deposit requirements for development projects. The balance in this account will fluctuate depending on the number of utility customer deposits required and the number of development projects in process. Therefore, no minimum or maximum levels will be established.

CAPACITY FEES FUND

The **Capacity Fees Fund consists** of monies received through development impact fees (system capacity fees) and is utilized to offset new development related capital improvements as outlined by the District's Capital Improvement Plan.

TARGET CRITERIA: Capacity Fees are development driven as are the costs incurred; therefore, no minimum or maximum levels will be established.

TARGETS AND ALLOCATION

From risk and **long-range** financial planning perspectives, the targets established for each Fund represents the baseline financial condition that is acceptable to the District. Maintaining funds at appropriate levels is a prudent, ongoing business process that consists of an iterative, dynamic assessment and application of various revenue generating alternatives. These alternatives (either alone or in combination with each other) include, but are not limited to fees and charges, water usage, capital financing, investment of funds, and levels of capital expenditures.

Table 1 outlines the process the District will use each year to allocate net revenues to the various designated funds and the priority of each designated fund.

Table 2 provides the amount of funds currently unassigned and available to fund reserves.

Table 3 illustrates how the October 30, 2011 cash balance will be distributed as well as the target amount and target date for each designated fund.

DELEGATION OF AUTHORITY

The Board **has sole authority** to amend or revise the Designated Funds Policy. Through approval of this Policy, the Board has established written procedures for staff to follow in the management of District Unrestricted and Restricted Funds.

TABLE 1: RESERVE POLICY PROCESS

Unrestricted Funds		Restricted Funds	
Funding Source: Operating Revenue		Funding Source: Various	
Tier 1 Target	Operating Fund 180 Days of Annual Operations & Maintenance	Source	Bond Reserves Fund
Limit	360 Days of Annual Operations & Maintenance	Target	Debt Issuance
Tier 2 Target	Repair and Replacement Fund 10% of Capital Asset Replacement Costs (minimum of \$500,000)	Limit	Established at the time of issue
Limit	No set limit as funds can be collected over time to fund large capital projects	None	None
<i>Note:</i>	<i>Rate revenue collected to cover annual depreciation is primary funding source</i>	Source	Customer & Development Deposits Fund
Tier 3 Target	Compensated Absences Fund Full Liability for compensated Absences	Target	Customer & Development Deposits
Limit	Full Liability	Limit	N/A
Tier 4 Target	Rate Stabilization Fund Sufficient to cover reduced water sales by 20% for up to two consecutive years	Source	Capacity Fees Fund
Limit	60% of rate revenue	Target	Capacity Fees
Tier 5 Target	Catastrophe Fund 2% of District's total plant and equipment	Limit	N/A
Limit	2% of District's total plant and equipment		
Tier 6 Target	Retiree OPEB Fund Based on the actuarial calculated liability		
Limit	Actuarial calculated liability		

TABLE 2: FUND BALANCE (AS OF OCTOBER 31, 2011)

	Parks & General 001	Streetlight 005	Water 501	Sewer 551	Total
Investment in Capital Assets, Net of Related Debt:					
Net Capital Assets	2,957,575	217,115	6,377,035	11,759,024	21,310,749
Capital Asset Debt	-	-	(3,568,888)	(1,426,821)	(4,995,709)
Total	2,957,575	217,115	2,808,146	10,332,204	16,315,040
Restricted for Debt Covenants:					
Davis-Grunsky Loan	-	-	594,198	-	594,198
I-Bank Loan	-	-	60,000	-	60,000
USDA Sewer Bonds	-	-	-	127,153	127,153
Total	-	-	654,198	127,153	781,351
Assigned for Capital Reserve	-	-	-	98,114	98,114
Unassigned Fund Balance	692,418	(38,604)	1,559,259	3,158,796	5,371,870

TABLE 3: ALLOCATION OF UNASSIGNED FUND BALANCE (AS OF OCTOBER 31, 2011)

Unassigned Fund Balance Distribution:	Parks & General	Streetlight	Water	Sewer	Total
Operating Fund					
Operating Costs	1,464,925	-	2,151,424	1,713,140	5,329,489
Target, 180 days	722,429	-	1,060,976	844,836	2,628,241
Maximum, 360	1,444,858	-	2,121,952	1,689,672	5,256,482
Distribution	286,573	-	386,935	1,229,496	1,903,004
Repair and Replacement Fund					
Investment in Capital Assets, Net of Related Debt:	2,957,575	217,115	2,808,146	10,332,204	16,315,040
Target, 10%	295,758	21,712	280,815	1,033,220	1,631,504
Distribution	295,758	-	280,815	1,033,220	1,609,793
Compensated Absences Fund					
Total Vested Hours	27,034	-	64,431	64,431	155,896
Target, Actual	27,034	-	64,431	64,431	155,896
Distribution	27,034	-	64,431	64,431	155,896
Rate Stabilization Fund					
Rate Revenue	-	-	1,807,779	1,443,000	3,250,779
Target, 20% x2 years Rate Revenue	-	-	723,112	577,200	1,300,312
Distribution	-	-	723,112	577,200	1,300,312
Catastrophe Fund					
Investment in Capital Assets, Net of Related Debt:	2,957,575	217,115	2,808,146	10,332,204	16,315,040
Target, 2%	59,152	4,342	56,163	206,644	326,301
Distribution	59,152	-	56,163	206,644	321,959
Retiree Medical/OPEB					
Actuarial Estimate	23,902	-	47,804	47,804	119,510
Target, Actuarial Estimate	23,902	-	47,804	47,804	119,510
Distribution	23,902	-	47,804	47,804	119,510
Available Funds (Unassigned Fund Balance)	692,418	(38,604)	1,559,259	3,158,796	5,371,870
Total Reserves Target	1,128,274	26,054	2,233,300	2,774,136	6,161,764
Amount Allocated to Reserves	692,418	(38,604)	1,559,259	3,158,796	5,371,869
Undesignated	-	-	-	-	-
Target Fully Funded / (Shortfall)	(435,856)	(64,657)	(674,041)	384,660	(789,894)

Note: A reserve policy for the Library Fund is not recommended at this time

McKinleyville Community Services District

BOARD OF DIRECTORS

January 5, 2021

TYPE OF ITEM: **ACTION**

ITEM: E.7 **Consider Approval of Ordinance 2021-01 Amending Regulation 21-Connection Charges to Address Accessory Dwelling Units (ADU) Connection Fees – Second Reading and Adoption.**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review information provided, discuss, take Public Comment and approve the Second Reading and Adoption of the Ordinance 2021-01 (**Attachment 2**), by title only.

Discussion:

In 2017, the State of California enacted Government Code Section § 65852.2(e) and (f) in order to encourage the development of Accessory Dwelling Units (ADUs) (also commonly known as Mother-in-law Units) to facilitate affordable housing development throughout the state. Part of the State Code made it more streamlined for agency approval and dictated when and if government agencies, including water and sewer agencies, could charge fees for the connections of ADUs.

In May through June 2020, the Humboldt County Planning Commission held a series of five public hears on draft County ordinances and General Plan amendments to re-establish local standards in conformance with the new State Code. At the September 1, 2020 Board of Supervisor's meeting, the Board of Supervisor's adopted Ordinance No. 2650, which amends various General Plan and County Ordinances on ADU developments to conform to the new State regulations.

The District needs to update our Rules & Regulations, specifically Regulation 21-Connection Charges, to conform to County and State regulations with regards to ADU developments. Rule 21.03-Accessory Dwelling Unit/Secondary Dwelling Unit Connection Charge was written and reviewed by Legal Counsel (**Attachment 1**). This is the first reading of the Ordinance. The main provisions of the Rule are to:

- Define what constitutes an ADU
- Detail when connection fees and other fees can be charged for an ADU development.

A First Reading of Ordinance 2021-01 was conducted on December 2, 2020.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action
- Repeat First Reading – If any substantive changes are made to the Ordinance, Adoption must be moved to the next regular meeting and a new “First Reading” must be conducted of the Ordinance.

Fiscal Analysis:

A detailed fiscal analysis has not been prepared, but it is expected to have minimal impact to District finances. The new connection and capacity fees for ADUs will reduce when connection fees can be collected by the District for ADU developments. However, ADU developments are currently minimal within the District, and the District can still charge for new ADUs constructed with primary dwellings and when separate water or sewer connections are installed to service the ADU.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Revisions of Rule 21 in Track Changes
- Attachment 2 – Ordinance 2021-01, An Ordinance of the McKinleyville Community Services District Amending Regulation 21-Connection Charges of the MCSD Rules and Regulations

REGULATION 21 - CONNECTION CHARGES

Rule 21.01. GENERAL. It is hereby found and determined that it is necessary to reimburse the District for money advanced and to establish conditions of equality as to properties, either not assessed or by later occurring facts, deemed to have been under-assessed, during special assessment proceedings conducted by the District for the purpose of constructing sewer mains and facilities to serve properties within the assessment district created therefore when such non-assessed properties are permitted to connect to such sewer mains and facilities.

"Non-assessed properties" include, but are not limited to, portions of larger parcels which, at the time of assessment levy, were expected to continue in residential use by a single family but which are thereafter divided or segregated for separate residential use, either alone or in combination with other property, and may include properties which at the time of assessment levy, were owned by a government entity but which thereafter become privately owned. "Non-assessed properties" also include acreage whose later parceling or subdivision results in a larger number of direct connections to the system than was originally anticipated at the time of assessment, or may also be the result of any "more intensive" use than was contemplated by the original assessment levy.

Rule 21.02. CONNECTION CHARGE. The connection charge provided by this Ordinance shall be computed by the Manager based upon "what the share of the cost of said sewer main and facilities of the connecting property would have been had it been assessed in said proceedings, using the same formula as used in the assessment district for determining the assessment." The basis of the original assessment levy is as follows:

- (a) General area charge (all land within 600 feet of sewer main) = \$180.00 per acre.
- (b) Local area charge (all land within 200 feet of a sewer main = \$540.00 per acre,
- (c) Unit Charge
 - i. Lateral Charge - 4 inch = \$1,200.00
Lateral Charge - 6 inch = \$1,425.00
 - ii. (Local Sewer Availability) Capital Cost/Connection - 4 inch = \$472.00
(Local Sewer Availability) Capital Cost/Connection - 6 inch = \$692.00
- (d) Sewer Capacity Fee – A Sewer Capacity fee shall be collected from each applicant requesting a new water service in addition to any processing fees and/or installation charges. The capacity fee is \$6,970 per Equivalent Residential Unit (ERU) plus \$472 for a total fee of \$7,442. Please note, an additional \$472 related to joint costs (capital cost per connection) is applied only once, not per ERU. Each July 1st, each rate set forth in this subdivision (d) shall be adjusted by the percentage change in the Construction Cost Index for the San Francisco Bay Area as published in the Engineering News Record between July 2017 and the then most recently published Construction Cost Index.
- (e) Development intensity charge - per excess living unit with allowance of one living unit per one-half (1/2) acre of land = \$225.00 per unit.
- (f) Example of application of above described charges- For a one-half (1/2) acre parcel of normal shape that falls entirely within the local and general area with a single dwelling unit constructed thereon, cost would be:

General area charge - \$180.00 x .5 acre =	\$90.00
\$540.00 x .5 acre =	\$270.00
4 inch lateral =	\$1,200.00
(Sewer availability) Capital Cost/Connection=	\$472.00
Capacity charge =	\$6,970.00
Subtotal =	\$9,002.00

~~(g) The connection charge for the addition of a secondary dwelling as defined by Humboldt County Ordinance No. 1633, Chapter 6.1 shall be the same as the local Capital Cost per Connection (sewer availability) charge for four inch laterals as specified in subsection (c)2. above. If an additional lateral is required, the full charge rate shall apply.~~

~~(h)(g)~~ Buy in capacity charge - For all lands added to the sewer service area the Manager shall collect the additional charges set forth in the respective Resolution amending the sewer service area in addition to the other charges described above.

~~(i)(h)~~ Connection charges do not include paving over trenches as required by Humboldt County Public Works Department. Paving costs are the responsibility of the developer.

Rule 21.032. ACCESSORY DWELING UNIT/SECONDARY DWELLING UNIT CONNECTION CHARGE.

(a) For the purposes of this Rule, and in conformance with California Government Code Section 68582.265852.2 and Humboldt County Ordinance Title III, Division I, Chapters 3 and 4, an Accessory Dwelling Unit (ADU) shall be defined as follows: For a unit detached from the Primary Dwelling Unit, an ADU is a detached unit with a total floor area of 1,200 square feet or less. For a unit attached to the Primary Dwelling Unit, an ADU is a unit with a total floor area that does not exceed 50 percent of the floor area of the Primary Dwelling Unit. Any detached Secondary Dwelling constructed in excess of 1,200 square feet or attached Secondary Dwelling Unit over 50 percent of the floor area of the Primary Dwelling Unit shall be charged connection fees as detailed in Rule 21.02.

(b) An ADU constructed within an existing primary dwelling unit or existing structure shall not be charged any connection fees or charges per Humboldt County Code Section 69.05.4.1.3 unless the ADU was constructed with the Primary Dwelling or unless the connection is requested by the owner or developer and installed.- If the ADU is constructed with and within a new Primary Dwelling, or the owner or developer requests a connection not otherwise required, the fixture count within the ADU and the Primary Dwelling shall be used to establish the ERU and fees for the structure as detailed in Rule 21.02.

(c) The District may require a newly constructed ADU, not contained within the existing space of the primary residence, to install new water and sewer connections.- If new connections are required and installed, or are requested by the owner or developer and installed, the connection charges shall correspond to those established in Rule 21.02. If a new, separate ADU is constructed and utilizes the existing water and

sewer connection of the primary residence as approved by the District, no new connection fees or charges will be required by the District.

Rule ~~21.03~~-04 DEVELOPMENT CREDIT - for subdivisions or main extensions wherein the owner constructs all of the local sewers at their own cost for connection to the District's system, a credit for such construction cost to be subtracted from the general connection charge may be made for all except the following:

- (a) The Capital Cost per Connection charge of \$472.00 per unit.
- (b) The intense land development charge of \$225.00 per excess unit.
- (c) The capacity charge.

ORDINANCE NO. 2021-01

AN ORDINANCE OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT AMENDING REGULATION 21, CONNECTION CHARGES, OF THE MCSD RULES AND REGULATIONS

WHEREAS, recent state legislation has provided for changes regarding connection charges of Accessory Dwelling Units (ADU); and

WHEREAS, Humboldt County has recently clarified the definition of an ADU with its Ordinance No. 2652; and

WHEREAS, the McKinleyville Community Services District is in need of clarifying its rules and regulations relating to ADU's and Connection Charges.

NOW, THEREFORE, the Board of Directors of the McKinleyville Community Services District ordains as follows:

Regulation 21, Connection Charges, of the District's adopted Rules and Regulations are amended to read as follows:

REGULATION 21 - CONNECTION CHARGES

Rule 21.01. GENERAL. It is hereby found and determined that it is necessary to reimburse the District for money advanced and to establish conditions of equality as to properties, either not assessed or by later occurring facts, deemed to have been under-assessed, during special assessment proceedings conducted by the District for the purpose of constructing sewer mains and facilities to serve properties within the assessment district created therefore when such non-assessed properties are permitted to connect to such sewer mains and facilities.

"Non-assessed properties" include, but are not limited to, portions of larger parcels which, at the time of assessment levy, were expected to continue in residential use by a single family but which are thereafter divided or segregated for separate residential use, either alone or in combination with other property, and may include properties which at the time of assessment levy, were owned by a government entity but which thereafter become privately owned. "Non-assessed properties" also include acreage whose later parceling or subdivision results in a larger number of direct connections to the system than was originally anticipated at the time of assessment, or may also be the result of any "more intensive" use than was contemplated by the original assessment levy.

Rule 21.02. CONNECTION CHARGE. The connection charge provided by this Ordinance shall be computed by the Manager based upon "what the share of the cost of said sewer main and facilities of the connecting property would have been had it been assessed in said proceedings, using the same formula as used in the assessment district for determining the assessment." The basis of the original assessment levy is as follows:

- (a) General area charge (all land within 600 feet of sewer main) = \$180.00 per acre.
- (b) Local area charge (all land within 200 feet of a sewer main) = \$540.00 per acre,
- (c) Unit Charge
 - i. Lateral Charge - 4 inch = \$1,200.00
 - Lateral Charge - 6 inch = \$1,425.00
 - ii. (Local Sewer Availability) Capital Cost/Connection - 4 inch = \$472.00

- (Local Sewer Availability) Capital Cost/Connection - 6 inch = \$692.00
- (d) Sewer Capacity Fee – A Sewer Capacity fee shall be collected from each applicant requesting a new water service in addition to any processing fees and/or installation charges. The capacity fee is \$6,970 per Equivalent Residential Unit (ERU) plus \$472 for a total fee of \$7,442. Please note, an additional \$472 related to joint costs (capital cost per connection) is applied only once, not per ERU. Each July 1st, each rate set forth in this subdivision (d) shall be adjusted by the percentage change in the Construction Cost Index for the San Francisco Bay Area as published in the Engineering News Record between July 2017 and the then most recently published Construction Cost Index.
- (e) Development intensity charge - per excess living unit with allowance of one living unit per one-half (1/2) acre of land = \$225.00 per unit.
- (f) Example of application of above described charges- For a one-half (1/2) acre parcel of normal shape that falls entirely within the local and general area with a single dwelling unit constructed thereon, cost would be:
- | | |
|---|-------------------|
| General area charge - \$180.00 x .5 acre = | \$90.00 |
| \$540.00 x .5 acre = | \$270.00 |
| 4-inch lateral = | \$1,200.00 |
| (Sewer availability) Capital Cost/Connection= | \$472.00 |
| Capacity charge = | <u>\$6,970.00</u> |
| Subtotal = | <u>\$9,002.00</u> |
- (g) Buy in capacity charge - For all lands added to the sewer service area the Manager shall collect the additional charges set forth in the respective Resolution amending the sewer service area in addition to the other charges described above.
- (h) Connection charges do not include paving over trenches as required by Humboldt County Public Works Department. Paving costs are the responsibility of the developer.

Rule 21.03. ACCESSORY DWELING UNIT/SECONDARY DWELLING UNIT CONNECTION CHARGE.

- (a) For the purposes of this Rule, and in conformance with California Government Code Section 65852.2 and Humboldt County Ordinance Title III, Division I, Chapters 3 and 4, an Accessory Dwelling Unit (ADU) shall be defined as follows: For a unit detached from the Primary Dwelling Unit, an ADU is a detached unit with a total floor area of 1,200 square feet or less. For a unit attached to the Primary Dwelling Unit, an ADU is a unit with a total floor area that does not exceed 50 percent of the floor area of the Primary Dwelling Unit. Any detached Secondary Dwelling in excess of 1,200 square feet or attached Secondary Dwelling Unit over 50 percent of the floor area of the Primary Dwelling Unit shall be charged connection fees as detailed in Rule 21.02.
- (b) An ADU constructed within an existing primary dwelling unit or existing structure shall not be charged any connection fees or charges per Humboldt County Code Section 69.05.4.1.3 unless the ADU was constructed with the Primary Dwelling or unless the connection is requested by the owner or developer and installed. If the ADU is constructed with a new Primary Dwelling, or the owner or developer requests a connection not otherwise required, the fixture count within the ADU and the Primary Dwelling shall be used to establish the ERU and fees for the structure as detailed in Rule 21.02.
- (c) The District may require a newly constructed ADU, not contained within the existing space of the primary residence, to install new water and sewer connections. If new connections are required and installed or are requested by the owner or developer and installed, the connection charges shall correspond to those established in Rule 21.02. If

a new, separate ADU is constructed and utilizes the existing water and sewer connection of the primary residence as approved by the District, no new connection fees or charges will be required by the District.

Rule 21.04. DEVELOPMENT CREDIT - for subdivisions or main extensions wherein the owner constructs all of the local sewers at their own cost for connection to the District's system, a credit for such construction cost to be subtracted from the general connection charge may be made for all except the following:

- (a) The Capital Cost per Connection charge of \$472.00 per unit.
- (b) The intense land development charge of \$225.00 per excess unit.
- (c) The capacity charges.

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage.

Introduced at a regular meeting of the Board of Directors held on December 2, 2020 and passed and adopted by the Board of Directors on _____, 2021, upon the motion of Director _____ and seconded by Director _____ and by the following polled vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Dennis Mayo, Board President

Attest:

April Sousa, CMC, Board Secretary

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **ACTION**

ITEM: E8 **Consider Approval of Ordinance 2021-02 Amending Regulation 40, Parks and Recreation Committee of the MCSD Rules and Regulations – Second Reading and Adoption**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review information provided, discuss, take Public comment, and approve the Second Reading and Adoption of the Ordinance No-2021-02, by title only.

Discussion:

In November, the Board approved renaming the former Recreation Advisory Committee to the Park and Recreation Committee. The committee determined that it would also be prudent to revise the committee description to ensure that the committee’s scope and duties pertaining to its function as an advisory committee to the MCSD Board of Directors, included all things within the Parks & Recreation Dept.’s purview—parks, recreation, open spaces and natural resource management.

The District needs to update our Rules & Regulations, specifically Regulation 40- Parks and Recreation Committee, with a revision of the Parks and Recreation Committee description that clearly defines the committee’s scope of duties to include parks, recreation, open space, and natural resource management. The language changes to Rule 40 can be reviewed in **Attachment 1**, shown in track changes from the original wording.

Ordinance 2021-02 can be reviewed in **Attachment 2**. This is the second reading of the Ordinance.

A First Reading was conducted on December 2, 2020.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action
- Repeat First Reading – If any substantive changes are made to the Ordinance, Adoption must be moved to the next regular meeting and a new “First Reading” must be conducted of the Ordinance.

Fiscal Analysis:

No fiscal impact

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Revision of Rule 40 in Track Changes
- Attachment 2 – Ordinance No. 2021-02, An Ordinance of the McKinleyville Community Services District Amending Regulation 40-Parks and Recreation Committee

ARTICLE IV - PARKS AND RECREATION

REGULATION 40 - PARKS AND RECREATION COMMITTEE

Rule 40.01. MEMBERSHIP - the McKinleyville Community Services District Parks and Recreation Committee shall consist of eleven (11) members and two (2) alternate members who shall serve without compensation selected as follows:

- (a) One (1) non-voting member shall be a member of the District Board.
- (b) The remaining ten (10) members will be regular voting members. Of the ten (10) regular voting members, one (1) will be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) When possible two (2) of the ten (10) regular voting members shall be High School students, nominated by the McKinleyville High School Principal.
- (d) The two (2) alternate members will not become voting members unless a regular voting member is absent. In the event that both alternates are present when only one regular member is absent, the alternates will decide upon which of the two (2) will fill the absent chair by a mutually agreed upon method. In the event the alternates cannot determine a method of decision, the committee chair will choose an appropriate decision making method.
- (e) All members of the Parks and Recreation Committee will represent to the extent possible various recreational and outdoor interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.
- (f) Any citizen, residing in the service area of the McKinleyville Community Services District may apply to the District Board for appointment to fill vacant seats on the Parks and Recreation Committee.

Deleted: -

Deleted: RECREATION AND PARKS ADVISORY COMMITTEE...

Deleted: Recreation and Parks Advisory

Rule 40.02. APPOINTMENT - the committee members shall be appointed as follows:

- (a) The Board of Directors shall announce each vacancy and shall state they are seeking applicants, setting forth the qualifications, if any required.
- (b) The Board of Directors shall interview each applicant, after which a majority of the Board of Directors, may select the most qualified to fill the vacancy.

Deleted: Recreation Advisory

Deleted: Recreation Advisory Committee.

Rule 40.03. MEMBER QUALIFICATIONS - all members, other than the high school member, shall be resident electors of the McKinleyville Community Services District; the student members shall be a resident of McKinleyville. No members of the Parks and Recreation Committee shall be a family member or related to a full-time MCSD employee.

Deleted: Recreation Advisory

Rule 40.04. TERMS OF OFFICE -the committee members shall serve terms as follows:

- (a) Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.
- (b) Appointment of the McKinleyville Area Fund member, and non-student community members shall be for a term of four (4) years. The term for student members shall be up to 4 years, limited by their High School graduation date.
- (c) Terms of the other non-Board of Director committee members shall be staggered so that no more than two (2) terms shall expire in any given year.
- (d) The annual expiration date of appointment shall be January 31st.

Deleted: s

Rule 40.05. REMOVAL - members of the Committee may be removed by a majority vote of the District Board of Directors.

Rule 40.06. ABSENCES - if any member of the Committee is absent without prior notification to the Recreation Director for three (3) regular consecutive meetings, the Recreation Director shall certify that fact to the Board of Directors and the Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position by appointment.

Rule 40.07. ELECTION OF OFFICERS - the Committee shall, as soon as is practical, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

Deleted:

Deleted: practicable

Rule 40.08. OFFICERS - the Committee shall elect a Chairperson and Vice-Chairperson from among its members.

Rule 40.09. MEETINGS - the Committee shall hold regularly scheduled meetings in the Board of Directors Chambers of the District Office, or at such other place within the District as may be designated by the Committee, and may hold such additional meetings as it may deem necessary or expedient. All meetings must be noticed in compliance with state and federal laws.

Rule 40.10. TIME/LOCATION OF MEETINGS - the time of the regular meetings shall be as established from time to time by the committee members.

Rule 40.11. QUORUM - a majority of the Committee shall constitute a quorum for the purpose of transacting business of the Committee.

Rule 40.12. RECORDS - written records of all the proceedings, findings, determinations and transactions of the Committee shall be kept, which record shall be a public record and a copy of which record shall be filed with the District Secretary.

Rule 40.13. POWERS AND DUTIES - the Parks and Recreation Committee shall have the following powers and duties:

Deleted: Recreation and Parks Advisory

- (a) To serve in an advisory capacity to the Board of Directors and District Staff in all matters pertaining to public recreation, parks, open spaces, natural resources and their respective facilities;
- (b) To make recommendations to the Board of Directors and District Staff with respect to the provisions of the annual budget for recreation and parks purposes;
- (c) To recommend to the Board of Directors acceptance or rejection of offers of donations of money, personal property and real property to be used for open space recreation resource management and parks purposes;
- (d) To recommend to the Board of Directors a comprehensive recreation, park, and open space management services program for the inhabitants of the District, to promote and stimulate public interest therein, and to solicit to the fullest extent the cooperation of school authorities and other public and private agencies interested therein;
- (e) To recommend for adoption by the Board of Directors rules and regulations for the use and improvement of the District's recreation services and parks and their respective facilities;
- (f) To recommend to the Board of Directors and District staff policies for the acquisition, development and improvement of recreation, parks and open space areas; and

Deleted: and

Deleted: and

(g) To perform such other duties relating to recreation and park matters as may be prescribed by the Board of Directors.

ORDINANCE NO. 2021-02

AN ORDINANCE OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT AMENDING REGULATION 40, PARKS AND RECREATION COMMITTEE, OF THE MCSD RULES AND REGULATIONS

WHEREAS, the MCSD Board of Directors recently approved the proposed named change of the Recreation Advisory Committee (PARC) to the Parks and Recreation Committee; and

WHEREAS, the PARC reviewed regulation 40 of the MCSD Rules and Regulations governing the committee; and

WHEREAS, the PARC has proposed some changes to regulation 40; and

WHEREAS, the MCSD Board of Directors approve the proposed changes.

NOW, THEREFORE, the Board of Directors of the McKinleyville Community Services District ordains as follows:

Regulation 40, Parks and Recreation Committee, of the District's adopted Rules and Regulations are amended to read as follows (changes in **Bold**):

REGULATION 40 – PARKS AND RECREATION COMMITTEE

Rule 40.01. MEMBERSHIP - the McKinleyville Community Services District **Parks and Recreation Committee** shall consist of eleven (11) members and two (2) alternate members who shall serve without compensation selected as follows:

- (a) One (1) non-voting member shall be a member of the District Board.
- (b) The remaining ten (10) members will be regular voting members. Of the ten (10) regular voting members, one (1) will be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) When possible two (2) of the ten (10) regular voting members shall be High School students, nominated by the McKinleyville High School Principal.
- (d) The two (2) alternate members will not become voting members unless a regular voting member is absent. In the event that both alternates are present when only one regular member is absent, the alternates will decide upon which of the two (2) will fill the absent chair by a mutually agreed upon method. In the event the alternates cannot determine a method of decision, the committee chair will choose an appropriate decision-making method.
- (e) All members of the **Parks and Recreation Committee** will represent to the extent possible various recreational **and outdoor** interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.
- (f) Any citizen, residing in the service area of the McKinleyville Community Services District may apply to the District Board for appointment to fill vacant seats on the **Parks and Recreation Committee**.

Rule 40.02. APPOINTMENT - the committee members shall be appointed as follows:

- (a) The Board of Directors shall announce each vacancy and shall state they are seeking applicants, setting forth the qualifications, if any required.
- (b) The Board of Directors shall interview each applicant, after which a majority of the Board of Directors, may select the most qualified to fill the vacancy.

Rule 40.03. MEMBER QUALIFICATIONS - all members, other than the high school member, shall be resident electors of the McKinleyville Community Services District; the student members shall be a resident of McKinleyville. No members of the **Parks and Recreation Committee** shall be a family member or related to a full-time MCSD employee.

Rule 40.04. TERMS OF OFFICE -the committee members shall serve terms as follows:

- (a) Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.
- (b) Appointment of the McKinleyville Area Fund member and non-student community members shall be for a term of four (4) years. The term for student members shall be up to 4 years, limited by their High School graduation date.
- (c) Terms of the other non-Board of Director committee members shall be staggered so that no more than two (2) terms shall expire in any given year.
- (d) The annual expiration date of appointment shall be January 31st.

Rule 40.05. REMOVAL - members of the Committee may be removed by a majority vote of the District Board of Directors.

Rule 40.06. ABSENCES - if any member of the Committee is absent without prior notification to the Recreation Director for three (3) regular consecutive meetings, the Recreation Director shall certify that fact to the Board of Directors and the Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position by appointment.

Rule 40.07. ELECTION OF OFFICERS - the Committee shall, as soon as **is practical**, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

Rule 40.08. OFFICERS - the Committee shall elect a Chairperson and Vice-Chairperson from among its members.

Rule 40.09. MEETINGS - the Committee shall hold regularly scheduled meetings in the Board of Directors Chambers of the District Office, or at such other place within the District as may be designated by the Committee, and may hold such additional meetings as it may deem necessary or expedient. All meetings must be noticed in compliance with state and federal laws.

Rule 40.10. TIME/LOCATION OF MEETINGS - the time of the regular meetings shall be as established from time to time by the committee members.

Rule 40.11. QUORUM - a majority of the Committee shall constitute a quorum for the purpose of transacting business of the Committee.

Rule 40.12. RECORDS - written records of all the proceedings, findings, determinations and transactions of the Committee shall be kept, which record shall be a public record and a copy of which record shall be filed with the District Secretary.

Rule 40.13. POWERS AND DUTIES - the **Parks and Recreation Committee** shall have the following powers and duties:

- (a) To serve in an advisory capacity to the Board of Directors and District Staff in all matters pertaining to public recreation, parks, open spaces, natural resources and their respective facilities;
- (b) To make recommendations to the Board of Directors and District Staff with respect to the provisions of the annual budget for recreation and parks purposes;
- (c) To recommend to the Board of Directors acceptance or rejection of offers of donations of money, personal property and real property to be used for open space, recreation, **resource management**, and parks purposes;
- (d) To recommend to the Board of Directors a comprehensive recreation, park, **and open space management** services program for the inhabitants of the District, to promote and stimulate public interest therein, and to solicit to the fullest extent the cooperation of school authorities and other public and private agencies interested therein;
- (e) To recommend for adoption by the Board of Directors rules and regulations for the use and improvement of the District's recreation services and parks and their respective facilities;
- (f) To recommend to the Board of Directors and District staff policies for the acquisition, development and improvement of recreation, parks **and open space** areas; and
- (g) To perform such other duties relating to recreation and park matters as may be prescribed by the Board of Directors.

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage.

Introduced at a regular meeting of the Board of Directors held on December 2, 2020 and passed and adopted by the Board of Directors on _____, 2021, upon the motion of Director _____ and seconded by Director _____ and by the following polled vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

Dennis Mayo, Board President

Attest:

April Sousa, CMC, Board Secretary

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2020

TYPE OF ITEM: **ACTION**

ITEM: E.9 **Consider Approval of Ordinance 2021-03 Amending Regulation 5-Connection Charges to Address Accessory Dwelling Units (ADU) Water Connection Fees – First Reading**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review information provided, discuss, take Public Comment and approve the First Reading of the Ordinance 2021-03 (**Attachment 2**), by title only.

Discussion:

In 2017, the State of California enacted Government Code Section § 65852.2(e) and (f) in order to encourage the development of Accessory Dwelling Units (ADUs) (also commonly known as Mother-in-law Units) to facilitate affordable housing development throughout the state. Part of the State Code made it more streamlined for agency approval and dictated when and if government agencies, including water and sewer agencies, could charge fees for the connections of ADUs.

In May through June 2020, the Humboldt County Planning Commission held a series of five public hears on draft County ordinances and General Plan amendments to re-establish local standards in conformance with the new State Code. At the September 1, 2020 Board of Supervisor’s meeting, the Board of Supervisor’s adopted Ordinance No. 2650, which amends various General Plan and County Ordinances on ADU developments to conform to the new State regulations.

The District needs to update our Rules & Regulations, specifically Regulation 5-Applications for Regular Water Service, to conform to County and State regulations with regards to ADU developments. Rule 5.13-Accessory Dwelling Unit/Secondary Dwelling Unit Connection Charge was written and reviewed by Legal Counsel and Rule 5.09 was edited to conform to the new regulations (**Attachment 1**). This is the first reading of the Ordinance. The main provisions of the Rule are to:

- Define what constitutes an ADU
- Detail when water connection fees and other fees can be charged for an ADU development.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

A detailed fiscal analysis has not been prepared, but it is expected to have minimal impact to District finances. The new connection and capacity fees for ADUs will reduce when connection fees can be collected by the District for ADU developments. However, ADU developments are currently minimal within the District, and the District can still charge for new ADUs constructed with primary dwellings and when separate water or sewer connections are installed to service the ADU.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Revisions of Rule 5 in Track Changes
- Attachment 2 – Ordinance 2021-03, An Ordinance of the McKinleyville Community Services District Amending Regulation 5-Application for Regular Water Service of the MCSD Rules and Regulations

REGULATION 5 – APPLICATION FOR REGULAR WATER SERVICE

Rule 5.01. APPLICATION - a property owner or his agent may make application for regular water service on the following application form or by letter giving the same information and paying a nonrefundable processing fee of \$20.00 (twenty dollars).

MCS D APPLICATION FOR SERVICE				
APPLICANT'S NAME (PRINT):			PHONE NUMBERS:	
			HOME:	CELL:
NAME OF CO APPLICANT:			WORK:	
OWN OR RENT?	DRIVER'S LICENSE #:		IF RENTED, OWNER'S NAME:	
			E-Mail:	
<small>I the undersigned hereby request that the McKinleyville Community Services District deliver utility services as specified above, to the address or location as listed below. I do hereby agree to comply with the applicable provisions of the Rules and Regulation and the standard specifications of the McKinleyville Community Services District, copies of which are available upon request.</small>				
SIGNATURE:				
DATE ON	DATE OFF	ROUTE/ACCT.	ADDRESS/SERVICE LOCATION	CUST.#
MAILING ADDRESS:				
Name:				
Employer:				
SSN:				
DOB:				
			Contact Person:	
			Phone Number:	

In addition to the application for service the District will require a deposit equivalent to 2 1/2 (two and one-half) times the monthly average for each class of customers other than property-owners. (See current MCS D fee schedule in Appendix A) This refundable deposit can be waived if the customer can bring in proof of a good payment history with another utility. The deposit will be applied to the account as a credit after 12 months with a good payment record.

Rule 5.02. UNDERTAKING OF APPLICANT - such application will signify the customers' willingness and intention to comply with this and other ordinances or regulations relating to the regular water service and to make payment for all fees, costs and expenses associated with provision of the water service. In the event an application is executed by two or more individuals as the customer, each individual executing the application shall be jointly and

severally liable to make payment for all fees, costs and expenses associated with provision of the water service.

Rule 5.03. PAYMENT FOR PREVIOUS SERVICE - an application will not be honored unless payment in full has been made for water service previously rendered to the applicant by the District.

Rule 5.04. INSTALLATION CHARGES - services and meters shall be installed without charge for all applications for water service received prior to or during the initial construction of the District's water system. The charges below will apply to applications received after the District's Contractor has progressed with the work beyond their property frontage. Such services and meters will be installed without charge only to areas having an existing need providing the owner guarantees to pay at least the minimum each month (whether used or not) for at least a one-year period.

Where service is installed without charge for a vacant lot the owner must guarantee to pay at least the minimum each month (whether used or not) for at least a two-year period.

Where the applicant requests installation of a 1 1/2 inch or larger water meter or where unusual circumstances exist, the charge for installation of water service shall be equal to the estimated cost plus 10 percent of such service connection. The applicant shall deposit said amount with the District prior to installation, the District will track actual expenditures, the District will compute the difference between the deposit and the actual expenditure, the District will rebate the difference to the applicant where the actual expenditure is less than the deposit. The term "unusual circumstances", as used in this rule, shall include water mains deeper than 6 feet, slopes greater than 20 percent, service line lengths of more than 35 feet and closure of roadway due to traffic safety considerations. The schedule for all other service connections is as follows:

5/8" x 3/4" Meter	\$1332.00
3/4" Meter	\$1357.00
1" Meter	\$1496.00

Where the applicant requests the installation of a water meter in an existing water meter box, and the requested meter is to be connected to an existing meter set, the schedule of water meter installation charges shall be as follows:

5/8" x 3/4" Meter	\$285.00
3/4" Meter	\$310.00
1" Meter	\$371.00

Connection charges do not include paving over trenches as required by Humboldt County Public Works Department. Paving costs are the responsibility of the Developer.

Rule 5.05. INSTALLATION OF SERVICE - regular water services will be installed as desired by the applicant of the size determined by the Water Department. Service installations will be made only to property abutting on distribution mains as have been constructed in public streets, alleys, or easements, or to extensions thereof as hereby provided. Services installed in new subdivisions prior to the construction of streets or in advance of street improvement must be accepted by the applicant in the installed location.

Rule 5.06. CHANGES IN CUSTOMER'S EQUIPMENT - customers making any material change in the size, character, or extent of the equipment or operations utilizing water service, or whose change in operations results in a large increase in the use of water, shall immediately give the District written notice of the nature of the change and, if necessary, amend their application.

Rule 5.07. SIZE AND LOCATION - the District reserves the right to determine the size of service connections and their location with respect to the boundaries of the premises to be served. The laying of consumer's pipe line to the meter should not be done until the location of the service connection has been approved by the District.

Rule 5.08. CURB COCK - every service connection installed by the District shall be equipped with a curb cock on the inlet side of the meter. The curb cock is intended for the exclusive use of the District in controlling the water supply through the service connection pipe. If the curb cock is damaged by the consumer's use to an extent requiring replacement, such replacement shall be at the consumer's expense.

Rule 5.09. DOMESTIC, COMMERCIAL AND INDUSTRIAL SERVICE CONNECTION - it shall be unlawful to maintain a connection excepting in conformity with the following rules:

- (a) **SEPARATE BUILDING.** Each house or building under separate ownership must be provided with a separate service connection. Two or more houses on the same lot shall have separate services if the houses could legally be sold separately. Two or more houses under one ownership and on the same lot or parcel of land may (with specific Board approval, based on hardship) or extenuating circumstances) be supplied through the same service connection; provided, that for each house under a separate roof an additional minimum will be applied to the single meter serving said houses. The District reserves the right to limit the number of houses or the area of land under one ownership to be supplied by one service connection. This rule will not apply to the extent it conflicts with rules regarding ADUs.
- (b) **SEPARATE PROPERTY.** A service connection shall not be used to supply property of the same owner across a street or alley, without written approval for specific cases otherwise meeting the intent of this ordinance.
- (c) **DIVIDED PROPERTY.** When property provided with a service connection is divided, each service connection shall be considered as belonging to the lot or parcel of land which it directly enters.

Rule 5.10. SERVICE CONNECTIONS - the service connections extending from the water main to the property line and including the meter, meter box and curb cock or wheel valve, shall be maintained by the District. All pipes and fixtures extending or lying beyond the meter shall be installed and maintained by the owner of the property.

Rule 5.11. WATER CAPACITY FEE - a water capacity fee shall be collected from each applicant requesting a new water service in addition to any processing fees and/or installation charges. The capacity fee is based on meter size, as follows:

Size	Fee	Size	Fee
5/8"	\$3,913	3"	\$51,297
3/4"	\$5,607	4"	\$85,142
1"	\$8,991	6"	\$169,755
1 1/2"	\$17,455	8"	\$271,290
2"	\$27,606	10"	\$389,750

Due to recent changes in building code regulations, new single-family homes are to be sized with a 3/4" meter because of fire protection systems, rather than the typical 5/8" meter. It is recommended that all new single family residential units, with meter sizes 5/8" and 3/4" be charged the 5/8" meter rate to reflect their typical demand on the system.

Each July 1st, each rate set forth above shall be adjusted by the percentage change in the Construction Cost Index for the San Francisco Bay Area as published in the Engineering News Record between June 2017 and the then most recently published Construction Cost Index.

Rule 5.12. COMMERCIAL LANDSCAPE METERS - the manager shall encourage all commercial users to install an irrigation meter in addition to the regular water meter. Where the customer agrees to install an irrigation meter, the overall connection charge shall be the same as if one water meter had been installed and the installation charge shall reflect the actual time and materials cost of adding an additional meter on the service line constructed for the primary meter.

Rule 5.13. ACCESSORY DWELING UNIT/SECONDARY DWELLING UNIT CONNECTION CHARGE.

- (a) For the purposes of this Rule, and in conformance with California Government Code Section 65852.2 and Humboldt County Ordinance Title III, Division I, Chapters 3 and 4, an Accessory Dwelling Unit (ADU) shall be defined as follows: For a unit detached from the Primary Dwelling Unit, an ADU is a detached unit with a total floor area of 1,200 square feet or less. For a unit attached to the Primary Dwelling Unit, an ADU is a unit with a total floor area that does not exceed 50 percent of the floor area of the Primary Dwelling Unit. Any detached Secondary Dwelling in excess of 1,200 square feet or attached Secondary Dwelling Unit over 50 percent of the floor area of the Primary Dwelling Unit shall be charged connection fees as detailed in Rule 21.02.
- (b) An ADU constructed within an existing primary dwelling unit or existing structure shall not be charged any connection fees or charges per Humboldt County Code Section 69.05.4.1.3 unless the ADU was constructed with the Primary Dwelling or unless the connection is requested by the owner or developer and installed. If the ADU is constructed with a new Primary Dwelling, or the owner or developer requests a connection not otherwise required, the fixture count within the ADU and the Primary Dwelling shall be used to establish the ERU and fees for the structure as detailed in Rules 5.04 and 5.11.

(c) The District may require a newly constructed ADU, not contained within the existing space of the primary residence, to install new water and sewer connections. If new connections are required and installed or are requested by the owner or developer and installed, the connection charges shall correspond to those established in Rules 5.04 and 5.11. If a new, separate ADU is constructed and utilizes the existing water and sewer connection of the primary residence as approved by the District, no new connection fees or charges will be required by the District.

ORDINANCE NO. 2021-03

AN ORDINANCE OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT AMENDING REGULATION 5, APPLICATION OF REGULAR WATER SERVICE, OF THE MCSD RULES AND REGULATIONS

WHEREAS, recent state legislation has provided for changes regarding connection charges of Accessory Dwelling Units (ADU); and

WHEREAS, Humboldt County has recently clarified the definition of an ADU with its Ordinance No. 2652; and

WHEREAS, the McKinleyville Community Services District is in need of clarifying its rules and regulations relating to ADU's and Connection Charges.

NOW, THEREFORE, the Board of Directors of the McKinleyville Community Services District ordains as follows:

Regulation 5, Application of Regular Water Service, of the District's adopted Rules and Regulations are amended to read as follows:

REGULATION 5 – APPLICATION FOR REGULAR WATER SERVICE

Rule 5.01. APPLICATION - a property owner or his agent may make application for regular water service on the following application form or by letter giving the same information and paying a nonrefundable processing fee of \$20.00 (twenty dollars).

MCSD APPLICATION FOR SERVICE				
APPLICANT'S NAME (PRINT):		PHONE NUMBERS:		
NAME OF CO APPLICANT:		HOME:	CELL:	
OWN OR RENT?	DRIVER'S LICENSE #:	WORK:		
		IF RENTED, OWNER'S NAME:		
E-Mail:				
<small>I the undersigned hereby request that the McKinleyville Community Services District deliver utility services as specified above, to the address or location as listed below. I do hereby agree to comply with the applicable provisions of the Rules and Regulation and the standard specifications of the McKinleyville Community Services District, copies of which are available upon request.</small>				
SIGNATURE:				
DATE ON	DATE OFF	ROUTE/ACCT.	ADDRESS/SERVICE LOCATION	CUST #
MAILING ADDRESS:				
Name:				
Employer:		Contact Person:		
SSN:		Phone Number:		
DOB:				

In addition to the application for service the District will require a deposit equivalent to 2 1/2 (two and one-half) times the monthly average for each class of customers other than property-owners. (See current MCSD fee schedule in Appendix A) This refundable deposit can be waived if the customer can bring in proof of a good payment history with another utility. The deposit will be applied to the account as a credit after 12 months with a good payment record.

Rule 5.02. UNDERTAKING OF APPLICANT - such application will signify the customers' willingness and intention to comply with this and other ordinances or regulations relating to the regular water service and to make payment for all fees, costs and expenses associated with provision of the water service. In the event an application is executed by two or more individuals as the customer, each individual executing the application shall be jointly and severally liable to make payment for all fees, costs and expenses associated with provision of the water service.

Rule 5.03. PAYMENT FOR PREVIOUS SERVICE - an application will not be honored unless payment in full has been made for water service previously rendered to the applicant by the District.

Rule 5.04. INSTALLATION CHARGES - services and meters shall be installed without charge for all applications for water service received prior to or during the initial construction of the District's water system. The charges below will apply to applications received after the District's Contractor has progressed with the work beyond their property frontage. Such services and meters will be installed without charge only to areas having an existing need providing the owner guarantees to pay at least the minimum each month (whether used or not) for at least a one- year period.

Where service is installed without charge for a vacant lot the owner must guarantee to pay at least the minimum each month (whether used or not) for at least a two-year period.

Where the applicant requests installation of a 1 1/2 inch or larger water meter or where unusual circumstances exist, the charge for installation of water service shall be equal to the estimated cost plus 10 percent of such service connection. The applicant shall deposit said amount with the District prior to installation, the District will track actual expenditures, the District will compute the difference between the deposit and the actual expenditure, the District will rebate the difference to the applicant where the actual expenditure is less than the deposit. The term "unusual circumstances", as used in this rule, shall include water mains deeper than 6 feet, slopes greater than 20 percent, service line lengths of more than 35 feet and closure of roadway due to traffic safety considerations. The schedule for all other service connections is as follows:

5/8" x 3/4" Meter	\$1332.00
3/4" Meter	\$1357.00
1" Meter	\$1496.00

Where the applicant requests the installation of a water meter in an existing water meter box, and the requested meter is to be connected to an existing meter set, the schedule of water meter installation charges shall be as follows:

5/8" x 3/4" Meter	\$285.00
3/4" Meter	\$310.00
1" Meter	\$371.00

Connection charges do not include paving over trenches as required by Humboldt County Public Works Department. Paving costs are the responsibility of the Developer.

Rule 5.05. INSTALLATION OF SERVICE - regular water services will be installed as desired by the applicant of the size determined by the Water Department. Service installations will be made only to property abutting on distribution mains as have been constructed in public streets, alleys, or easements, or to extensions thereof as hereby provided. Services installed in new subdivisions prior to the construction of streets or in advance of street improvement must be accepted by the applicant in the installed location.

Rule 5.06. CHANGES IN CUSTOMER'S EQUIPMENT - customers making any material change in the size, character, or extent of the equipment or operations utilizing water service, or whose change in operations results in a large increase in the use of water, shall immediately give the District written notice of the nature of the change and, if necessary, amend their application.

Rule 5.07. SIZE AND LOCATION - the District reserves the right to determine the size of service connections and their location with respect to the boundaries of the premises to be served. The laying of consumer's pipeline to the meter should not be done until the location of the service connection has been approved by the District.

Rule 5.08. CURB COCK - every service connection installed by the District shall be equipped with a curb cock on the inlet side of the meter. The curb cock is intended for the exclusive use of the District in controlling the water supply through the service connection pipe. If the curb cock is damaged by the consumer's use to an extent requiring replacement, such replacement shall be at the consumer's expense.

Rule 5.09. DOMESTIC, COMMERCIAL AND INDUSTRIAL SERVICE CONNECTION - it shall be unlawful to maintain a connection excepting in conformity with the following rules:

- (a) **SEPARATE BUILDING.** Each house or building under separate ownership must be provided with a separate service connection. Two or more houses on the same lot shall have separate services if the houses could legally be sold separately. Two or more houses under one ownership and on the same lot or parcel of land may (with specific Board approval, based on hardship or extenuating circumstances) be supplied through the same service connection; provided that for each house under a separate roof an additional minimum will be applied to the single meter serving said houses. The District reserves the right to limit the number of houses or the area of land under one ownership to be supplied by one service connection. This rule will not apply to the extent it conflicts with rules regarding ADUs.
- (b) **SEPARATE PROPERTY.** A service connection shall not be used to supply property of the same owner across a street or alley, without written approval for specific cases otherwise meeting the intent of this ordinance.
- (c) **DIVIDED PROPERTY.** When property provided with a service connection is divided, each service connection shall be considered as belonging to the lot or parcel of land which it directly enters.

Rule 5.10. SERVICE CONNECTIONS - the service connections extending from the water main to the property line and including the meter, meter box and curb cock or wheel valve, shall be maintained by the District. All pipes and fixtures extending or lying beyond the meter shall be installed and maintained by the owner of the property.

Rule 5.11. WATER CAPACITY FEE - a water capacity fee shall be collected from each applicant requesting a new water service in addition to any processing fees and/or installation charges. The capacity fee is based on meter size, as follows:

Size	Fee	Size	Fee
5/8"	\$3,913	3"	\$51,297
3/4"	\$5,607	4"	\$85,142
1"	\$8,991	6"	\$169,755
1 1/2"	\$17,455	8"	\$271,290

2" \$27,606 10" \$389,750

Due to recent changes in building code regulations, new single-family homes are to be sized with a 3/4" meter because of fire protection systems, rather than the typical 5/8" meter. It is recommended that all new single family residential units, with meter sizes 5/8" and 3/4" be charged the 5/8" meter rate to reflect their typical demand on the system.

Each July 1st, each rate set forth above shall be adjusted by the percentage change in the Construction Cost Index for the San Francisco Bay Area as published in the Engineering News Record between June 2017 and the then most recently published Construction Cost Index.

Rule 5.12. COMMERCIAL LANDSCAPE METERS - the manager shall encourage all commercial users to install an irrigation meter in addition to the regular water meter. Where the customer agrees to install an irrigation meter, the overall connection charge shall be the same as if one water meter had been installed and the installation charge shall reflect the actual time and materials cost of adding an additional meter on the service line constructed for the primary meter.

Rule 5.13. ACCESSORY DWELING UNIT/SECONDARY DWELLING UNIT CONNECTION CHARGE.

- (a) For the purposes of this Rule, and in conformance with California Government Code Section 65852.2 and Humboldt County Ordinance Title III, Division I, Chapters 3 and 4, an Accessory Dwelling Unit (ADU) shall be defined as follows: For a unit detached from the Primary Dwelling Unit, an ADU is a detached unit with a total floor area of 1,200 square feet or less. For a unit attached to the Primary Dwelling Unit, an ADU is a unit with a total floor area that does not exceed 50 percent of the floor area of the Primary Dwelling Unit. Any detached Secondary Dwelling in excess of 1,200 square feet or attached Secondary Dwelling Unit over 50 percent of the floor area of the Primary Dwelling Unit shall be charged connection fees as detailed in Rule 21.02.
- (b) An ADU constructed within an existing primary dwelling unit or existing structure shall not be charged any connection fees or charges per Humboldt County Code Section 69.05.4.1.3 unless the ADU was constructed with the Primary Dwelling or unless the connection is requested by the owner or developer and installed. If the ADU is constructed with a new Primary Dwelling, or the owner or developer requests a connection not otherwise required, the fixture count within the ADU and the Primary Dwelling shall be used to establish the ERU and fees for the structure as detailed in Rules 5.04 and 5.11.
- (c) The District may require a newly constructed ADU, not contained within the existing space of the primary residence, to install new water and sewer connections. If new connections are required and installed or are requested by the owner or developer and installed, the connection charges shall correspond to those established in Rules 5.04 and 5.11. If a new, separate ADU is constructed and utilizes the existing water and sewer connection of the primary residence as approved by the District, no new connection fees or charges will be required by the District.

This Ordinance shall take effect and be in full force and effect thirty (30) days after its passage.

Introduced at a regular meeting of the Board of Directors held on _____,
2021 and passed and adopted by the Board of Directors on _____, 2021,
upon the motion of Director _____ and seconded by Director _____
and by the following polled vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Dennis Mayo, Board President

Attest:

April Sousa, CMC, Board Secretary

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.A **Support Services – Nov-Dec 2020 Report**

PRESENTED BY: **Colleen M. R. Trask, Finance Director**

TYPE OF ACTION: **None**

FINANCIAL, AUDIT, & BUDGET INFORMATION

The District has \$1,104,964.18 to date in the Trust Account for the next Biosolids Disposal project.

Customer adjustments at November month-end total \$13,167.65, which represents 59.9% of the annual \$22,000 budget for this sub-item. (GL# 501/551-62120)

Total Board Travel as of Nov 30, 2020 remains at \$350.00 which is 2.0% of the approved \$17,500 budget for this item. (GL# 001/005/501/551 62090/62155-888)

Audit/Budget Update:

The final report of the FY2019-20 audit was completed by the auditors on 11 December, with the trial balance being provided on 14 December. A meeting of the Audit Committee will be scheduled for early January to accommodate holiday schedules, and the Audit will be presented to the Board at the February 2021 Board meeting.

Treasurer's Report Highlights:

Water Fund capacity fees collected through November totaled \$56,262.26. Wastewater Fund capacity fees of \$123,151.00 were collected through the end of November. No capital contributions have been received yet in FY2020-21. Capital Contributions and Capacity fees are included in the income vs. expenses graphs of the Treasurer's Report, but they are called out separately on the Budget to Actuals report.

Disbursement Report

The final several pages of the Treasurer's Report are a listing of all the District's check payments for a given month. This Cash Disbursement Report provides transparency and public disclosure for the expenditure of District funds. While all checks and vendor payments are listed, some information is redacted out of the report. Both law and ethics require that the District keep certain information confidential. Customer names and other customer identifying information are removed from refund checks which are run

through the AP system. Likewise, payroll amounts paid to specific employees are summarized, rather than listed individually. Total salary information is disclosed to the public as required by law on the State Controller's Office website each year for each District employment position.

OTHER UPDATES

The governor's order to suspend non-payment lock policies remains in effect, and we are seeing slightly more impact, even with staff's continued, concerted attempts to keep people at least reasonably current on their water bills. The current lock list remains longer than normal, but most customers are attempting to pay what is owed. Potential additional bad debt is still being reported as part of the Accounts Receivable total, and has not yet been written off, simply due to the uncertainty of the current situation. It is unknown when or if the governor will rescind the non-lock order. This may cause a spike in the Bad Debt budget detail line by the end of FY 20-21. At this time, I do not estimate that the increase will be sufficiently materially significant to warrant a formal budget adjustment.

Per the Board's direction, research is being done into CalPERS' current portfolio status and projected rate of return, with particular emphasis on the private equity investments portion of their portfolio. Attendance at an electronic CalPERS workshop for prefunding unfunded accrued liabilities (UALs) provided information on prefunding options for both pension and other post-employment benefits, which will be incorporated into the District's investment policy. In addition, the workshop provided an overview of CalPERS' investment returns, and broad portfolio investment strategy (though smaller sub-components like private equity were not specifically reviewed). A workshop or special meeting to review the information in more depth can be scheduled if either the Audit Committee or the full Board would like to do so.

The next level of rate increases per the current, Board-approved, rate study will take effect in January 2021. The base rate for a 5/8" residential meter will increase by \$1.04 per month, from \$17.62 to \$18.68. Usage charges per unit - 100 cubic feet (1 CCF) will increase by \$0.10 per CCF (up to 8 CCF used) from \$1.68 to \$1.78, and \$0.25 for over 8 units of water used per month (from \$4.20 to \$4.45). Sewer base rates will increase by \$0.98 per month, from \$32.60 to \$33.58. Since there are no residential sewer meters, sewer usage charges are based on water use. Current sewer usage charges will increase by \$0.08 from \$2.73 per CCF to \$2.81 per CCF, up to 12 CCF used, for a single-family residence. (Rules & Regulations: 16 for water rates, 27.04 for sewer rates)

The revised Reserve policy is being returned to the Board for possible action during the regularly scheduled public meeting in January 2021 and includes a side-by-side comparison with the policy enacted in 2012, per request. Discussions on the implementation of IRS Section 115 Trusts for the pension and OPEB reserves and on District investment policy will follow.

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.B **Operations Department – November 2020 Report**

PRESENTED BY: **James Henry, Operations Director**

TYPE OF ACTION: **None**

Water Department:

Water Statistics:

The district pumped 40.3 million gallons of water in November. Seven water quality complaints were investigated and rectified. Daily, weekly and monthly inspections of all water facilities were conducted.

Double Check Valve Testing:

Annual routine testing was conducted on Route 19 along with a minimal number of retests. Customers with failed DCV's were notified to make repairs and call the office to schedule a retest.

Average and Maximum Water Usage:

The maximum water usage day was 1.7 million gallons and the average usage per day was 1.3 million gallons.

Water Distribution Maintenance:

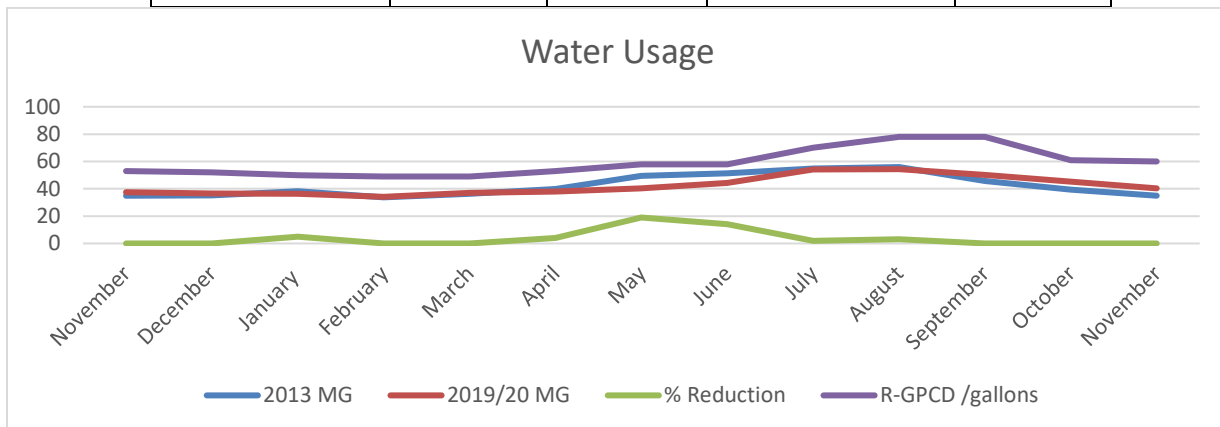
Weekly Bacteria Samples were collected on Schedules 1, 2, 3, 4 and 6 which represent different locations in the water distribution system. The schedules are made up of a sample taken in each pressure zone. Three new water services were installed. One on Landis Court, Sharon Avenue and Williams Court. Sidewalk sections were replaced as part of the new service installs and cold mix was placed in the trenches until future permanent paving occurs. Annual valve exercising continues. All valves in the District will be exercised to keep them operational. A report is populated for each valve and any valves that have issues are flagged for repairs. String trimming was completed on the Vine Avenue water right of way. A fire hydrant was hit on D Avenue. Staff made repairs, chased dirty water and flushed at several hydrants. Contractor was billed for time and materials, including water loss.

Water Station Maintenance:

Monthly inspections and daily routines were conducted at the water stations. Any minor issues found are repaired during inspections but if they require parts or extensive labor, the issue is documented on the monthly sheet which will then generate a work order for repairs. A valve was repaired on Cochran pump 2 along with the altitude pit being washed down. A new Seismic actuator was installed at the Cochran and Norton Tank site. These valve ensure that the tank valves close when the seismic control unit detects a major earthquake.

As of July 2014, the District is required to submit a Public Water Monthly Monitoring Report to compare water usage to last year's usage in the same month. I will keep the Board updated each month using the Table below.

	2013 (MG)	2019/20 (MG)	% Reduction	R-GPCD
November	34.879	37.462	(-7)	53
December	35.203	36.588	(-4)	52
January	38.241	36.457	5	50
February	33.751	34.130	(-1)	49
March	36.244	37.145	(-2)	49
April	39.755	38.065	4	53
May	49.407	40.355	19	58
June	51.337	44.200	14	58
July	54.757	54.111	2	70
August	55.908	54.366	3	78
September	45.702	50.074	(-8)	78
October	39.439	45.279	(-13)	61
November	34.879	40.336	(-13)	60



R-GPCD = Residential Gallons Per Capita Day

New Construction Inspections:

Bo Day Subdivision; Manhole has been installed. Water main and services are installed. Tie-in is completed. Testing was completed and corrections were made. St. light installation pending. Imeson Court, Avarar plans have been reviewed and commented. Engineer sent corrected plans back to staff for review and approval.

Sewer Department:**WasteWater Statistics:**

26.6 million gallons of wastewater were collected and pumped to the WWMF. 20.9 million gallons of wastewater were treated and discharged to land disposal or reclamation in November.

Sewer Station Maintenance:

Monthly inspections and daily routines were conducted on all sewer stations. Staff shimmed all pumps, washed the wet well and lubed pumps and motors at the B Street lift stations as part of the quarterly maintenance. String trimming and mowing was completed at the Letz station. Letz station also received cleaning and the quarterly wet well washing. The wet well washing is done to remove grit, grease and rags from getting sucked into the pumps and causing pump failure. The washing also helps reduce hydrogen sulfide from building up on the concrete walls, which affect the integrity of the well casing. The Hiller Station upgrade is completed, and staff has received training on the new equipment and process. The station is now online and back as an operating station.

Sewer Collection System:

Grease traps were inspected at required facilities. Customers that are out of compliance were notified to have their traps pumped and possibly shorten their pumping schedule. A new sewer service was installed on Bolier due to a home addition. Staff ran the sewer camera through the Valadao mains for internal inspections. The District has received training on the new sewer collection system flow totalizers and has been installing them at set locations throughout the District. Staff is able to monitor these devices online, and has set parameters to alarm staff when flow increases, due to a customer dumping on us or a tilt lid alarm to alarm staff if someone had lifted the manhole. The online portal also allows staff to trend the flow and monitor the efficiency of main sections.

Wastewater Management Facility:

Daily and weekly maintenance continues at the treatment plant to perform required service on the equipment. String trimming and mowing took place around the WWMF fence line. A water leak was repaired at the WWMF. Staff located the leak in the breezeway and had to jackhammer the concrete up to expose the leaking pipe. The concrete floor was repaired after the leak was fixed. Staff has been creating the annual logbooks to prepare for the 2021 year. The annual sludge depths were performed. This information gives staff an idea on how much sludge is in the Biosolids Basin, which will be used to predict when dredging will need to be scheduled.

Daily Irrigation and Observation of Reclamation Sites:

Discharge has been going to the Land since April 28th. Irrigation pipe has been moved daily along with observations and reporting. Staff has been working on the Pialorsi House project along with trenching an irrigation main in the field to tie into existing irrigation system. The new irrigation main will include 800' of 8" pipe and 300' of 6" pipe, along with valving, couplers, and irrigation heads. Work continues at the Pialorsi House electrical and remodel.

Street Light Department:

Three streetlights issues were reported due to photo control failure.

Promote Staff Training and Advancement:

Weekly tailgate meetings and training associated with job requirements. Staff received training on Driving in Rainy Weather and Icy Roads along with driving in the snow, Winter working, Carbon Monoxide and Gaseous Chlorine. Staff also attended the annual HAZWOPER refresher training.

Special Notes:

Monthly river samples were completed.

Monthly Self-Monitoring Reports (DMR/SMR) were submitted.

Public Water Monthly Monitoring report was submitted.

Monthly Water Quality report was sent to the Dept. of Health.

Quarterly well samples as required by the NPDES permit.

Staff received the final Local Limits Study and sent it to SWRCB for review.

Staff is still separated into teams to avoid possible COVID spread within the staff.

Staff attended Micro-grid progress update meetings.

Quarterly PFAS sampling has been completed and is being downloaded on State portal.

Staff had a couple meetings to discuss the Community Forest.

Staff met with contractors and subs for training on the Hiller Upgrade project.

Staff had a video chat with Micro-grid contractors to look at the electrical connections at the plant.

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2021

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.C **Parks & Recreation Director's Report for December 2020**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

TYPE OF ACTION: **None**

TEEN & COMMUNITY CENTER-BOYS & GIRLS CLUB PARTNERSHIP:

Staff continues to meet with BGCR staff weekly. The Teen Club has open Monday- Friday 12:00pm-5:00pm. Attendance at the teen center continues to increase.

RECREATION ADVISORY COMMITTEE:

The Recreation Advisory Committee meeting on December 17, 2020 was held over Zoom due to COVID-19. The notes from the meeting can be reviewed in **Attachment 1**.

RECREATION PROGRAM UPDATES:

The Recreational Afternoon Program is running smoothly currently serving 16 elementary school children per day. The program closed for the winter break Dec 21st through Jan 1st. It will resume on Monday, Jan 4th.

Staff are currently working on the submissions for the Statewide Park Development and Revitalization Grant application due March 12, 2021. An application for the Pierson Park Expansion and Renovation Project will be submitted again. The project includes construction of the skatepark, expansion of Azalea Hall, and renovations of the playground, the restrooms, the community garden and the park landscaping. Additionally, staff has begun planning to submit an application for the development of a BMX Track and Park at the School Rd. and Washington Ave. property. Further work on this application is pending board approval of the intent to apply.

We are currently hiring Leaders for our Recreation in the Afternoon Program as well as the MUSD Expanded Learning Program that will offer support and assistance during the school day to students participating in distance learning classes.

PARKS & FACILITY MAINTENANCE:

Several open space zones received mowing, hedging and weeding maintenance as part of the Open Space Maintenance Zone agreements. OSMZ detention basins were inspected and cleaned out as necessary. The Parks crew and NHES continue the routine schedule for maintenance on Central Ave. landscaping. Staff continues to keep up with daily/weekly routine facility and vehicle maintenance. Monthly inspections were conducted on all facilities and Open Spaces.

Holiday Banners were hung along Central Ave. The walk in freezer at the Teen Center was repaired. A dedication bench was installed at the Hiller Dog Park on behalf of the Aragon

family.

OTHER UPDATES:

- Staff continues planning and preparing for the acquisition of a Community Forest. Outreach documents have been created and are being reviewed; creating a timeline of actions and activities over the next year is the current objective.
- Staff continues to work with the community members interested in developing a BMX track at the Washington Ave.-School Rd. property. Staff worked with the BMX community to draft a possible operating agreement to guide the partnership between the Humboldt Skatepark Collective's BMX committee and MCSD and the responsibilities of each entity in the operation and maintenance of a BMX Track and Park should the project be approved by the MCSD Board.
- The Recreation Director continues to plan and facilitate a series of communication skills workshops for all District staff. These are monthly workshops conducted in small groups. The communication skills topic will culminate in two more sessions.
- Staff attended Board meetings for board service on both the McKinleyville Chamber of Commerce Board of Directors, the McKinleyville Family Resource Center Board of Directors and the Boys & Girls Club of the Redwoods Board of Directors.
- Staff participated in cross-training for payroll administration and support as well as accounts payable
- Staff continues to provide administrative support to the Support Services Dept.

Thursday, December 17, 2020

6:30pm

Recreation Advisory Committee Meeting

NOTES

Members Present: Johnny Calkins, Ben Winker, Jeff Dunk, Scott Binder, Chad Sefcik, Laura Bridy, John Kulstad, Charlie Caldwell, Beth Frinke, Joellen Clark-Peterson

Members Absent: none

Guests: Wendi Orlandi, Amber Willis, Gwen Neu, Markel Appy, Jack Durham

Meeting Notes:

Communications:

- Staff gave an update on the NCRP Technical Assistance Grant—that MCSD had been notified that the grant was awarded.

Public Comment:

- None

Recreation Director Report

- Recreation staff had to work from home for a week and a half this last month due to COVID-19 exposure. Thankfully, none of us tested positive and did not develop any symptoms.
- The Recreation Afternoon Program continues to support 16 children in providing daily afternoon recreation at the Activity Center.
- Maintenance staff have been doing a lot of tree work in parks and landscape areas this month in addition to routine facility and park maintenance. A new dedication bench was installed at the Hiller Dog Park and holiday banners were hung along Central Ave.
- Staff has begun working on an additional Statewide Park Development and Community Revitalization grant application for the development of a BMX track and park at the School Rd. and Washington Ave. property.
- The committee had no comments or questions

BMX Track Project, Right of Entry Agreement and Draft Operating Agreement.

- Staff sought a recommendation from the Committee to the Board of Directors for the approval of the Right of Entry and Design Agreement that is going before the Board on January 6, 2021.
 - Charlie Caldwell made a motion to recommend approval to the Board
 - Ben Winker seconded
 - Committee passed the recommendation with a unanimous vote

Community Garden

- Ben Winker reported that the broken wheel barrow has been removed and that he has spoken with Jamie Rutten and identified the most immediate improvements desired such as:
 - A new tool shed and some small tools
 - Charlie Caldwell said he has spoken to Jamie about the building of a tool shed, and the current pandemic has gotten in the way of accomplishing that project
 - Improved gates
 - Rebuilt beds
- Staff reminded the committee that renovation of the community garden is part of the Pierson Park Expansion and Renovation project for which MCSD is seeking Statewide Park Development and Community Revitalization Program funds.

Community Forest

- Staff reported on the notification from Trust for Public Lands that the Calif. Natural Resources Agency awarded them the funding to purchase the 556 acres of land from Green Diamond Resource Co. for the purpose of creating a community forest.
- Staff gave the committee an approximate timeline for completion of the property acquisition, stating that it would likely be at least 18 months before the process is complete, and that in the meantime, the District would be conducting a variety of public input meetings to gather community input on various development and management plan components.
- Several community residents had comments and concerns about the location of public access points.
 - Staff re-iterated that the planning process would take time and would include significant outreach to the community for input.
 - Staff asked all community residents interested in staying informed of the process to send an email and request to be placed on a contact list for future information releases and public meeting announcements.

Report on Actions of MCSD Board

- Staff reported on actions taken by the Board of Directors on December 2, 2020.
- There were no comments or questions on the report.

AdHoc Committee Reports:

- Hewitt Ranch—the trail is wet.
- Skate Park—Quarterly Report will go to Board in February due to pending grant applications and pending permits at county
- School and Washington Property—no report
- River Property—no report
- Fischer Ranch Estuary project—no report.
- BMX— See notes on above

Agenda Items for next meeting:

- Election of Officers
- Community Forest
- BMX Update
- Round up for REC campaign

Adjournment:

- Adjourned: 7:28pm

McKinleyville Community Services District

BOARD OF DIRECTORS

January 6, 2020

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.D **General Manager’s Report for January 2021 Meeting**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Information Only**

A summary of activity for the month of December 2020

Cost Savings Related to District Activities – The following is a review of some of the recent cost savings opportunities District staff identified for the month:

• Use of NHE Services =	\$2,755
• <u>Replace Mechanical Seals on Irrigation Pump 1</u>	<u>\$240</u>
TOTAL COST SAVINGS FOR DEC	\$2,998

The cumulative cost savings for the District to date from July 1, 2020 is \$121,723

District staff are recognized and commended for their continued efforts in looking for cost savings, the use of internal labor, and grant opportunities that result in real savings for the District, ratepayers, and the community.

COVID- 19 – We have been talking to the Governor’s Office of Emergency Services (CalOES) for Public Assistance for the State and Federally declared disaster FEMA-4482-DR-CA-COVID-19 Pandemic. We submitted a total of \$41,078.46 in claims for the purchase of personnel protective equipment, disinfectant, and employees’ time. It looks like we are not going to get reimbursed for any of the computers or employees time, reducing our claim considerably to approximately \$9,000. We have gotten a response back on the claim submitted to the County under the CARES Act and will receive \$12,000 for the equipment purchased to respond to COVID, which is a very good thing. As of December 28, \$75,307 has been tracked in staff time and expenses directly attributed to COVID-19. We will continue to track COVID related expenses and likely have an opportunity to submit an additional claim at the end of the disaster for additional material and hopefully the State and Federal government will pass additional relief bills.

Staff continues to perform amazingly during this stressful time. It is apparent that the stress is taking its toll, but we are working to come up with ways to relieve the stress and are planning socially distanced activities to help relieve stress.

Community Forest – As was reported during the December Special Board Meeting, the grant from the State Natural Resource Agency was awarded to Trust for Public Lands (TPL) to purchase of the Community Forest acreage from Green Diamond. One thing that staff from TPL and Green Diamond keep cautioning me with is that this will be a long process to finalize the

sale and transfer of the land. The District did post an announcement on our Website and Facebook account, and the responses are highlighting the opportunities and challenges ahead.

The District also worked with Green Diamond and TPL to prepare a formal public announcement that was circulated. We have met with them and are going to start having regular monthly meetings to coordinate the transfer process. We have also received a Non-Disclosure Agreement (NDA) from Green Diamond that we have submitted to District Legal Counsel for review. As included in the Board packet, we need to execute an acknowledgement of liability with the Mitchell Law Firm as they have represented both the District and Green Diamond. Once we reach an agreement on the NDA, they will release GIS data to the District for use in our planning and management process.

We have also heard from the North Coast Resource Partnership (NCRP) that we will be receiving the \$15,000 grant for Technical Assistance (TA) from them. They submitted a draft scope of work that was very comprehensive from Mark Andrea and Gary Blomstrom, who would likely be the foresters helping us out, for preparation of a Draft Forest Management Plan. We provided some minor comments on the scope and once we receive the final grant agreement, we will bring it back to the Board for approval.

We have also heard that the \$750,000 Notice of Intent (NOI) that we submitted to the California Office of Emergency Services (CalOES) to prepare and implement a Forest Fire Management Plan was approved. We now need to submit a complete application to be considered for this grant. As detailed under the Grants portion of this Report, we will need to finalize which of the approved NOIs we want to submit complete applications for.

We have had a Community Forest Committee meetings with Directors Orsini and Mayo, former Director Corbett, Parks & Rec Director Frisbee, Operations Director Henry, Recreational Coordinator Jens Andersen, and GM Kaspari. I will let the Community Forest Committee report on the meetings, but the focus of the meeting was discussion of the above items as well as the structure of the Committee including discussions on Tribal and Community outreach, and the preparation of the Committee description for the District's Rules and Regulations.

4.5 Gallon Water Tank Project – The District continues work on this Project with Kennedy Jenks (KJ) and their subconsultants. KJ submitted the “Preliminary Design Report” and 30% Design Drawings. The District Staff reviewed and provided comments on both documents, and KJ is working on finalize both the 30% design documents.

The most important result from the 30% design documents is that the estimated construction cost is significantly higher than the value estimated in the grant application. KJ's estimate came in at \$8.8 million. This includes a 15% contingency and 7% escalation factor to get to the midpoint of construction. The grant was for a total of \$7.2M (\$5.4 Federal share and \$1.8M match). We have reached out to CalOES to see if there is additional grant funds available to cover the \$1.6M shortfall. We are also looking at potential loans and other options and will report back to the Board with our findings.

District Legal Counsel is preparing a Draft offer for the purchase of the land. The price for 4.72 acres at \$34,300/acre is \$161,896. We forwarded the appraisal to Doug Shaw of American Hospital Group with a request to finalize negotiations on the property purchase. We have not heard a definitive response on the purchase from Mr. Shaw, so we plan on completing the purchase offer and let him respond to that.

Funding for this project is through a Hazard Mitigation Grant through Cal OES and FEMA and will be a 75% grant/ 25% cost match by MCSD.

Water and Sewer Mainline Master Plan Phase 3c – A Kick-off Meeting was held with GHD staff and Operations Director Henry and GM Kaspari. The methodology for the prioritization of the repairs and the updating of the replacement schedule were discussed. This phase will include the finalization of the plan/schedule for which pipes to replace when, as well as further assessing the costs associated with the District replacing pipes as compared to going out to bid for a Contractor to replace pipes.

GM Kaspari reached out to Tom Mattson, Humboldt County Public Works Director, to begin the discussions of whether the District should replace our water and sewer lines under Ocean Avenue prior to the reconstruction of the road or not. The main question was how the scheduling would work with the road replacement. No response was received from the County, but we will continue that discussion with the County and report back to the Board any decisions.

SRF Energy Efficiency WWMF Micro-grid Project – Ameresco is currently moving forward on the design of the Solar Array for the Pond 5 area and has submitted the Pre-design Report, the 90% design of the solar array, and the 30% design for the Battery Bank. District Staff and GHD provided comments on the design plans and report, and the comments will be incorporated into the next design submittal. As reported below, it does look like the District will receive the SGIP grant for the installation of the Tesla batteries at the wastewater treatment plant. This was originally part of the Ameresco contract. Although Ameresco will no longer provide and install the batteries as part of the Microgrid, there remains considerable coordination that will need to occur between them and Tesla to integrate the batteries. District Staff, GHD, Ameresco and Tesla staff have had the first of several meetings to work towards integrating these designs.

The original Design/Build Contract amount with Ameresco is for \$2,065,520 with a \$206,552 contingency. Given the greater cost for constructing the system in the Pond 5 area and the lower cost for not providing batteries, a contract change order will be required. We discussed this with Ameresco and agreed to move forward until a final, firm cost of the construction is obtained, and then we would negotiate this change order. This project is funded by a \$2.5M grant/\$2.5M loan from the State Water Resources Control Board.

Hiller Lift Station Pump Upgrade – Work on the station upgrade is complete. The remaining control panel required to talk to the District's SCADA system and other punch list items were completed this month. District staff obtained training on the pump controls and the system has been put into service.

The original construction contract amount is for \$508,500 with a \$50,850 contingency. So far there has been two change orders, Change Order #1, which is a deductive change order for the cost of the wet well coating in the amount of minus \$2,695. Change Order #2 was for the addition of disconnect switches to the SCADA panel for an additional amount of \$4,033.5. Total contract amount is now \$509,838.50. There is one additional change order expected for the construction, for the installation of a gravel pad/road to allow District vehicles to access the pump station without running over the grass. The cost for this is still pending, but is expected to be minor. The cost for construction oversight also increased given the additional time required for construction. The original Engineering contract approved by the Board was for \$117,000, with a 10% contingency, for a total amount of \$128,700. The first contract amendment taking the contract up to \$128,700 was issued after the completion of the design to address additional design elements not included in the original scope. The second Engineering Contract amendment for \$17,400 was issued at the beginning of December to cover the additional construction time required to cover expanded construction time. This \$17,400 will come out of the remaining approximately \$50,000 construction contingency. This project is funded by a \$2.5M grant/\$2.5M loan from the State Water Resources Control Board.

TESLA Batteries – As the Board is aware, Tesla has submitted grant applications on the District's behalf to PG&E for their Self Generation Incentive Program (SGIP). Applications were submitted for the Ramey Pump Station, the Fischer Lift Station, and the Wastewater Management Facility. We received confirmation from PG&E that the grant for the Wastewater Management Facility and the Fischer Lift Station will be funded. We are still waiting on confirmation that the grants for the Ramey batteries will be funded, but we have received confirmation that they are in review. Meanwhile, Tesla has started on the design process for all three sites and we held a meeting between Tesla, Ameresco, GHD, Operations Director Henry, and myself to begin the coordination work on the battery bank located at the Wastewater Management Facility. It will be a challenge to integrate the batteries into the Ameresco microgrid, but the first meeting went well at least and I am confident that we can overcome this challenge. The District also received the Design Plans for the Fischer Lift Station and they are being reviewed by Staff.

Local Limits – Operations Director Henry has been working on the Draft Local Limits Study Report with Freshwater Environmental Services. The Study compares the levels of various constituents (BOD, TSS, etc.) as it travels through the collection system, through the treatment process, to effluent disposal to calculate the load and removal of constituents. This information will be used to establish how much of various constituents can be discharged by individual, generally commercial, users. The Report has been finalized and will be submitted to the Regional Water Quality Control Board for their review. After the Regional Boards reviews and approves the report, we will bring recommendations to the Board for any changes to our local discharge limits for further review and discussion.

Sewer Undercrossing Project – GHD has completed and submitted Drafts of the 30% design Plans and environmental report for the sewer undercrossing project. Operations Director Henry and GM Kaspari have reviewed and provided comments. GHD is finalizing the Preliminary Design Report and the Cultural Resource survey. The southern crossing cultural resource

investigation has identified some potential cultural resource sites that we discussed with the local Tribal Historic Preservation Officers (THPOs) from Blue Lake Rancheria, Bear River Band, and the Wiyot Tribe. We meet at the site with the THPOs and agreed upon an approach to further assess the construction site. We have submitted our proposed scope to the THPOs and CalOES and are awaiting their feedback/approval.

This is a Hazard Mitigation Grant through Cal OES and FEMA and will be a 75% grant/25% cost share by MCSD. Estimated total project cost is \$3.5M.

Pialorsi Ranch Property – The District is proceeding on the installation of the irrigation piping infrastructure on the ranch, as well as the restoration of the house. The electrical contractor has completed their work rewiring the house. The Sousa's have largely finished cleaning out the existing house and sheds and pulling up the carpets and have begun painting and priming the walls and working on replacing the flooring. The District has been assisting with disposal of debris.

The remediation work for the PCB impacts has not yet started and Staff is working on rectification of that situation.

We are also working with the David Collenberg on closing out the Hay Lease for Fischer Ranch. The hay lease has been signed with Andy Titus for the Fischer and Pialorsi properties starting January 1, 2021. We will routinely update the Board on all these projects.

Reporting by Sheriff's office, County Public Work, County DHHS – A regular meeting has been scheduled with President Mayo, GM Kaspari, Supervisor Madrone, and Maya Conrad, the current President of the McKinleyville Municipal Advisory Committee, to occur on the last Monday of every month to discuss various topics of concern to all three organizations and the community. This month we discussed the preliminary layouts for Town Center development, and we updated them on the Community Forest, the HBMWD/Trinidad Rancheria Waterline request, the Latent Power Report status, the County DHHS COVID testing at Azalea Hall, and the standard updated rental agreement for the Sheriff's building which will go to the County Board of Supervisors at their Jan. 20th Board Meeting and come to the MCSD Board at our Feb. 3rd Meeting.

Grant Applications – As mentioned above, we have heard that the \$15,000 Community Forest Technical Assistance grant from the North Coast Resource Partnership to assist with a Forest Management Plan will be funded. We are waiting for the final grant agreement, which we will take back to the Board for approval.

We have not heard yet on the grant application for \$75,000 to CalOES under their Community Power Resiliency Grant Program for the purchase of a mobile generator to run our wastewater pump stations in the event of power outages. This will be a full grant if we get it.

We have heard on the four Notice of Interests (NOIs) submitted to CalOES for their Hazard Mitigation Grant Program: 1) the \$750,000 Forest Fire Management Plan development and

implementation for the Community Forest, Hewitt Preserve and Hiller areas was approved, as was the 2) \$2.67M for the installation of a new water line crossing of the Mad River; and the 3) \$1,000,000 the replacement of the McCluski Tanks. The 4) \$750,000 for the replacement of 97 fire hydrants throughout town was rejected. All of these grants are 25% matching grants. The District will now have to decide for which of the three approved NOIs we want to submit full grant applications. We have requested a cost estimate from GHD for the completion of the full grant applications and will come back to the Board for approval on which applications to submit.

We are also working on the Prop. 68 Parks grant for the Skate Park and upgrades to Azalea Hall, and Pierson Park as reported in Parks & Recreation Directors Frisbee's report.

Meetings –The General Manager attended various meetings in December including a meeting with the MMAC Central Avenue Landscaping subcommittee, including Kevin Jenkins, Kevin Dryer, & Greg Orsini, along with John Ford, County Planning Director and Bob Bronkell, County Public Works. We discussed the potential formation of a Landscaping Assessment District. There remains much planning work to be done on this issue. Operations Director Henry and the GM also held a meeting with Senior County Planner John Miller to discuss infrastructure needs for the Town Center development.

Board Secretary Sousa and the GM attended On-Boarding meetings with new Directors Binder and Clark-Peterson. Director Orsini will meet with us after the holidays. Secretary Sousa is also setting up the necessary training for the new Board Members and existing Board Members. There will also be additional meetings with the new Directors and District Department Heads after the first of the year. Board Secretary Sousa and the GM also met with outgoing Board Members Barsanti and Burke for exit interviews to discuss with them recommendations to improve the Board Member experience and the District in general. Both of them had very good suggestions that Staff will be following up on.

The GM also attended several meetings on the Community Forest, including meetings with Trust for Public Lands and Green Diamond; and an Emergency Operations Committee meeting with District staff to discuss upcoming training and how we can keep staff's emergency response skills at peak condition; a regularly scheduled Muni Meeting with HBMWD and the rest of the Muni Customers to discuss various operational issues; meeting with LAFCO Staff and District Staff to begin pulling together information for the updated LAFCO Municipal Services Review; a conference call with the McKinleyville Transit Study group to review the transit options for McKinleyville being presented by the Colorado State University. I also attended two CSDA Trainings on Governance Foundations, a California Climate Investment Webinar on grant funding opportunities, as well as my 8-hour HAZWOPER refresher training.

Attachments:

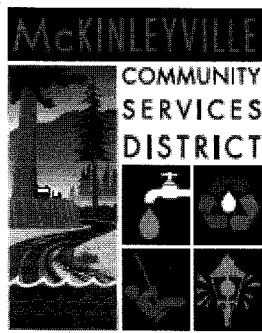
- Attachment 1 – WWMF Monthly Self-Monitoring Report

PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519



mckinleyvillecsd.com

MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8456

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9003
FAX: (707) 839-5964

R.W.Q.C.B. NORTH COAST REGION
5550 SKYLANE BLVD., SUITE A
SANTA ROSA, CA 95403

December 21, 2020

RE: MONTHLY MONITORING REPORT

Dear Justin:

Enclosed is the Monthly Monitoring Report for November 2020 for McKinleyville Community Services District Wastewater Management Facilities WID NO. 1B82084OHUM, operating under Order Number R1-2018-0032.

The normal discharge of effluent was 29 days going to 002, 003, 004 and 006. The required monitoring and water quality constituents that were tested and reported was in compliance in November.

Effluent Limitations Parameters	Units	Average Monthly	Average Weekly	Avg. % Removal	Max Daily	Instant Max	Instant Min	Results
Monitoring Location EFF- 001								
BOD	mg/L	30	45	>85				Compliance
TSS	Mg/L	30	45	>85				Compliance
PH	s.u.					6.5	8.5	Compliance
Settleable Solids	ml/L	0.1			0.2			Compliance
Chlorine Total Residual	mg/L	0.1			0.2			Compliance
Carbon Tetrachloride	ug/L	.25			.75			N/A
Ammonia Impact Ratio	mg/L	1.0			1.0			N/A
Dichlorobromomethane	ug/L	.56			1.4			N/A
Monitoring Location LND-001, REC-001								
Nitrate		10						Compliance
PH		6.0- 9.0	6.0 – 9.0					Compliance

Total Coliform Organisms MPN/100 ml. The Monthly Median not to exceed MPN of 23 and the daily maximum not to exceed MPN of 240. The reported results for the month of November are as follows. Median was <1.8 and a Maximum of <1.8. Four samples were collected in the month of November and was in compliance.

Monthly River Monitoring was conducted in November.

Due to River being low and CFS being low, the moving water is on the opposite side of the riverbank than our sampling location RSW-002. The sampling location is back-water that's sitting there stagnant with algae growing which spikes the TDS and Hardness sample results.

McKINLEYVILLE COMMUNITY SERVICES DISTRICT WASTEWATER MANAGEMENT FACILITY MONITORING DATA

MONTH: November 2020

DATE	INFLUENT FLOW		EFFLUENT FLOW		EFFLUENT MAXIMUM		EFFLUENT RIVER		EFFLUENT RIVER		EFFLUENT MONITORING		EFFLUENT MONITORING		EFFLUENT MONITORING		EFFLUENT MONITORING		EFFLUENT MONITORING								
	M.G.D.	GPM	M.G.D.	GPM	BOD	TSS	CHLORIDE	PH	TEMP	BOD	TSS	CL RES	CL RES	RIVER	CL RES	CL RES	SETTLABLE SOLIDS	TOTAL COLIFORMS	TIME	PH	TEMP						
1	0.923	0.625	741	N/A	N/A	N/A	N/A	7.2	14.4			2.5	N/A					<1.8	13:35	6.9	14.9	10.7	13:50	7.0	13.7	10.5	
2	0.878	0.216	701	N/A	N/A	N/A	N/A	7.2	13.6			NO DISCHARGE															
3	0.849	0.000	0	N/A	N/A	N/A	N/A																				
4	0.861	0.627	1319	N/A	N/A	N/A	N/A	7.0	16.5			2.7	N/A														
5	0.862	0.949	1219	N/A	N/A	N/A	N/A	7.0	14.9			2.8	N/A														
6	0.881	0.738	1059	N/A	N/A	N/A	N/A	7.0	15.1	6.3	1.2	2.6	N/A				<0.1										
7	0.884	0.624	809	N/A	N/A	N/A	N/A	7.3	14.2			2.4	N/A														
8	0.923	0.614	774	N/A	N/A	N/A	N/A	7.3	13.7			2.6	N/A														
9	0.875	0.809	1232	N/A	N/A	N/A	N/A	7.3	13.7			1.7	N/A					<1.8									
10	0.852	0.786	1093	N/A	N/A	N/A	N/A	7.3	13.1			1.7	N/A						11:10	6.9	13.4	11.0	11:20	7.4	13.0	10.4	
11	0.881	0.656	802	N/A	N/A	N/A	N/A	7.2	13.1			1.7	N/A														
12	0.852	0.844	1157	N/A	N/A	N/A	N/A	7.3	14.1			1.7	N/A														
13	0.861	0.687	1099	N/A	N/A	N/A	N/A	7.3	13.4	4.9	1.0	1.7	N/A				<0.1										
14	0.881	0.681	829	N/A	N/A	N/A	N/A	7.1	13.3			2.0	N/A														
15	0.928	0.677	849	N/A	N/A	N/A	N/A	7.3	13.4			1.8	N/A														
16	0.879	0.852	1166	N/A	N/A	N/A	N/A	7.2	14.0			1.6	N/A					<1.8									
17	0.901	0.718	928	N/A	N/A	N/A	N/A	7.2	14.5			1.8	N/A						15:30	7.2	15.4	10.1	15:40	7.3	14.9	9.7	
18	0.905	0.858	1097	N/A	N/A	N/A	N/A	7.3	15.3			1.7	N/A														
19	0.885	0.878	1197	N/A	N/A	N/A	N/A	7.2	14.2			1.4	N/A														
20	0.863	0.607	1007	N/A	N/A	N/A	N/A	7.2	13.0	3.1	ND	1.4	N/A				<0.1										
21	0.878	0.869	921	N/A	N/A	N/A	N/A	7.2	13.2			2.3	N/A														
22	0.914	0.862	945	N/A	N/A	N/A	N/A	7.2	13.2			2.2	N/A														
23	0.897	0.829	1073	N/A	N/A	N/A	N/A	7.1	13.1			2.1	N/A														
24	0.884	0.802	1189	N/A	N/A	N/A	N/A	7.2	12.2			1.0	N/A						11:27	6.8	10.9	11.4	11:44	6.9	10.3	10.5	
25	0.920	0.669	1046	N/A	N/A	N/A	N/A	7.1	11.9	4.9	1.4	1.0	N/A				<0.1										
26	0.941	0.601	836	N/A	N/A	N/A	N/A	7.3	11.8			1.2	N/A														
27	0.853	0.661	858	N/A	N/A	N/A	N/A	7.3	12.0			1.2	N/A														
28	0.871	0.657	880	N/A	N/A	N/A	N/A	7.2	11.9			1.0	N/A														
29	0.925	0.651	816	N/A	N/A	N/A	N/A	7.3	11.6			1.8	N/A														
30	0.891	0.859	1170	N/A	N/A	N/A	N/A	7.3	11.9			1.8	N/A														

MONTHLY TESTS EFF-001 DISCHARGE TO RIVER

Ammonia Impact	Ammonia	Nitrate	Nitrite	Hardness	Phosphorus	Bis Phosphate	Carbon Tetrachloride	Chlorobromomethane	Dichlorobromomethane	Turbidity	% Increase
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

MONTHLY TESTS LND-001, REC-001 DISCHARGE TO PERC PONDS and LAND											
Organic Nitrogen	TDS	AMMONIA	NITRATE	NITRITE	SODIUM	CHLORIDE	IRON	TDS	BOD	TSS	Turbidity
1.10	280	ND	1.1	ND	45	51	270	130	1.0	ND	0.5

MONTHLY TESTS RSW-001											
TDS	BOD	TSS	Turbidity	Ammonia	Chloride	Conductivity	Turbidity				
910	ND	ND	ND	ND	ND	1260	0.5				

MONTHLY TESTS RSW-002											
BOD	BOD	BOD	BOD	BOD	BOD	BOD	BOD	BOD	BOD	BOD	BOD
5	27	99	1	5	100	5	27	99	1	5	100

MONTHLY TESTS REC-001											
Ammonia	Nitrate	Nitrite	Hardness	Phosphorus	Bis Phosphate	Carbon Tetrachloride	Chlorobromomethane	Dichlorobromomethane	Turbidity	% Increase	
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	

Signature: _____ Remarks: _____

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
WASTEWATER MANAGEMENT FACILITY
EFFLUENT DISCHARGE DISPOSAL

NOVEMBER 2020

Discharge Monitoring	002 LND-001	002 LND-001	004 REC-001	003 REC-001	006 REC-001	005 REC-001	001 EFF-001				
DATE	INF-001 MGD	EFF-001 MGD	MAXIMUM GPM	N.POND MGD	S.POND MGD	FISCHER MGD UPPER	FISCHER MGD LOWER	PIALORSI MGD	HILLER MGD	IRRGATE TOTAL MGD	RIVER MGD
1	0.923	0.625	741	0.625						0.000	0.000
2	0.878	0.216	701	0.216						0.000	0.000
3	0.849	0.000	0			No Discharge				0.000	0.000
4	0.861	0.627	1319			0.495		0.132		0.627	0.000
5	0.862	0.949	1219			0.722	0.055	0.172		0.949	0.000
6	0.881	0.738	1059	0.338		0.324		0.076		0.400	0.000
7	0.884	0.624	809	0.624						0.000	0.000
8	0.923	0.614	774	0.614						0.000	0.000
9	0.875	0.809	1232	0.252		0.361	0.047	0.149		0.557	0.000
10	0.852	0.786	1093			0.631		0.155		0.786	0.000
11	0.881	0.656	802			0.656				0.656	0.000
12	0.852	0.844	1157			0.638	0.048	0.158		0.844	0.000
13	0.861	0.687	1099	0.369		0.318				0.318	0.000
14	0.881	0.681	829	0.681						0.000	0.000
15	0.928	0.677	849	0.677						0.000	0.000
16	0.879	0.852	1166	0.283		0.355	0.051	0.163		0.569	0.000
17	0.901	0.718	928			0.693		0.025		0.718	0.000
18	0.905	0.858	1097			0.707		0.151		0.858	0.000
19	0.885	0.878	1197			0.674	0.049	0.155		0.878	0.000
20	0.863	0.607	1007	0.470		0.084		0.053		0.137	0.000
21	0.878	0.869	921	0.869						0.000	0.000
22	0.914	0.862	945	0.862						0.000	0.000
23	0.897	0.829	1073	0.434		0.269		0.126		0.395	0.000
24	0.884	0.802	1189			0.585	0.051	0.166		0.802	0.000
25	0.920	0.669	1046	0.263		0.304		0.102		0.406	0.000
26	0.941	0.601	836	0.601						0.000	0.000
27	0.853	0.661	858	0.661						0.000	0.000
28	0.871	0.657	880	0.657						0.000	0.000
29	0.925	0.651	816	0.651						0.000	0.000
30	0.891	0.859	1170	0.225		0.411	0.055	0.168		0.634	0.000
TOTAL	26.598	20.906		10.372	0.000	8.227	0.356	1.951	0.000	10.534	0.000
AVERAGE	0.887	0.697	960	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MAXIMUM	0.941	0.949	1319	0.869	0.000	0.722	0.055	0.172	0.000	0.949	0.000
MINIMUM	0.849	0.000	0	0.216	0.000	0.000	0.047	0.025	0.000	0.000	0.000
DAYS	30	29	29	20	0	17	7	15	0	17	0
LBS/ACRE						1.013	0.147	0.018	0.000		

DAYS WITH NO DISCHARGE = 1