



HUMBOLDT COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

AGENDA

DATE: Tuesday, December 9, 2025

TIME: 5:00 p.m.

LOCATION: 5055 Walnut Drive, Eureka, CA

Notice of Remote Participation Under AB 2449:

Director Gardiner will participate remotely due to *just cause*, pursuant to Government Code § 54953(f). The Director will participate via teleconference without providing a publicly accessible location.

The HCSD Boardroom is open to the public during the meeting's open session segment. This meeting is also held by video/teleconference, per CA Govt Code § 54953(b). If a member of the public cannot attend in person and would like to speak on an agenda item, including Public Participation, please join through the Zoom website (<https://zoom.us>) by entering Meeting ID 388 963 6754 and Passcode 202520. Access may also be achieved via telephone only by dialing 1-669-900-9128.

A. ROLL CALL

Directors Benzonelli, Gardiner, Hansen, Matteoli, Ryan

B. PLEDGE OF ALLEGIANCE

C. CONSENT CALENDAR

- | | |
|--|----------|
| 1. Approval of December 9, 2025, Meeting Agenda | Pgs. 1-2 |
| 2. Approval of Minutes of the Regular Meeting of November 18, 2025 | Pgs. 3-6 |

D. REPORTS

- | | |
|---------------------------------|------------|
| 1. <u>General Manager</u> | |
| a) District Update | Pgs. 7 |
| 2. <u>Finance Department</u> | |
| a) November 2025 Check Register | Pgs. 9-14 |
| 3. <u>Engineering</u> | |
| a) Update | Pgs. 15-16 |
| 4. <u>Planning</u> | |

5. Legal Counsel

6. Director Reports

E. PUBLIC PARTICIPATION

Members of the public may comment on items not on the agenda. Please use the information above to participate via Zoom. The Board requests that speakers state their name and where they are from, be concise, and limit their communications to 3 to 5 minutes. After all oral communications, the Board or staff may briefly respond with information to comments; however, the Brown Act prohibits discussion of matters not on the published agenda. Matters requiring discussion or action will be placed on the agenda for a future meeting.

F. NEW BUSINESS

1. Consideration of Approving Resolution 2025-10 Honoring Bill Bitner Upon His Retirement *Pgs. 17-20*
2. Consideration of Approving Resolution 2025-11 Honoring Brian McNeill Upon His Retirement *Pgs. 21-22*
3. Consideration of Approving Resolution 2025-12 Honoring Mark Taylor Upon His Retirement *Pgs. 23-24*
4. Consideration of Adopting Resolution 2025-13 Approving Property Tax Exchange Related to the North McKay Ranch Subdivision Annexation *Pgs. 25-37*
5. Consideration of Providing Public Comment to the North Coast Regional Water Quality Control Board on a Proposed Resolution Defining Project Criteria that Would be Eligible as Part of an Exception to the Enclosed Bays and Estuaries Policy (EBEP) Prohibiting Waste Discharges to Humboldt Bay *Pgs. 39-52*
6. Consideration of Providing Public Comment to the Humboldt Bay Harbor, Recreation, and Conservation District on the Notice of Application for the Elk River Estuary Restoration Project from CalTrout *Pgs. 53-56*

G. CLOSED SESSION

1. PURSUANT TO Government Code Section 54954.5(e) PUBLIC EMPLOYEE PERFORMANCE EVALUATION – General Manager

H. ADJOURNMENT

Next Res: 2025-14
Next Ord: 2025-01

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Robert Christensen at (707) 443-4558, ext. 210, or by email at asm@humboldtcsd.org. Notification 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102 – 35.104 ADA Title II).

Pursuant to §54957.5(a) of the California Government Code, any public record writings relating to an agenda item for an open session of a regular meeting of the Board of Directors, not otherwise exempt from public disclosure, are available for public inspection upon request at the District offices located at 5055 Walnut Drive, Monday through Friday (holidays excepted) during regular business hours.

DRAFT MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
HUMBOLDT COMMUNITY SERVICES DISTRICT

The Humboldt Community Services District Board of Directors met in regular session at 5:00 p.m. on Tuesday, November 18, 2025, at 5055 Walnut Drive, Eureka, California and on Zoom.

A. CALL TO ORDER AND ROLL CALL

Present upon roll call: Directors Benzonelli, Gardiner, Hansen, Matteoli and Ryan.
Staff in attendance: General Manager Williams (GM), District Counsel Plotz (DC), Finance Manager Montag (FM), and Assistant Engineer Rawal (AE).

B. PLEDGE OF ALLEGIANCE

President Matteoli invited those present to join in the Pledge of Allegiance.

C. CONSENT CALENDAR

1. Approval of November 18, 2025 Agenda
2. Approval of Minutes of the Regular Meeting of October 28, 2025
3. Approval of Minutes of the Special Meeting of November 6, 2025

IT WAS MOVED BY DIRECTOR MATTEOLI SECONDED BY DIRECTOR BENZONELLI, TO APPROVE THE NOVEMBER 18, 2025, CONSENT CALENDAR. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN
NOES: NONE

D. REPORTS

1. General Manager

- a) District Update

GM provided an update on the Humboldt Bay Municipal Water District (HBMWD) project to replace two expansion joints on the primary transmission main serving its 2-million-gallon domestic water tank. The work requires planned shutdowns on November 18 and 20, affecting all municipal customers. HCSD is coordinating with other municipal customers to prevent service interruptions and will utilize stored water and interties with the City of Eureka to maintain an adequate supply. HCSD will back-feed water to Peninsula CSD, Manila CSD, and parts of Arcata.

2. Finance Manager

- a) October 2025 Check Register

FM noted expenditures in the check register, including: new cleaning nozzles purchased for the Vac-Con truck, a new pump for the Foxwood Sewer Lift

DRAFT MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
HUMBOLDT COMMUNITY SERVICES DISTRICT
NOVEMBER 18, 2025

Station, and a payment to GHD for the ongoing Hoover Sewer Lift Station Flood Protection Project and the Water Resiliency Project.

b) October 2025 Budget Statement

FM noted that the District submitted the annual liability insurance payment in October. The total amount is expected to be within the year's budget.

3. Engineering

a) Update

AE reported that on November 10th, District staff responded to a sanitary sewer spill on Bayview Lane, where wastewater was discharging into a storm drain. The flow was contained and removed using the City of Eureka's (COE) Vac-Con truck, which was on stand-by while the District's Vac-Con truck was being repaired. COE staff assisted in clearing the blockage under the District's standing assistance request. The estimated spill volume was approximately 315 gallons, which remained confined to a vegetated area adjacent to the storm drain with no impact to Waters of the State. All required regulatory notifications were completed, and no further corrective actions were taken.

4. Planning

a) Update

Absent.

4. Legal Counsel

LC reported that new legislation reforms the Brown Act and will revise and relax teleconferencing rules beginning January 1, 2026.

5. Director Reports

Director Benzonelli reviewed the guidelines for property tax negotiation for property annexed into a special district. The Humboldt County Board of Supervisors will be considering the property tax allotment for the McKay Ranch subdivision at its December 9 meeting. District board members will address the Board of Supervisors regarding the property tax allotment at the meeting.

Director Ryan attended a Redwood Region Economic Development Commission (RREDC) Executive Committee meeting on November 12. The committee approved small business loans recommended by the RREDC loan committee.

E. PUBLIC PARTICIPATION

DRAFT MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
HUMBOLDT COMMUNITY SERVICES DISTRICT
NOVEMBER 18, 2025

Mike Briggs, a District employee, thanked Director Gardiner for the Marine Corps Celebration held on November 8, 2025, at the Ingomar Club.

F. NEW BUSINESS

1. Consideration of Adopting Resolution 2025-09 Honoring and Remembering Operations & Maintenance Foreman Darren Albert Toland

AE summarized Darren Toland's career at HCSD and noted that a memorial plaque will be installed at the District. Before reading the resolution, President Hansen commented that he began working in the water industry approximately the same time as Darren Toland.

Public Comment: Mike Briggs, a District employee, commented on the loss of Darren Toland and its impact on the District.

IT WAS MOVED BY DIRECTOR MATTEOLI, SECONDED BY DIRECTOR RYAN, TO ADOPT RESOLUTION 2025-09 HONORING AND REMEMBERING OPERATIONS & MAINTENANCE FOREMAN DARREN ALBERT TOLAND. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN
NOES: NONE

2. Consideration of Transferring Operating Funds from Checking Account to Interest-Bearing Account(s)

FM reviewed the District's current deposit accounts and recommended that the District deposit \$2,000,000 from the District's checking account into CA CLASS and noted that the California Special Districts Association recommended that no more than 70% of District assets be invested in a single investment vehicle. FM recommended that a minimum of \$2,000,000 be maintained in the District's US Bank checking account.

There was no public comment.

IT WAS MOVED BY DIRECTOR GARDINER, SECONDED BY DIRECTOR MATTEOLI, TO APPROVE TRANSFERRING \$2,000,000 IN OPERATING FUNDS FROM THE DISTRICT'S US BANK CHECKING ACCOUNT TO CA CLASS JPA. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN
NOES: NONE

DRAFT MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
HUMBOLDT COMMUNITY SERVICES DISTRICT
NOVEMBER 18, 2025

3. Consideration of Opening Account with Redwood Capital Bank

FM reported that the District previously approved a motion to invest \$2,000,000 of the District's funds into a certificate of deposit with Redwood Capital Bank (RCB). RCB requires that the District open a checking account to maintain a certificate of deposit. Staff recommends opening a checking account and maintaining a \$2,000 balance.

There was no public comment.

IT WAS MOVED BY DIRECTOR BENZONELLI, SECONDED BY DIRECTOR MATTEOLI, TO OPEN A CHECKING ACCOUNT AT REDWOOD CAPITAL BANK. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN
NOES: NONE

G. CLOSED SESSION

1. PURSUANT TO Government Code Section 54954.5(e) PUBLIC EMPLOYEE PERFORMANCE EVALUATION – General Manager

At 5:32 p.m., **IT WAS MOVED BY DIRECTOR RYAN, SECONDED BY DIRECTOR BENZONELLI**, TO MOVE INTO CLOSED SESSION. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN
NOES: NONE

The Board returned to open session at 6:37 p.m. and President Hansen reported that the Board had taken no action.

H. ADJOURNMENT

Without further business, **IT WAS MOVED BY DIRECTOR MATTEOLI, SECONDED BY DIRECTOR GARDINER, TO ADJOURN. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:**

AYES: BENZONELLI, GARDINER, HANSEN, MATTEOLI, RYAN
NOES: NONE

THE BOARD ADJOURNED ITS SPECIAL MEETING OF November 18, 2025, AT 6:38 P.M.

Submitted, Board Secretary

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

MEMORANDUM

TO: Board of Directors

FROM: Terrence Williams, General Manager

DATE: December 5, 2025

SUBJECT: General Manager Report for December 9, 2025 Board Meeting

New Hires

After a careful selection process, District staff have identified a couple of highly qualified people to fill vacant roles in the District's ranks.

First, the Engineering Technician position that long-time employee Bill Bitner will be retiring from after over 30 years. The Engineering Technician position completes Underground Service Alert (USA) mark and locates, field inspections of water and sewer projects, develops as-built drawings of District assets, prepares drawings for the construction of District facilities, and so much more. Please welcome our new Engineering Technician, Dylan Vodden. Dylan comes to the District with an associate of science in three-dimensional drafting from the College of the Redwoods, where he graduated with honors. Dylan also has five years of experience working as a drafting technician for a local architect. Dylan's knowledge and experience make him an ideal fit for the Engineering Technician role, and I expect that Dylan will make an excellent addition to the HCSD team.

Next, the Utility Worker position in the Construction Department was made vacant by Keith Noga's promotion to Foreman. Utility Workers are the core of the District's team. They are skilled craftsmen who go out every day and sometimes at night to do the hard work of building, maintaining, and repairing the District's infrastructure. Please welcome Daniel Rockholt to the HCSD team. Daniel brings several years of experience in underground utility construction to the District. Daniel has also served as a utility worker for the City of Fortuna and also possesses a Class B commercial driver's license. Daniel's demonstrated work ethic will serve him well in his new role as a Utility Worker on the District's construction department.

PAGE INTENTIONALLY BLANK

Accounts Payable

Checks by Date - Detail by Check Date

User: FM
Printed: 12/4/2025 1:25 PM

Humboldt Community Services District
5055 Walnut Drive – Eureka CA 95503
PO Box 158 – Cutten CA 95534 (707) 443-4558

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
58451	V600 J19990	Viking Industrial Painting RELEASE OF RETAINAGE FOR PROJECT C	11/05/2025	34,690.00
Total for Check Number 58451:				34,690.00
Total for 11/5/2025:				34,690.00
58452	A753 1	Chris Armstrong WATER DISTRIBUTION D3 CERTIFICATION	11/07/2025	370.00
Total for Check Number 58452:				370.00
58453	B400 37489	Bedliners Plus Running board steps for new unit 2.	11/07/2025	591.45
Total for Check Number 58453:				591.45
58454	C180 6013649091 6013649091 6013649091	Canon Solutions America Inc. Office/Black Copies WXD03492- 07.19.25 - 10. UseTaxRecoveryFee/OfficeCopier - 07.19.25 - 1 Office/Color Copies WXD03492- 07.19.25 - 10.	11/07/2025	4.27 1.56 31.50
Total for Check Number 58454:				37.33
58455	C475 07711117P	Coast Counties Peterbilt UNIT# 10 - RADIATOR CAP, HANDLE KIT	11/07/2025	118.77
Total for Check Number 58455:				118.77
58456	C670 1	CWEA - Oakland CWEA-COLLECTION SYSTEM GRADE II E	11/07/2025	480.00
Total for Check Number 58456:				480.00
58457	C730 Y7-251012093 Y7-251012093	Cummins Pacific LLC Panel Membrane Labor,travel,millilage, taxes	11/07/2025	268.90 628.81
Total for Check Number 58457:				897.71
58458	D200 INV896399 INV896399 INV896399 INV896399	Day Management Corp. 9.2 db e element Yagi antenna 9.2 db e element Yagi antenna 9.2 db e element Yagi antenna 9.2 db e element Yagi antenna	11/07/2025	417.10 417.10 417.10 417.10
Total for Check Number 58458:				1,668.40
58459	D910 265052	Don's Rent-All Inc OFFICE SIDING PAINT	11/07/2025	82.67

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 58459:				82.67
58460	E330 548119/7	Englund Marine and Industrial Supply HAULER JACKET AND BIB, INSULATED EI	11/07/2025	491.16
Total for Check Number 58460:				491.16
58461	E485	Cooney Parris and Rieke Corp	11/07/2025	
	189381/3	20V MX ATMC 2K DR IMP, FLSHLGHT, #2 E		304.03
	189564/3	5 GAL BUCKET, LID, ECO FEE		15.86
	189564/3	DRYLOK PAINT LTX WHT 5 GAL		173.98
	189603/3	SCRW EXTRACTORS, BALL VLV, TAP PLUC		121.73
	189624/3	CMPTR SURGE PROTECTOR		34.79
	189811/3	JUMPSTARTER, BITS		187.00
	189971/3	BLACK CRATE, EXT CORD 25FT		48.68
	189995/3	SCREWS, QUIKRETE CONCRETE MIX		77.52
	190138/3	5 GAL BUCKET, SCREW LID		23.90
	190558/3	CHNL STRUT 1-5/8X10'		59.80
	190570/3	HEX LOCK WIRE CONN, CONNECT WINGC		15.20
	190601/3	LWR SHOP TOILET REPAIR, VLV FLAP KIT		20.65
	190705/3	CAULK GUN, ELBOW PVC, CNCRT SEALEI		57.30
	190727/3	ADAPTER TERMINAL 1" SCH40		3.89
	190730/3	GREAT STUFF BIG GAP 12OZ		52.13
	860044/1	BLACK CRATE		31.72
Total for Check Number 58461:				1,228.18
58462	V700 264226	Valley Pacific Petroleum Services Inc YARD FUEL	11/07/2025	1,913.59
Total for Check Number 58462:				1,913.59
58463	E558	NAPA Auto Parts of Eureka	11/07/2025	
	470741	UNIT# 3 - MAINTENANCE		82.91
	470843	UNIT# 3 - OIL CHANGE		72.24
	470896	UNIT# 3 - MAINT - RAIN X WTHRBTR, 2.5 E		102.48
	471601	UNIT# 5 - HEADLIGHT		41.87
Total for Check Number 58463:				299.50
58464	E650	Eureka Ready Mix	11/07/2025	
	94829	CLASS 2 BASE TON DELIVERED		439.08
	94831	PEA GRAVEL DELIVERED BY TON		413.25
Total for Check Number 58464:				852.33
58465	F049	Fastenal Company	11/07/2025	
	CAEUR138525	ORNG DISP GLV, FLP DISC, IC WB BLACK		213.61
	CAEUR138668	EAR PLUGS, BLK CHISEL MRKR, WD-40, X		136.12
	CAEUR138724	SFTY GLSSES, LG FLEX GRD GLV, LG SPLI		160.89
	CAEUR138817	AA BATTERIES, D BATTERIES, PWR TAPE,		267.50
Total for Check Number 58465:				778.12
58466	F050	Fastenal Industrial	11/07/2025	
	CAEUR138526	INDUST BAG, MULTI-FLD TOWELS		122.83
	CAEUR138582	S/S TRUBOLT 1/4X2.25		142.00
	CAEUR138586	BATH TISS, CONTR BAG, SHVL, BROOM, 6		392.29
	CAEUR138715	S/S HCS , S/S FHN		90.71
	CAEUR138818	CNVS TOOL BUCKET		72.44

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 58466:				820.27
58467	H010	Keenan Supply	11/07/2025	
	S014679041.001	NEW METER INSTALLS - AYM RUBBER M		166.69
	S014679138.001	YARD RPLCMNT - PVC BALL VLV, PVC UT		151.54
	S014696160.001	YARD RESTOCK - FLL CRCL REDI-CLAMP,		1,377.78
	S014696252.001	ROMAC SS1 9.70X16 SS 1 SECTION CLAMP		568.23
	S014698967.001	YARD RPLCMNT - BRASS ANGLE MTR BAI		1,665.63
	S014703810.001	ROMAC GRAP-DI GRIP RING ACCY PAKS		1,487.33
	S014705936.001	RUBBER MTR GSKT		205.81
	S014705936.001	CUST SVC - RUBBER MTR GSKT		102.89
	S014706223.001	SS T-HEAD BOLT & NUTS		268.68
	S014713488.001	SS FLNG BOLT & NUT KIT		107.74
Total for Check Number 58467:				6,102.32
58468	H210	Hensell Materials	11/07/2025	
	671340	5 GAL JET SET		93.49
Total for Check Number 58468:				93.49
58469	H810	Humboldt Waste Management Auth	11/07/2025	
	1000018046	SOLID WASTE SELF-HAUL		20.85
Total for Check Number 58469:				20.85
58470	I401	Industrial Electric Arcata Inc	11/07/2025	
	IN54881	100 AMP Meter main w/ Bypass and freight and		1,137.59
	IN54951	7kva 120/240 Thransformer and wire		1,008.75
	IN54953	Jumpers for cirtcuit breakers		147.29
	IN55009	Waterproof cover to work outside in rain		115.75
	IN55152	wire for sls upgades		529.69
Total for Check Number 58470:				2,939.07
58471	I525	Infosend	11/07/2025	
	297723	UB/Process and Mail/Bills - OCTOBER 2025		3,891.22
Total for Check Number 58471:				3,891.22
58472	M230	Mendes Supply Co	11/07/2025	
	M286314	PSCQCARBACTICIDE, DRUM DEPOSIT		1,439.66
	M286315	PSCQCARBACTICIDE, DRUM DEPOSIT		961.44
	M286399	CREDIT/DRUM DEPOSIT		-540.00
Total for Check Number 58472:				1,861.10
58473	M450	Mission Linen	11/07/2025	
	524705935	Uniforms/Mats		223.99
	524748765	Uniforms/Mats		425.36
	524791577	Uniforms/Mats		223.99
	524833070	Uniforms/Mats		428.08
	524874408	Uniforms/Mats		228.74
Total for Check Number 58473:				1,530.16
58474	N430	Nilsen Feed and Grain Co.	11/07/2025	
	040961/1	Rice straw for emergency water main repair to C		143.21
Total for Check Number 58474:				143.21

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
58475	P006 0210577467	PACE Supply Corp. 1002 Pointed Stakes for Badger ERT's	11/07/2025	2,195.66
Total for Check Number 58475:				2,195.66
58476	P010 11032025 11032025 11032025 11032025 11032025 11032025 11032025	Pacific Gas and Electric-GN fOffice/Yard dGeneral Sewer System eKS/HH Sewer System bHH Water System gSpark energy Gas/LP Gas Chgs cFW/MR Water System aWA Pump & District/Cummings	11/07/2025	6,115.41 2,867.50 1,258.74 12,241.75 50.71 380.22 6,690.18
Total for Check Number 58476:				29,604.51
58477	P130 11102025	Pacific Gas and Electric-St Street Lights: OCTOBER 2025	11/07/2025	6,536.02
Total for Check Number 58477:				6,536.02
58478	P190 239684	Pacific Paper Co OFFICE SUPPLIES - METER TAGS, ENVELC	11/07/2025	379.47
Total for Check Number 58478:				379.47
58480	W700 HCD-256982 HCD-257048	Whitchurch Engineering Inc. WALNUT DR BID AND CONST ASSIST WALNUT DR BID AND CONST ASSIST	11/07/2025	5,163.75 6,590.00
Total for Check Number 58480:				11,753.75
58481	P557 6Q84002 6R89331 6R99450 6S52797 6S67558 6S94295	Rexel USA Inc. 3M TAPE, 3M SPLICING, 16-1 SCREWDRIVE CONDUIT, TAPE, SPLICING, SCREWS CONDUIT, MAG POWER NUT SET CONDUIT, 3M TAPE, SPLICING, CONDUIT I CONDUIT LOCKNUT, NIPPLES, SILICONE	11/07/2025	261.83 269.08 299.80 283.85 127.21 101.43
Total for Check Number 58481:				1,343.20
58482	P785 6776A 6911A 6913A	Powell Landscape Materials Concrete for sidewalk repair. 1 Yard Concrete 3/4 Yard Concrete - SEA AVE	11/07/2025	260.19 239.24 208.37
Total for Check Number 58482:				707.80
58483	R250 34921981	Recology Humboldt County Garbage Service - 10.01.25 - 10.31.25	11/07/2025	778.68
Total for Check Number 58483:				778.68
58484	R705 1065210-4	Guy Rents Inc Mini track Bobcat for emergency water main rep	11/07/2025	760.28
Total for Check Number 58484:				760.28
58485	S750 00-649299-0082	Standard Insurance Company Short&Long Term Empl Disabiliy 11/01 - 11/30/	11/07/2025	1,747.00

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
Total for Check Number 58485:				1,747.00
58486	S850 11152025	Optimum Internet/date-date 09.24.25 - 11.15.25	11/07/2025	903.39
Total for Check Number 58486:				903.39
58487	T810 136454	Tony Gosselin Tire Service new tiies Unit #1.	11/07/2025	720.68
Total for Check Number 58487:				720.68
58488	U730 INV00834412 INV00867137	USA Bluebook DOUBLE EYEWASH STATION, EYEWASH B BLU/WHT ASSMBLY FOR A3 & M3 PUMPS	11/07/2025	202.08 315.09
Total for Check Number 58488:				517.17
58489	P430	Pierson Building Center	11/07/2025	
	291193	PVC PIPE, TEE, ELBOW, PLUG, BUSHING, 1		79.90
	291215	UNIT# 2, TOTE BAG W TRAY, GORILLA TA		89.28
	291508	4271 IVY LN - TOP SOIL FORLAWN 2" PRES		39.62
	291691	PAINT TRAY, FOAM ROLLER COVER, DRO		39.40
	291708	CNTRCTR KNEELING PAD		44.09
	292578	BUSHNING, DRILL BITS, VERSABOND THI		101.33
	292700	SHOP TOOLS - TRUFLATE T-PLUG, INFLAT		29.41
	292824	HEX NUT, LOCKWASHER, HEX BOLT, UNI-		311.35
	293319	8" REPAIR TO CR - FENCE - WELDED WIRE		159.14
	293321	3/4 HDG STAPLE, 10IN FENCE TOOL		29.41
	294165	ROOF FLASHING, LAG SCREW, EMT STRA		62.88
	294215	60LB PREMIX CONCRETE		52.85
	295401	3M MSKNG FILM, PAINTERS TAPE, PAINT,		280.39
	295568	CONST TOOLS, PAINTERS TAPE, LMBR CR		44.70
Total for Check Number 58489:				1,363.75
Total for 11/7/2025:				86,522.26
58493	UB*02305	MICAH/SOREN VANDENPLAS/CULPS	11/12/2025	
		Refund Check 021498-000, 4610 MEYERS AV		17.26
		Refund Check 021498-000, 4610 MEYERS AV		1.31
		Refund Check 021498-000, 4610 MEYERS AV		8.28
		Refund Check 021498-000, 4610 MEYERS AV		7.45
		Refund Check 021498-000, 4610 MEYERS AV		10.41
Total for Check Number 58493:				44.71
58494	UB*02306	ALLISON SOUSA	11/12/2025	
		Refund Check 006199-000, 3470 GLENWOOD		18.43
		Refund Check 006199-000, 3470 GLENWOOD		14.66
		Refund Check 006199-000, 3470 GLENWOOD		6.12
		Refund Check 006199-000, 3470 GLENWOOD		5.82
Total for Check Number 58494:				45.03
58495	UB*02309	KIMBERLY COOPER	11/12/2025	
		Refund Check 021439-000, 2340 BAY VIEW L		152.16
		Refund Check 021439-000, 2340 BAY VIEW L		44.77
		Refund Check 021439-000, 2340 BAY VIEW L		33.15

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
		Refund Check 021439-000, 2340 BAY VIEW L		41.73
		Refund Check 021439-000, 2340 BAY VIEW L		31.62
			Total for Check Number 58495:	303.43
			Total for 11/12/2025:	393.17
			Report Total (41 checks):	121,605.43

Humboldt Community Services District

Dedicated to providing high-quality, cost-effective water and sewer service for our customers

ENGINEERING MEMORANDUM

To: Board of Directors
From: Kush Rawal, Assistant Engineer
Date: December 5, 2025
Subject: Assistant Engineer Progress Report for the December 9, 2025 Board Meeting

Coordination Meeting with Humboldt County Myrtle Avenue Improvement

On November 21 at 10:00 a.m., District Engineering Staff met with two representatives from the Humboldt County Public Works Department to discuss preliminary design considerations for the County's upcoming improvement project on Myrtle Avenue. The County has initiated early coordination meetings with the District as part of an effort to strengthen interagency planning, building on the successful collaboration developed through recent CIP coordination efforts.

The Myrtle Avenue project, which extends from the Ryan Slough Bridge to just past Three Corners, is anticipated to involve several significant roadway improvements. These include targeted roadway widening in various segments, the addition of new bike lanes to improve multimodal transportation access, and the construction of new storm drain infrastructure along the south side of the corridor. Because portions of the project may require widening the roadway by approximately four feet on each side, District staff and County representatives walked through several locations where existing HCSD facilities could be impacted. The group reviewed the positions of air-vac assemblies, fire hydrants, meter boxes, and underground valves, all of which fall within or are immediately adjacent to the areas where roadway expansion or storm drain construction may occur. This early review allowed both agencies to identify potential conflicts, discuss approaches to protecting or adjusting these facilities, and outline next steps for additional field verification during the design phase.

County staff confirmed that they will be responsible for raising District valve cans to grade in accordance with District standards as part of the roadway restoration work. Additionally, the County plans to install new storm drains along segments of Myrtle Avenue, which may intersect with the District's existing 8-inch asbestos cement water main. This main does not have a tracer wire, and the County acknowledged the need to pothole and physically locate the line before any storm drain installation. This will help determine whether conflicts exist and will ensure protection measures are incorporated into the storm drain construction process.

Overall, the meeting was very positive and reflected the County's continued interest in strengthening early coordination with the District during the design phase of their capital projects. County staff expressed that these preliminary conversations are becoming a

more standard part of their workflow, in large part due to the success of recent CIP coordination efforts. District staff reiterated the importance of being involved not only in conceptual discussions, but also in preliminary design meetings, field walk-throughs, and pre-construction meetings so potential conflicts with District infrastructure can be identified long before plans are finalized or put out to bid. Establishing this level of early communication allows both agencies to make informed decisions, reduce project delays, and avoid situations in which the District must modify or relocate facilities on short notice after County construction is already underway.

Both agencies acknowledged that, given the volume and complexity of the projects each organization manages, it is unrealistic to expect every issue to be anticipated perfectly during planning. Even so, the commitment to developing a stronger, more collaborative relationship is an important step forward. These early coordination meetings represent a meaningful shift toward shared problem-solving, aligning project schedules where possible, improving protection of existing utilities, and ultimately supporting better project outcomes for the community. While challenges will continue to arise, both parties left the meeting confident that improved communication and ongoing coordination will help address conflicts more proactively and efficiently as future opportunities emerge.

Humboldt Community Services District

Dedicated to providing high-quality, cost-effective water and sewer service for our customers

AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: December 9, 2025

AGENDA ITEM: F.1, F.2, F.3

TITLE: Consideration of Adopting Resolution 2025-10 Honoring Bill Bitner Upon His Retirement
Consideration of Adopting Resolution 2025-11 Honoring Brian McNeill Upon His Retirement
Consideration of Adopting Resolution 2025-12 Honoring Mark Taylor Upon His Retirement

PRESENTED BY: Terrence Williams, General Manager

Recommendation:

District Staff recommends that the Board adopt Resolutions 2025-11, 2025-12, and 2025-13 that honor employees Bill Bitner, Brian McNeill, and Mark Taylor upon their retirement for their distinguished service and years of dedication.

Summary:

On December 30, 2025, three long-time District Employees will retire:

Bill Bitner, the District's Engineering Technician, began his career with the District in January 1992 as a part-time temporary drafting assistant while enrolled in the drafting program at College of the Redwoods. After he graduated, the District hired him as a permanent employee in July 1993. In 2007, Bill was reclassified as an Engineering Technician as his job scope expanded.

Brian McNeill, the District's Utility Services Planner, began working for the District in March 2004 after serving the residents of the Loleta Community Services District. During Brian's career with the District, he held the positions of Utility Worker II, Utility Worker III, and Utility Services Planner. Brian has served as the District's Utility Services Planner since 2023.

Mark Taylor, the District's Construction Foreman, was hired by the District in March 2003 after an established career in the local construction field. During Mark's career with the District, he held the positions of Utility Worker I, Utility Worker II, Utility Worker III, and Construction Foreman. Mark has served as the Construction Foreman since 2014.

Each employee has been vital to the District's success and will be fondly missed as they enjoy their well-earned retirement.

Fiscal Impact

None

RESOLUTION NO. 2025-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HUMBOLDT COMMUNITY SERVICES DISTRICT RECOGNIZING WILLIAM W. BITNER III UPON HIS RETIREMENT

WHEREAS, William (Bill) Bitner was employed by the Humboldt Community Services District on January 15, 1992, as a Temporary Drafting Assistant; and

WHEREAS, Mr. Bitner was permanently hired on July 1, 1993, as a Drafting Technician, then reclassified to an Engineering Tech in 2007; and

WHEREAS, during his thirty-three years of service, Bill has been an integral part of the District, providing support to colleagues across all departments; and

WHEREAS, During his tenure with the District, Bill has adapted to significant changes in his profession, developing his skills to keep pace with new technology and standards -- replacing a drafting pencil with a computer mouse; and

WHEREAS, in 2008, when the District's Engineer was promoted to General Manager, Bill stepped in and filled the void and began to develop preliminary sewer and water improvement designs; and

WHEREAS, Bill's advanced drafting and design skills have benefited ratepayers directly, allowing the District to forgo the expense of contracting with outside engineering firms, providing quick and detailed designs that meet the District's standards, and

WHEREAS, Bill accomplished a goal many other agencies desire, a fully complete water and sewer system map, allowing the District to respond quickly in emergencies, reducing system downtime and service interruptions, and supporting better capital planning by giving the District complete information to be able to prioritize replacement projects, and

WHEREAS, Bill is the District's most tenured employee, and serves as a living encyclopedia and almanac of District projects, history, and culture, and

WHEREAS, the Humboldt Community Services District, its customers, staff and Board of Directors have benefited from Mr. Bitner's reliable participation, consistent high quality of work, knowledge of the District's system, knowledge of the District's Standard Plans and Specifications, and commendable work ethic.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Humboldt Community Services District, by adoption of this resolution, acknowledges and expresses its appreciation to William W. Bitner III for his service and dedication to the District and further wish him well in his retirement.

(cont.)

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of the Humboldt Community Services District held this 9th day of December, 2025 by the following roll call vote:

AYES:

NOES:

ABSENT:

Michael Hansen, Board President

ATTEST:

Robert Christensen, Board Secretary

RESOLUTION NO. 2025-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HUMBOLDT COMMUNITY SERVICES DISTRICT RECOGNIZING BRIAN D. MCNEILL FOR SERVICE TO THE DISTRICT

WHEREAS, Brian McNeill was first employed by the Humboldt Community Services District on March 18, 2004, as a Water Service - Utility Worker II after serving the community of Loleta as the General Manager and Chief Operator of the Community Services District; and

WHEREAS, Brian advanced in his career with the District and was promoted to a Utility Worker III in September 2007 and became the District's Utility Services Planner on November 1, 2023; and

WHEREAS, during his career with the District, Brian obtained grades 3 and 4 Water Distribution Certifications, grade 2 Water Treatment Certifications, Backflow Testing Certification, and Cross-Connection Test Certification, and served as the District's designated water systems operator; and

WHEREAS, Brian advanced in his career with the District and was promoted to a Utility Worker III in September 2007 and became the District's Utility Services Planner on November 1, 2023; and

WHEREAS, During his employment with the District, Brian has become one of the most recognizable staff members in the District for customers while walking meter routes and later on supervising customer service field staff; and

WHEREAS, Brian has mastered the human side of public service, approaching each interaction with the public with patience, empathy, and calm – possessing a level of customer-service skill that could serve as the curriculum of a master class; and

WHEREAS, in his final two years with the District, when Brian served as the District's Utility Services Planner, he took on more than double the responsibility required by his previous position, developing plans for the District, responding to building referrals, overseeing the Automated Meter Replacement Capital Improvement Program and completing all of the state and federal water reporting requirements for the District; and

WHEREAS, Brian's kindness and effusive collegial nature with his coworkers created a sense of camaraderie that strengthened the workplace and uplifted those around him; and

WHEREAS, the Humboldt Community Services District, its customers, staff, and Board of Directors have benefited from Mr. McNeil's dedication, knowledge, commitment to public service, consistent high-quality work, and commendable work ethic.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Humboldt Community Services District, by adoption of this resolution, acknowledges and expresses its appreciation to Brian D. McNeill for his service and dedication to the District and further wish him well in his retirement.

(cont.)

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of the Humboldt Community Services District held this 9th day of December, 2025 by the following roll call vote:

AYES:
NOES:
ABSENT:

Michael Hansen, Board President

ATTEST:

Robert Christensen, Board Secretary

RESOLUTION NO. 2025-12

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HUMBOLDT COMMUNITY SERVICES DISTRICT RECOGNIZING MARK R. TAYLOR FOR SERVICE TO THE DISTRICT

WHEREAS, Mark Taylor was employed by the Humboldt Community Services District on March 3, 2003, as a Utility Worker I; and

WHEREAS, in less than four years, Mark was promoted to a Utility Worker III, after quickly obtaining grades 1, 2, and 3 Water Distribution Certifications and a commercial driver's license; and

WHEREAS, on July 1, 2014, Mark was promoted to Foreman of the District's Construction Department; and

WHEREAS, during his nearly twenty-three years of service, Mark has been an integral part of the District, providing support to colleagues across all departments; and

WHEREAS, Mark placed a strong emphasis on workplace safety throughout his career, continually training his crew, reinforcing safe practices, and fostering a culture where every employee understood that going home safe at the end of the day was the most important measure of success; and

WHEREAS, Mark played a critical role in completing many of the District's most challenging construction and repair projects, including the Eggert Water Main, Fields Landing Sewer Lift Station rehabilitation, Sequoia Sewer Force Main, Home Drive Sewer Main installation at depths exceeding twenty feet, Dana Tank Slide repairs, Ridgewood/Donna Tank site grading work, and numerous water and sewer main replacements throughout the District's service area; and

WHEREAS, Mark's expertise, workmanship, and leadership significantly improved the District's water and wastewater systems and strengthened the reliability of essential infrastructure serving thousands of residents; and

WHEREAS, Mark set an example of professionalism and accountability for his crew, consistently demonstrating strong problem-solving abilities, a willingness to take on difficult assignments, and a deep commitment to supporting his team in the field; and

WHEREAS, the Humboldt Community Services District, its customers, staff, and Board of Directors have benefited from Mr. Taylor's service, dedication, and commitment to the continuing operations, improvement, and expansion of the District's system.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Humboldt Community Services District, by adoption of this resolution, acknowledges and expresses its appreciation to Mark R. Taylor for his service and dedication to the District and further wishes him well in his retirement.

(cont.)

PASSED, APPROVED, AND ADOPTED at a regular meeting of the Board of Directors of the Humboldt Community Services District held this 9th day of December, 2025, by the following roll call vote:

AYES:

NOES:

ABSENT:

Michael Hansen, Board President

ATTEST:

Robert Christensen, Board Secretary

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: December 9, 2025

AGENDA ITEM: F.4

TITLE: Consideration of Adopting Resolution 2025-13 Approving Property Tax Exchange Related to the North McKay Ranch Subdivision Annexation

PRESENTED BY: Terrence Williams, General Manager

Recommendation:

Consider the property tax exchange proposal that was approved at the County Board of Supervisors' Meeting of December 9, 2025. If acceptable, adopt resolution 2025-13 by motion and roll call vote.

Summary:

On September 18, 2025, HCSD staff received the attached letter from the Interim Humboldt County-Auditor Controller, Mychal Evenson, about property taxes and the annexation of the proposed North McKay Ranch Subdivision. In response, the District's Property Tax Ad Hoc Committee requested a meeting with the Interim Auditor-Controller to negotiate in good faith for property tax sharing. The meeting occurred on October 30, 2025, during which County staff agreed to present the District's request for additional property taxes to the County Board of Supervisors for consideration. The item is agendaized for the December 9, 2025, Board of Supervisors' meeting.

The County has proposed allocating a General Fund amount to HCSD in lieu of a formal property tax-sharing agreement, subject to the annual Board budgeting process. While the immediate fiscal impact of HCSD's requested allocation is currently less than \$200, the North McKay Ranch property will be subdivided, and the agreed-upon allocation rate would apply to each newly created parcel as development occurs. Establishing an appropriate tax share at this stage is critical for long-term fiscal sustainability.

Currently, only approximately 3% of the District's annual budget is derived from property tax revenue. The remaining revenues come from water and sewer services charges, which are legally restricted to supporting the operation and maintenance of the District's water distribution and wastewater collection systems. Property tax revenues, however, are unrestricted and provide the District with flexibility to meet broader community needs, support development, and help maintain affordable rates for existing and future residents. A letter to the County CAO from April 2024 is attached, further explaining why securing an appropriate share of property tax revenue is vital to the District's long-term financial capacity.

A negotiated allocation of property tax revenue also ensures equitable contributions from residents of the North McKay Ranch Subdivision and current residents of the District.

Pursuant to Revenue and Taxation Code §99, the District must take action on this matter at this meeting; otherwise, the negotiation period will expire, and Humboldt LAFCo will proceed with the exchange rate adopted by the County Board of Supervisors. The District followed the necessary procedures to file for an extension, so the negotiation period ends on Monday, December 15, 2025.

LAFCo staff previously notified Humboldt County on August 1, 2025, of the requirement to initiate the property tax exchange process. State law provides that the County has 60 days to complete negotiations, with an optional 30-day extension if needed. Each affected special district involved may negotiate on its own behalf; however, if a district does not adopt a resolution approving the exchange, the County Board of Supervisors is authorized to determine the property tax exchange on the district's behalf. The final exchange must be documented by resolution of the County and must specify how the annual tax increment will be allocated in future years.

Completion of the property tax negotiation process is required before the LAFCo Executive Officer may issue a Certificate of Filing and schedule the annexation for Commission consideration.

Resolution 2025-13 provides options to accept or reject the County's adopted property tax exchange rate. If the HCSD Board of Directors elects to reject the exchange, the application for annexation must be withdrawn and resubmitted to restart negotiations.

Fiscal Impact:

Property tax revenue will impact the District's General Fund annually. At complete build, the District's revenue from the property tax exchange proposed in the County's September 16 letter would be approximately \$15,000 annually. The Property Tax Ad Hoc Committee has advocated for tax sharing at a rate that will produce roughly \$30,000 annually, at full build-out. This is commensurate with the District's current average property tax revenue rate for existing properties within the District.

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

Original sent by US Post

Copy by email to ehayes@co.humboldt.ca.us

April 17, 2024

Elishia Hayes,
County Administrative Officer
Humboldt County
825 5th Street #112
Eureka, CA 95501

RE: Incremental Property Tax

Dear Ms. Hayes:

We are writing to you today to request a meeting to discuss the proposed North McKay Ranch Subdivision Project. The project proponent, Kramer Properties Inc., has been working with Humboldt Community Services District (HCSD or District) staff to develop an application to the Humboldt Local Agency Formation Commission (LAFCo) for the annexation of the properties that the proponent proposes to subdivide and develop.

As I am sure you are aware, there are a number of very large subdivisions that have been proposed to be built within the District sphere of influence over the past several decades. In addition to North McKay Ranch, there are two other McKay Ranch subdivisions, the Forster Gill subdivision, the Winzler subdivision and the Egert Subdivision. The anticipated increase in housing inventory associated with these proposed subdivisions is in the neighborhood of 5,000 new units. Unfortunately, these subdivisions were proposed in the 1990s and 2000s and never built. Responding to pressure from the County to serve these subdivisions, the District has invested heavily in infrastructure, drinking water capacity and wastewater treatment capacity.

As a result of these investments over the past thirty years, the District has developed sufficient drinking water, wastewater transmission and wastewater treatment capacity to serve a population of over 45,000; the District's population has been stagnant at about 20,000 the past two decades. Those 20,000 people have paid millions and millions of dollars to develop infrastructure and maintain capacity to support the County's development without any return on investment. The burden has been borne by the District's rate payers alone and is a direct result of pressure from the County to support these proposed development projects.

Examples of (stagnant) infrastructure investments include:

- 1) Martin Slough Interceptor (MSI) – the District's ratepayers have paid over \$15M plus interest for the Martin Slough Interceptor whose sole benefit to the District is that it has the transmission capacity to double the District's population. The District did not have a wastewater transmission deficit when the MSI was proposed, designed and built. The District still would not have a wastewater

transmission deficit now, if the MSI had not been built. The District's ratepayers have been saddled with the cost of stagnant infrastructure that was installed to help increase the County's housing stock; to help support and serve projected growth in the County.

- 2) Wastewater Treatment Plant – in 1980 when the wastewater treatment plant was built, the District was required to help pay for the construction of a plant that included capacity for over 45,000 District residents. At the time the District had about 15,000 residents. The life expectancy of the treatment plant is about fifty years, the plant was built to support 200% population growth in the District over its lifetime. After 44 years, the District's population has grown, but only by about 20% to 19,551 people.
- 3) Truesdale Pump Station and Primary Drinking Water Transmission Main – The Truesdale Pump Station near the Bayshore Mall, is the District's primary purchase point for drinking water from Humboldt Bay Municipal Water District. The HCSD's primary drinking water transmission main conveys water from Truesdale to the District's primary water storage facility on Walnut Drive near Cutten. These pieces of infrastructure were established in 1970 when the County's population was over 100,000 and the District's population was around 15,000. The station at Truesdale and the primary transmission main were designed and built to support full build out of the District estimated at the time to be a population of 50,000 (over a 200% anticipated population increase). The District built and has been maintaining that infrastructure for over 50 years and has only seen a population increase of about 20% in that timeframe; less than 1/10th of the anticipated population growth.

Examples of unused (un-usable) capacity:

- 1) Since 1980, the District has been responsible for 32.1% of the cost associated with operating and maintaining the Elk River Regional Wastewater Plant; because HCSD owns 32.1% capacity share in the plant. HCSD's average use is about 12% of the wastewater plant because the District's population has been stagnant for the past three decades despite efforts to foster (and even subsidize) development. Approximately 20% of the wastewater treatment plant's capacity is owned and unused (un-useable) by the District.
- 2) During the early 2000s, several developers were interested and actively pursuing development of large subdivisions within the District's boundaries. At the same time, Humboldt Bay Municipal Water District was actively seeking to identify a customer for the final 2-MGD of capacity on the pipeline that serves HCSD and other municipalities in the immediate region including Arcata, Manila, and the Samoa Peninsula. Because of the "imminent growth" at the time, the District

received considerable pressure from the County to purchase that additional capacity from Humboldt Bay Municipal Water District to ensure that HCSD had sufficient capacity to serve those proposed subdivisions. HCSD ratepayers have been paying for that unused (and un-useable) capacity ever since.

Once the proposed McKay Ranch Subdivision is annexed, the District's costs will increase disproportionately to the increase in revenue while the development is built out; which could take 20 to 30 years according to the developer. A couple of factors contribute to this.

1. During the development period, after construction is approved and before houses are built and/or occupied, infrastructure will be installed that the District will have to maintain. The buildout period for the subdivision has been estimated by the project proponent to be 20 or 30 years. During that time the District will not collect revenue from unbuilt, unoccupied homes but will need to maintain infrastructure to supply those homes with drinking water and wastewater services if and when they are ever built. That infrastructure includes; water storage facilities, transmission and distribution mains, gravity and pressure collection system mains, valves, hydrants, blowoffs, and a sewer lift station.
2. The District funds streetlights within the District boundaries. A majority of those streetlights are paid for from the District's general fund whose only revenue comes from property taxes. As a result of a longstanding agreement with the County, the District pays to maintain streetlights at intersections that the County deems necessary.

District policies that are derived from that agreement state that, "The purpose of the District street lighting system is to encourage and promote traffic and pedestrian safety and for the enjoyment of the community where the installation of lights is either required by the County of Humboldt or requested by the residents of a specific area." Further, "required by the County of Humboldt," is clarified in the following statement written into the District's street light policy: "Street lights funded by property taxes collected by the District that are installed after July 1, 1996, shall only be placed at intersections where there is a demonstrated traffic or pedestrian safety need."

As the proposed subdivision is developed, the population will increase and so too will traffic. As traffic increases, so too will accidents, including tragedies like the incident that occurred at the intersection of Elk River Road and Herrick Avenue on March 28, 2022. As more incidents occur, more intersections are likely going to be added to the inventory where the District is responsible for funding street lighting. Additionally, the cost of maintaining and illuminating mandated street

Elishia Hayse
County Administrative Officer
Humboldt County
April 17, 2024
Page 4 of 4

lights within the District has grown significantly over the years and property tax revenue has not kept pace.

The proposed North McKay Ranch subdivision will contribute over 300 new units to the County's housing inventory. Using that round number as an estimate, and assuming that the new housing will sell for an average price of \$500,000 per unit, the subdivision promises to have an assessed value of over \$150,000,000. The County receives 1% of the assessed value annually and allocates (or does not allocate) from that 1%. By this author's estimate, the incremental property tax that the County will receive at full build out of the subdivision will be on the order of \$1,500,000 annually. Before the passage of Proposition 13 in 1978, the District would have been allocated about 2% of the estimated \$1.5M annual revenue that the County will see; or about \$30,000 per year. The District is requesting that the County "share" 2% of the incremental property tax revenue from this and all future development within the District's boundaries.

Property tax share revenue could be used to:

- Offset some of the costs that the District has incurred over the past decades for stagnant infrastructure
- Assist with the capacity charges that the builders heavily criticize the District for increasing
- Create a low-income rate assistance program for District ratepayers to reduce the "exorbitant" rate burden created from infrastructure investments made to support growth that has not yet materialized

We appreciate the County's consideration and support of a tax sharing agreement so the District can move forward with annexation and this development can occur.

Thank you for your consideration, and we look forward to working together to get the North McKay Ranch Subdivision Project moving.

Sincerely,

Humboldt Community Services District

Terrence Williams
General Manager

cc: HCSD Director Michael Hansen (mhansen@humboldtcsd.org)
HCSD Director Heidi Benzonelli (hbenzonelli@humboldtcsd.org)

RESOLUTION NO. 2025-10

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE HUMBOLDT COMMUNITY SERVICES DISTRICT

PERTAINING TO TAX REVENUE EXCHANGE BETWEEN THE HUMBOLDT COMMUNITY SERVICES DISTRICT AND THE COUNTY OF HUMBOLDT NORTH MCKAY RANCH ANNEXATION

WHEREAS, under the provisions of Proposition 13 adopted in 1978, the distribution of property taxes within each county became the responsibility of the County Boards of Supervisors; and

WHEREAS, Proposition 13 failed to make any provision for the redistribution of these taxes as a result of the reorganization of cities and districts within the County; and

WHEREAS, Revenue and Taxation Code Section 99(b) designates the Humboldt County Board of Supervisors as the agency responsible for deciding what sort of property tax revenue exchanges should occur in the case of special district annexations and detachments within the County; and

WHEREAS, Section 99 of the Revenue and Taxation Code requires, before the Local Agency Formation Commission (LAFCO) Executive Officer issues a certificate or filing for a proposed jurisdictional change, that an exchange of property tax revenue be negotiated between the affected agencies; and

WHEREAS, a proposal has been filed with the Humboldt LAFCO Executive Officer to annex seven parcels totaling approximately 81 acres in the community of Cutten known as North McKay Ranch (Attachment 1) into the Humboldt Community Services District; and

WHEREAS, Section 99.01 of the Revenue and Taxation Code provides that when “the jurisdictional change that will result in a special district providing one or more services to an area where those services have not been previously provided by any local agency,” the exchange of property tax among those local agencies shall be limited to property tax revenue from the annual tax increment generated in the area subject to the jurisdictional change and attributable to those local agencies; and

WHEREAS, negotiations have been held between the County of Humboldt and the Humboldt Community Services District.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Humboldt Community Services District:

(Accepts/Rejects) the property tax exchange that has been adopted by the Humboldt County Board of Supervisor’s that provides (0.01061/0.0200) of the

annual property tax increment to the Humboldt Community Services District for the properties being annexed.

PASSED, APPROVED, AND ADOPTED this 18th day of November 2025 on the following roll call vote:

AYES:

NOES:

ABSENT:

Michael Hansen, Board President

ATTEST:

Robert Christensen, Board Secretary



NOTICE OF FILING

DATE: August 1, 2025

TO: Eureka Elementary School District
Eureka Unified School District / Eureka SCID No. 1
Humboldt County Office of Education
Redwoods Joint Community College District
Humboldt No. 1 Fire Protection District (Humboldt Bay Fire Authority)
Humboldt Bay Municipal Water District
Humboldt Bay Harbor, Recreation, and Conservation District
Humboldt County Flood Control District (Zone 05)
Humboldt County Roads (District No. 03)
Humboldt County Resource Conservation District
Humboldt County Office of Education
Humboldt County Administrative Office
Humboldt County Assessor's Office
Humboldt County Auditor-Controller's Office
Humboldt County Sheriff's Office
Humboldt County Elections Office
Humboldt County Environmental Health
Humboldt County Office of Emergency Services
Humboldt County Planning and Building Department
Humboldt County Public Works Department
City of Eureka

Cc: Terrence Williams, Humboldt Community Services District
Kurt Kramer & Travis Green, Kramer Properties Inc.
Mike Wilson, District 3 Supervisor
Rex Bohn, District 1 Supervisor

FROM: Colette Santsche, LAFCo Executive Officer
Krystle Brogna, LAFCo Clerk/Analyst

SUBJECT: APPLICATION RECEIVED – HUMBOLDT CSD NORTH MCKAY RANCH ANNEXATION

APPLICATION INFORMATION

Project: North McKay Ranch Annexation to the Humboldt Community Services District
Location: Cutten; Fern Street at Harrison Avenue – see Exhibit A
APNs: 017-032-003, 017-071-009, 017-072-003, 017-073-007 and 017-073-008
Notice: The above referenced application has been submitted to LAFCo and this notice of filing is being issued in accordance with Government Code Section 56658(b)(1). If you wish to receive a copy of the application and supporting documents, please contact LAFCo staff at colette@humboldtlafrco.org. We request agency comments by **September 1, 2025.**

Proposal Overview

LAFCo has received an application submitted by the Humboldt Community Services District (HCSD or District) requesting annexation of approximately 72.35 acres (5 parcels) of land located adjacent to the District boundary and within its adopted Sphere of Influence (SOI). The proposed annexation would enable the District to extend water, wastewater, and street lighting services to the North McKay Ranch Subdivision—a mixed-use development with up to 320 housing units—located at the eastern terminus of Fern Street in the Cutten area.

Reasons for Proposal

The annexation was initiated by resolution of application of HCSD. The property owner Fairhaven Cottages LLC has requested HCSD expand their jurisdictional boundary to provide water, wastewater, and street lighting services to the following APN's: 017-032-003, 017-071-009, 017-072-003, and 017-073-007. In addition, one parcel associated with the Redwood Empire Little League (APN 017-073-008) owned by Field Committee Corporation is proposed for annexation due to the proximity of the land entirely surrounded by the North McKay Ranch Subdivision Project.

Development of Subdivision

The North McKay Ranch Subdivision consists of seven parcels totaling approximately 81 acres and is proposed to be developed in nine phases. The project includes a mix of residential and commercial uses, with full buildout allowing for up to 320 residential units and approximately 22,000 square feet of commercial space. Residential development would include 50 small-lot single-family homes, 96 standard-lot single-family homes, and 174 multifamily units. An additional 34 accessory dwelling units (ADUs) may also be constructed, bringing the potential total to 354 residential units.

The anticipated residential mix includes 146 single-family homes and 174 multifamily units. Approximately 21.73 acres of the site would remain undeveloped and preserved as open space, to be dedicated to the County for future trail management and public use. The subdivision is expected to be built over a 20-year period, with actual phasing to be determined based on market conditions.

The project also includes a variety of on-site and off-site infrastructure improvements to support development. The subdivision was approved by the Humboldt County Board of Supervisors on March 7, 2023, through a General Plan Amendment, Zoning Reclassification, Tentative Subdivision Map, and Planned Development Permit (County Record No. PLN-9902-GPA).

Provision of Public Services

HCSD will provide water, wastewater, and street lighting services to the annexation area. To accommodate increased service demands associated with the North McKay Ranch Subdivision, the project's Water Supply Assessment identifies several critical infrastructure improvements.

A new 250,000-gallon water storage tank and upsizing of approximately 1,000 feet of existing water main along Walnut Drive (between Holly Street and Cypress Avenue) to 12-inch diameter are required to ensure adequate capacity and fire flow. These improvements will be funded by the project proponent, Kramer Properties, and are incorporated as Conditions of Approval. The water tank must be permitted before building permits are issued for Phase 2 and beyond, and it must be operational prior to final occupancy of any Phase 2 and beyond development.

HCSD currently provides water service to an existing single-family residence on APN 017-071-002, which lies outside the annexation area but is served by infrastructure that traverses the project site. As a condition of approval, HCSD will ensure that this existing service is maintained without interruption during all phases of project construction and implementation.

Wastewater service to the annexation area will require construction of a new sewer lift station in the northeastern portion of the site, also to be developed by the project proponent. In addition, the Hemlock Sewer Transmission Line Project—funded and completed by HCSD—must be in place before wastewater connections can be made for Phase 2 and beyond. Only Phase 1, consisting of three single-family homes on an extension of Manzanita Avenue, may proceed prior to completion of this capital project.

If street lighting services are requested, the developer will establish one or more assessment zones in accordance with HCSD Code. All necessary infrastructure will be installed at no cost to the District, and funding for ongoing services may come from private or other sources.

The annexation area is located within the jurisdiction of the Humboldt No. 1 Fire Protection District and will continue to be served by Humboldt Bay Fire Authority for fire protection and emergency response services.

Property Tax Exchange Agreement

Revenue and Taxation (R&T) Code Section 99 requires that, prior to LAFCo considering jurisdictional changes, a determination must be made regarding the exchange of property tax revenue among the affected local agencies. This ensures that the redistribution of tax revenue reflects changes in service responsibility.

This proposal is subject to the provisions of R&T Code Section 99.01, as it involves the extension of services by a special district to an area where those services have not previously been provided by any local agency. In such cases, the exchange of property tax revenue is limited to the annual tax increment generated within the area subject to the jurisdictional change and attributable to the affected local agencies.

Any special district involved may negotiate on its own behalf; however, if a district does not adopt a resolution approving the exchange, the County Board of Supervisors is authorized to determine the exchange on the district's behalf. The final property tax exchange must be documented by resolution of the County and must specify how the annual tax increment will be allocated in future years.

Completion of the property tax negotiation process is required before the LAFCo Executive Officer may issue a Certificate of Filing for the annexation.

Environmental Review

The North McKay Ranch Subdivision Project was subject to environmental review pursuant to the California Environmental Quality Act (CEQA). An Environmental Impact Report (EIR) was prepared to evaluate the potential environmental effects associated with the proposed development. Both a Draft EIR and Partial Recirculation Draft EIR were circulated for public review and comment, with all responses to comments incorporated into the Final EIR.

On March 7, 2023, the Humboldt County Board of Supervisors certified the Final Environmental Impact Report (SCH# 2019049166), finding that the EIR had been completed in compliance with

CEQA and that it adequately analyzed the environmental impacts of the project. As part of the certification, the Board adopted CEQA Findings of Fact, a Statement of Overriding Considerations, and a Mitigation Monitoring and Reporting Program (MMRP) to ensure implementation of required mitigation measures.

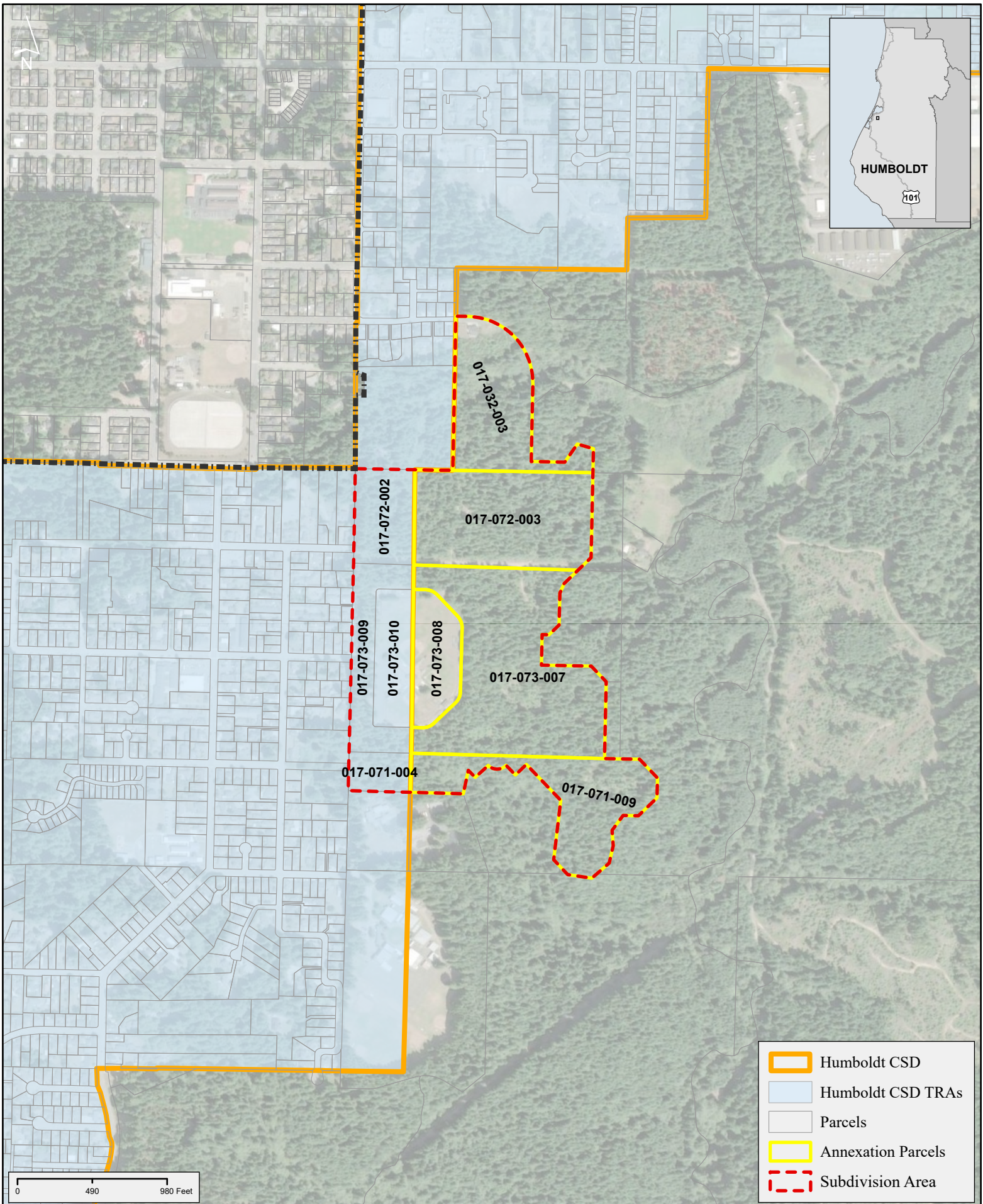
Humboldt LAFCo is a Responsible Agency under CEQA for this project and will rely on the certified EIR during its review and consideration of the proposed annexation.

The application described above is currently pending review by LAFCo and is anticipated to be presented as an informational item at the September 17, 2025, LAFCo meeting. Please review and provide any comments by September 1, 2025.

If you have any questions or would like a copy of the application materials, please contact LAFCo at (707) 445-7508 or via email at colette@humboldtlafo.org.

Exhibit A: Annexation Area Figure

Exhibit B: Plan for Services



PAGE INTENTIONALLY BLANK

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: December 9, 2025

AGENDA ITEM: F.5

TITLE: Consideration of Providing Public Comment to the North Coast Regional Water Quality Control Board on a Proposed Resolution Defining Project Criteria that Would be Eligible as Part of an Exception to the Enclosed Bays and Estuaries Policy (EBEP) Prohibiting Waste Discharges to Humboldt Bay

PRESENTED BY: Terrence Williams, General Manager

Recommendation:

Consider the public comment letter regarding the Regional Board's proposed resolution pertaining to criteria for a project to be eligible to allow for an exception to the Enclosed Bays and Estuaries Policy (EBEP) as applied to the City of Eureka's Elk River Wastewater Treatment Facility.

Summary:

The City of Eureka operates the Elk River Wastewater Treatment Facility that discharges treated effluent into Humboldt Bay. In October, 2023, the Regional Waterboard adopted NPDES Order No. R1-2023-0016 which includes an in-bay discharge prohibition and phase out timeline unless the City can demonstrate compliance with the Enclosed Bays and Estuaries Policy (EBEP). As part of that compliance, the City may be allowed to undergo a project or projects that allow for an exception to the EBEP. Working in collaboration, City and Regional Board staff have identified a set of criteria that would make projects eligible for an exception to the EBEP. The Regional Board's Draft Resolution No. R1-2026-0005 (included in this packet for your review) contemplates those criteria. District staff have prepared a public comment letter (also included in this packet for review) to send to the Regional Board ahead of the meeting where Draft Resolution No. R1-2026-0005 will be considered. Please review the letter and authorize the General Manager to sign the letter on behalf of the District by motion and roll call vote.

Fiscal Impact:

The project development and associated operation and maintenance will have unknown ongoing impacts to the District's finances per the Wastewater Agreement with the City of Eureka.

PAGE INTENTIONALLY BLANK

North Coast Regional Water Quality Control Board

California Regional Water Quality Control Board North Coast Region Resolution No. R1-2026-0005

Project Criteria for an Exception to the Enclosed Bays and Estuaries Policy Prohibiting Waste Discharges to Humboldt Bay

Humboldt County

WHEREAS the California Regional Water Quality Control Board, North Coast Region, (hereinafter "Regional Water Board") finds that:

1. The City of Eureka (Permittee) owns and operates the Elk River Wastewater Treatment Plant (Facility) that was commissioned in June of 1984. The Facility discharges secondary treated effluent via a 48-inch diameter pipe, 4,100 feet in length, and equipped with a multiple port diffuser to Humboldt Bay, an enclosed bay, and a water of the United States.
2. The State Water Resources Control Board (State Water Board) adopted Resolution No. 74-43, the *Water Quality Control Policy for the Enclosed Bays and Estuaries of California* (Policy), on May 16, 1974. The Policy established, "that the discharge of municipal wastewaters and industrial process waters to enclosed bays and estuaries (other than the San Francisco Bay-Delta system) should only be allowed when a discharge enhances the quality of the receiving water above that which would occur in the absence of the discharge." The Policy statement is implemented in a Discharge Prohibition contained in the Policy that states: "New discharges of municipal wastewaters and industrial process waters (exclusive of cooling water discharges) to enclosed bays and estuaries, other than the San Francisco Bay-Delta system, which are not consistently treated and discharged in a manner that would enhance the quality of the receiving waters above that which would occur in the absence of the discharge, shall be prohibited." The North Coast Water Board Basin Plan also incorporates the prohibition provisions contained in the Enclosed Bays and Estuaries Policy.

3. In 1979, the State Water Board held a fact-finding hearing on the application of the Enclosed Bays and Estuaries Policy to waste discharges to Humboldt Bay. Following the hearing, the State Water Board adopted Order WQ 79-20. As specifically applied to Humboldt Bay, the State Water Board interpreted the enhancement provision of the Bays and Estuaries Policy to require: (1) full secondary treatment, with disinfection and dechlorination, of sewage discharges; (2) compliance with any additional NPDES permit requirements issued by the Regional Board to protect beneficial uses; and (3) the fuller realization of existing beneficial uses or the creation of new beneficial uses either by or in conjunction with a wastewater treatment project.
4. Historically, the Facility has discharged on the ebb tide to ensure that wastewater was conveyed to the Pacific Ocean. Regional Water Board Resolution No. 80-10 concluded that the discharge to Humboldt Bay during ebb tide effectively classifies the discharge as an ocean discharge, rather than a discharge to an enclosed bay. On November 20, 1980, the State Water Board adopted Resolution No. 80-87 approving the ebb tide discharge concept as consistent with the requirements of the Policy.
5. National Pollutant Discharge Elimination System (NPDES) Order No. R1-2009-0033 required the Permittee to perform an effluent discharge study to assess the transport and fate of pollutants discharged from the Facility as well as the potential impacts to beneficial uses associated with the ebb-tide discharge. In compliance with Order No. R1-2009-0033, on January 8, 2014, the Permittee submitted the Effluent Discharge Study for the Elk River Wastewater Treatment Plant (2014 Effluent Discharge Study). The study utilized two models to simulate effluent transport:
 - 1) Advanced circulation (ADCIRC) as the primary model to predict currents within the Humboldt Bay that are the dominant mechanism of conveying effluent out to the ocean; and
 - 2) Particle tracking model (PTM) as a secondary model to track particles of effluent released by the Facility (utilizing currents predicted by ADCIRC).

For baseline simulations, discharges began at slack tide and continued through the designated discharge window. Simulations were then conducted to determine the fate of effluent discharged under various tidal and Facility flow conditions. The 2014 Effluent Discharge Study modeling analysis shows that under all simulations the effluent is never completely conveyed to the ocean, and under certain conditions up to 90% of the effluent remains in Humboldt Bay.

Thus, the findings of the original studies used to support Resolution Nos. 80-10 and 80-87 that concluded the Facility's discharge was effectively an ocean discharge are contradicted by the 2014 Effluent Discharge Study results. Based on the conclusions of the 2014 Effluent Discharge Study, the discharge is not consistent with the findings of Resolutions 80-10 and 80-87 since a significant portion of the Facility's effluent remains in Humboldt Bay.

During development of Order No. R1-2016-0001, Regional Water Board staff (Staff) determined that the 2014 Effluent Discharge Study was representative of current conditions and more accurately describes the discharge as compared to the original studies. Consequently, the Regional Water Board determined that the discharge does not qualify as an ocean discharge subject to the Ocean Plan but rather a bay discharge subject to the Enclosed Bays and Estuaries Policy.

6. NPDES Order No. R1-2023-0016 (Permit) was adopted by the North Coast Regional Water Board (Regional Water Board) on October 5, 2023. The Permit includes Discharge Prohibition 3.1 that states, "The discharge of waste to Humboldt Bay is prohibited unless it complies with the State Water Board, Water Quality Control Policy for the Enclosed Bays and Estuaries of California (1974, 1995)."
7. As part of a Permit Compliance Schedule for meeting Discharge Prohibition 3.1, the Permit requires, in part, the Permittee to submit for Executive Officer review and approval a Feasibility Study, with funding sources, that provides a detailed description of the alternatives analyzed and the preferred alternative for complying with the Enclosed Bays and Estuaries Discharge Prohibition.
8. The remainder of the Permit Compliance Schedule for Discharge Prohibition 3.1 includes requirements to make the Feasibility Study available for public comment to all interested parties, submittal of design milestones, submittal of documentation as necessary to complete the California Environmental Quality Act, and submittal of written verification and an electronic copy of complete design plans and specifications for construction.

Compliance Schedule for Discharge Prohibition 3.1

Task	Task Description	Due Date
1	Develop a scope of work and budget (Planning funds, Alternatives Analysis and Preferred Project) to fund a Feasibility Study to comply with Discharge Prohibition 3.1 of this Order.	April 1, 2024
2	Submit a Feasibility Study, including funding sources. The Feasibility Study shall provide a detailed description of the alternatives analyzed and the preferred alternative for complying with Discharge Prohibition 3.1. of this Order. Furthermore, the Feasibility Study shall be made available for public comment to all interested parties.	October 1, 2026
3	Submit, for Executive Officer review and approval, a Feasibility Study Final Report with a Preferred Alternative for compliance with Discharge Prohibition 3.1. of this Order.	October 1, 2029
4	Submit a 10% design of the preferred alternative.	December 1, 2031

5	Submit an Environmental Impact Report (EIR) or other documentation as necessary to complete the California Environmental Quality Act (CEQA) process for the Preferred Alternative	December 1, 2032
6	Procure and submit copies of all permits necessary to implement the Preferred Alternative (i.e. Coastal Commission, Army Corps of Engineers, Calif. Dept. of Fish and Wildlife, Regional Water Board, etc.)	December 1, 2033
7	Secure funding for implementation of the preferred alternative (construction, etc.) to comply with Discharge Prohibition 3.1. of this Order.	December 1, 2034
8	Submit an electronic copy of 90% design plans and specifications for the Preferred Alternative.	December 1, 2036
9	Submit written verification and an electronic copy of complete design plans and specifications for construction of the Preferred Alternative	December 1, 2037
10	Complete construction of the Preferred Alternative which complies with the Enclosed Bays and Estuaries Policy (Discharge Prohibition 3.1.), submit as-builts of the completed project, and achieve compliance with all Regional Water Board waste discharge requirements	December 31, 2042

9. The State Water Board's Policy for Enclosed Bays and Estuaries (Policy) requires phasing out municipal and industrial wastewater discharges to bays such as Humboldt Bay unless they enhance water quality. Per the Policy, discharges must remove persistent pollutants to the maximum extent practicable, prevent untreated bypasses, minimize pollutant concentrations through effective treatment and dilution, and protect beneficial uses, including fisheries, recreation, and wildlife habitat.

10. In Order WQ- 79-20, the State Water Board interpreted the Policy in the specific context of Humboldt Bay with respect to the City of Arcata and potential application to the City of Eureka. Per Order WQ-79-20, "... it appears that there are projects, such as Arcata's marsh treatment proposal, which could potentially result in the fuller realization of existing beneficial uses and, hence, in a positive water quality benefit for the Bay". The State Water Board determined that, as applied to Humboldt Bay, "enhancement" of water quality associated with a Bay wastewater discharge may be demonstrated through: (1) full secondary treatment, with disinfection and dechlorination, of the discharge; (2) compliance with any additional NPDES permit requirements issued by the Regional Board to protect Beneficial Uses; and (3) the fuller realization of Existing Beneficial uses or the creation of new Beneficial Uses either by or in conjunction with the wastewater treatment project. The State Water Board acknowledged: "there is a reasonable probability that dischargers to Humboldt Bay could, through projects implemented in conjunction with a Bay wastewater treatment discharge, achieve compliance with the Policy.

Previous Alternative Analysis and Special Studies

The City has previously investigated the possibility of an Ocean Outfall and also performed studies to determine potential impacts to beneficial uses from their discharge to Humboldt Bay and initiated a mixing zone study for ammonia toxicity. A summary of those studies is listed below.

11. On July 12, 2021, the Permittee submitted an Ocean Outfall Evaluation. The Permittee examined the feasibility of three alternatives for ocean discharge which included discharging treated effluent through the existing Redwood Marine Terminal (RMTII) outfall, the Simpson outfall, or a new ocean outfall.

The key findings from the evaluation are:

- Discussions with the Humboldt Bay Harbor, Recreation and Conservation District (Harbor District) indicate the City cannot obtain a commitment from the Harbor District for the required capacity to ensure long-term operations. The Harbor District owns and operates the Ocean Outfall that is located on the Samoa Peninsula. The Harbor District indicated the outfall capacity of RMTII is approximately 30 million gallons per day (MGD). Current uses and planned commitments to the RMTII outfall sum approximately 13 MGD, which leaves only 17 MGD of uncommitted capacity.
- The ocean discharge alternative would considerably increase the City's greenhouse gas emissions to move water across the Bay, by approximately 308,000 pounds of CO₂ equivalent per year.
- Construction of the Bay crossing would have a significant footprint and potentially significant environmental impacts.

- Per an analysis completed in May 2025, projected capital costs for a new three-segment pipeline that would run from the Facility to the Samoa Peninsula and discharge to the Pacific Ocean has a cost range of \$176,630,500 for a depth of 42 feet and \$210,630,500 for a depth of 79 feet.

Costs and environmental impacts will be updated and included in the Feasibility Study Report that is due on October 1, 2026, as a requirement of the compliance schedule in the Permit.

12. The Permittee submitted a Biological Survey in August 2019 as required by NPDES Order No. R1-2016-0001. The Biological Survey included a comparative evaluation of indigenous biota in the vicinity of the outfall using a qualified aquatic biologist to determine if there have been any negative impacts to aquatic life in the area of the outfall due to the discharge.

To assess adverse impacts of the discharge, the Biological Survey compared marine macroalgae (seaweeds) and invertebrate species in the immediate vicinity of the Permittee's outfall with marine macroalgae and invertebrate species in a control site located two miles south at Buhne Point. The Survey found that the two study areas share similar habitat traits, including rock armoring substrate size and type, salinity (marine), tidal influence, and proximity to the Humboldt Bay entrance channel.

The relative abundance of ecologically important organisms was estimated using fixed plots in targeted assemblages during low tide events in the spring and fall. Surveys included photoplot imaging from a quadropod, crab trapping, and hook and line fish sampling. Surveys occurred on June 26, 2018, November 8, 2018, November 9, 2018, March 17, 2019, March 18, 2019, and March 19, 2019. Additional observations of habitats and species present in the study and control sites were recorded.

No floating particulates, grease, discoloration of water or crustaceans, or observations of an objectionable nature were observed during plot surveys, vessel-based crab trapping, hook and line sampling or travel to and from sites. This study found no evidence that suggested degradation of biota in the receiving waters from the Permittee's discharge.

13. On November 1, 2021, the Permittee submitted a technical memorandum entitled, "Enclosed Bays and Estuaries Compliance Feasibility Study: Evaluation of Ammonia Toxicity during Elk River Wastewater Effluent Mixing in Humboldt Bay" (Memo). The Memo presents analyses to evaluate possible ammonia toxicity from the effluent discharged by the Permittee as it mixes in Humboldt Bay.

PG Environmental (PG) was under contract with the Regional Water Board to provide assistance in drafting the new Permit for the City of Eureka and to provide technical analysis of the Permittee submitted documents. Therefore, Staff sent the Memo to PG to review and advise the Regional Water Board whether the discharge from the Elk River Wastewater Treatment Plant (Facility) may receive a dilution

credit for ammonia and other non-bioaccumulative substances. Based on PG's review, the dilution modeling documented in the Memo demonstrates that ammonia concentrations in the Facility's effluent exceed applicable criteria at the end of pipe but achieve compliance after reasonable mixing in Humboldt Bay (31:1 dilution). Accordingly, the study provides the technical basis for granting a dilution credit under the State Implementation Policy. Regional Water Board staff concur with PG's findings and consider the analysis adequate to support the inclusion of dilution credits for ammonia and other non-bioaccumulative substances in the Permit.

Criteria for Potential Exception to the Enclosed Bays and Estuaries Policy

14. The Regional Water Board must continually apply and interpret the Policy in light of existing conditions in Humboldt Bay. To grant an exception under the Policy related to a wastewater discharge to Humboldt Bay, the Regional Water Board must find that projects not only maintain compliance with the principles established by the State Water Board but also incorporate measures that improve water quality and protect beneficial uses. Such projects should demonstrate multiple benefits, such as habitat restoration, adaptation to variable climatic conditions and the impacts of climate change, pollutant reduction, and infrastructure improvements that reduce risks to Humboldt Bay and its communities.

Consistent with the State Water Board's interpretation of the policy as expressly applied to Humboldt Bay, an eligible exception project or combination of projects must meet the following criteria:

14.1. Protection and the Fuller Realization of Beneficial Uses

Projects must support the protection of existing Beneficial Uses and provide for the fuller realization of existing Beneficial Uses or create new Beneficial Uses in or around Humboldt Bay. The existing Beneficial uses of Humboldt Bay include the following: Water Contact Recreation (REC-1), Non-Water Contact Recreation (REC-2), Commercial and Sport Fishing (COMM), Aquaculture (AQUA), Cold Freshwater Habitat (COLD), Marine Habitat (MAR), Wildlife Habitat (WILD), Preservation of Rare, Threatened, or Endangered Species (RARE), Migration of Aquatic Organisms (MIGR), Spawning, Reproduction and/or Early Development (SPWN), Shellfish Harvesting (SHELL), Estuarine Habitat (EST), Subsistence Fishing (FISH); Navigation (NAV); Inland Saline Water Habitat (SAL); Wetland Habitat (WET); Water Quality Enhancement (WQE) and Native American Culture (CUL.) Eligible projects would support Beneficial Uses within the Bay and provide for the fuller realization of Beneficial Uses in locations where the use is only marginally supported or create beneficial uses in locations where they are not currently supported. Eligible projects could also protect Beneficial Uses based upon existing conditions of Humboldt Bay and preserve Beneficial Uses that may be threatened or predicted to experience loss or reduction within Humboldt Bay.

The Regional Water Board anticipates that the following classes of projects may create, or further enhance, support, or protect Beneficial Uses:

Climate Adaptation and Resilience

- 14.2. Projects that support adaptation to the impacts of storm surge and sea level rise and associated impacts of climate change. Portions of the shoreline and landward areas of the Bay are increasingly exposed to storm surge and coastal flooding, an indicator of sea level rise, and other climate-related impacts. Tectonic subsidence combined with sea level rise results in Humboldt Bay experiencing the highest rates of sea level rise across the Western United States. Projected rates of sea level rise for Humboldt Bay are doubled when compared to other California coastal communities. The impacts of sea level rise are compounded by the increased frequency of more extreme weather events in the North Coast. These changes threaten existing Beneficial Uses and critical infrastructure. Potential projects may include relocation or protection of vulnerable infrastructure (including wastewater infrastructure) or projects that promote resilience to the impacts of storm surge, coastal flooding, and sea level rise and thereby allow for the fuller realization of Beneficial Uses in Humboldt Bay.
- 14.3. The focus of most sea-level rise research and vulnerability and planning studies have been on the impacts of tidal flooding and inundation from rising sea levels and higher storm surge. However, low-lying areas around Humboldt Bay are not only threatened by overtopping of shoreline barriers by tides, but also by reduced stormwater drainage capacity, especially when rainfall events coincide with high ocean water levels. As a result, sea level rise adaptation will be more complex and varied than solely relying on elevation and fortification of tidal barriers. Projects may therefore include reengineering of drainage and stormwater conveyance infrastructure or restoration of streams and other waterways draining to the Bay.
- 14.4. Projects may address adaptation to climate change and sea level rise by improving or relocating infrastructure, protecting in-place, managed retreat of infrastructure and/or implementing nature-based solutions or hybrid approaches.
- 14.5. Projects that adapt to the impacts of sea level rise by utilizing nature-based solutions such as living shorelines, horizontal levees, eco-tone slopes, or wetland or marsh habitat enhancement can attenuate wave energy, reduce erosion, improve water quality, and enhance Beneficial Use support.

Habitat Restoration and Creation

- 14.6. Projects that create and restore wetlands to improve Humboldt Bay water quality, increase resilience, and support estuarine and aquatic habitats¹

¹ In Order WQ-79-20 the State Water Board explicitly listed wetlands enhancement and/or restoration as a potential exception project: "Eureka, for example, might want to

- 14.7. Projects that include wetlands and other features at the end of the treatment processes to provide effluent polishing and enhance beneficial uses while also adding or enhancing wetland habitat at the end of the treatment process for polishing of effluent.

Where feasible, projects that restore natural hydrologic features such as stream corridors, groundwater recharge areas, floodplains, and wetlands.

- 14.8. Part of Humboldt Bay and its shoreline were once blanketed by salt marsh. Historically, the low-lying alluvial areas, such as the Elk River Slough hydrographic area and the Eureka Slough hydrographic area to the north were predominately salt marsh with a network of tidal channels. The urban waterfront area west of Broadway and A Street were also historically salt marsh and windblown sand deposits overlaid on tidal mudflats or salt marsh. At the turn of the century, and over many decades of development, it is estimated 80-90% of salt marsh was lost in Humboldt Bay. Today, with some exceptions resulting from significant fill, these former regions of salt marsh and low-lying sand deposits are within the current floodplain, and vulnerable to increased extent, frequency, and severity of flooding in the future with sea level rise. Projects that re-establish historic salt marsh areas, or create new salt marsh areas, would allow for the fuller realization of Beneficial Uses.

Removal of Legacy Pollutants Impacting the Bay

- 14.9. Projects that remove legacy pollutants (pollutants outside the responsibility of the City of Eureka) impacting the Bay would allow for the fuller realization of Beneficial Uses. Humboldt Bay tidal waters include portions of shoreline where historic legacy uses included heavy industrial and commercial trades adjacent to the Bay. These areas are now experiencing or are threatened by tidal inundation and thereby impact water quality of Humboldt Bay. The Bay is listed on the 2012 California section 303(d) list for water bodies impaired by Dioxin Toxic Equivalents and polychlorinated biphenyl compounds (PCB). Examples of legacy pollutants to be removed or remediated may include dioxin toxic equivalents, polychlorinated biphenyl (PCB), petroleum hydrocarbons, volatile organic compounds (VOCs), pentachlorophenol (PCP), other semi-volatile organic compounds (SVOCs), furans and metals such as arsenic, cadmium, lead, vanadium and zinc. These pollutants may be found in site soils, groundwater or structures such as creosote piles. Projects that remove or remediate these legacy pollutants would enhance Bay water quality.

Disadvantaged Communities and Public Health

consider the restoration of some existing wetlands or the creation of some marsh adjacent to or near the Bay.”(Order WQ-79-20 p.11.)

- 14.10. Projects that implement measures to provide access to clean water and public health, safety and welfare for disadvantaged communities. The shoreline area of Humboldt Bay includes many disadvantaged communities whose access to clean water, public services and general health, safety and welfare are threatened by sea level rise and climate change. These include, but are not limited to, mobile home parks and similar residential uses. Projects that help to mitigate risks to these communities would assist in maintaining and providing these communities with continued access to clean water and public services.
- 14.11. Projects that sewer unsewered areas around Humboldt Bay. Sewer projects will need to demonstrate effectiveness and pollutant removal that would be otherwise discharged without expanding sewer service to unsewered areas.
15. The Permittee has previously analyzed the potential for discharge via an Ocean Outfall. Based on the Findings above, the Permittee believes that discharge via an Ocean Outfall is not feasible based on cost of compliance and environmental impacts associated with drilling under Humboldt Bay to create a new Ocean Outfall. The Permittee also asserts that studies conducted thus far (Biological Survey, Ammonia Study) do not reflect that the discharge is causing and/or threatening to cause harm to Humboldt Bay beneficial uses. The Permittee will build upon the previous studies to conduct a new Alternatives Analysis that is due October 1, 2026. The updated Alternatives Analysis is necessary to add important information to the previous study and determine the most feasible method that achieves compliance with the Enclosed Bays and Estuaries Policy.

A project that meets the criteria listed in the findings above has the potential to reduce the cost of compliance and associated increase to rate payers, remove legacy pollutants from Humboldt Bay, enhance and maintain beneficial uses in a changing environment due to sea level rise and climate related impacts.

RESOLUTION

THEREFORE it is hereby resolved that:

The Regional Water Board determines that projects that create, enhance, or further protect beneficial uses would generally be consistent with an exception to the Enclosed Bays and Estuaries Discharge Prohibition. The City of Eureka may consider the classes of projects included in this resolution as it proposes projects for the Regional Water Board to consider as means for complying with Discharge Prohibition 3.1. in NPDES permit Order No. R1-2023-0016.

CERTIFICATION

I, Valerie M. Quinto, Executive Officer, do hereby certify that the foregoing is a full, true, and correct copy of a Resolution adopted by the California Regional Water Quality Control Board, North Coast Region, on February 18-19, 2026.

Valerie M. Quinto

Executive Officer

251106_Eureka_Resolution_Draft

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

December 9, 2025

Mr. Justin McSmith
Regional Water Quality Control Board., North Coast Region
5550 Skylane Blvd., Suite A
Santa Rosa, CA 95405

RE: Comments on Draft Resolution No. R1-2026-0005

Dear Mr. McSmith,

The Humboldt Community Services District (District) respectfully submits this letter of public comment to the North Coast Regional Water Quality Control Board (Regional Waterboard) regarding proposed Resolution No. R1-2026-005 "Project Criteria for an Exception to the Enclosed Bays and Estuaries Policy Prohibiting Waste Discharge to Humboldt Bay" (Resolution). The District supports the adoption of this Resolution as it provides clarity and documents consensus from the Regional Waterboard regarding criteria for projects that would be eligible as part of an exception to the Enclosed Bays and Estuaries Policy (EBEP) as applied to Humboldt Bay.

Of particular interest to the District is item 14.11 regarding projects that sewer unsewered areas around Humboldt Bay. The District serves approximately 8,000 water connections and 6,500 sewer connections. This criterion creates an opportunity for the District to directly collaborate on the project to establish an exception to the EBEP for the Elk River Wastewater Treatment Facility discharge while also seeking environmentally sustainable solutions for progress toward the long-term District goal of providing sewer services to all District residents.

This letter was considered and approved by the Humboldt Community Services District's Board of Directors at their December 9, 2025 board meeting.

Sincerely,

Terrence Williams, General Manager
Humboldt Community Services District

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: December 9, 2025

AGENDA ITEM: F.6

TITLE: Consideration of Providing Public Comment to the Humboldt Bay Harbor, Recreation, and Conservation District on the Notice of Application for the Elk River Estuary Restoration Project from CalTrout

PRESENTED BY: Terrence Williams, General Manager

Recommendation:

Consider the public comment letter regarding the project application to the Humboldt Bay Harbor, Recreation, and Conservation District for the Elk River Estuary Restoration Project from CalTrout.

Summary:

CalTrout has submitted a project application to the Humboldt Bay Harbor, Recreation, and Conservation District (HBHRCD) for the Elk River Estuary Restoration Project. The HBHRCD has provided HCSD with notification of a public comment period for the project (included in this packet). District staff have prepared a public comment letter for HBHRCD regarding the project (also included in this packet for review). This project is of particular interest to the District because the District owns property that may be impacted by the project (parcel number 302-181-028-000). The District also maintains a drinking water transmission main that traverses the project area. District staff periodically require access to the transmission main for operation and maintenance purposes. Depending on the design and execution, the project could impede the District's access to the transmission main. The public comment letter requests that the HBHRCD ensure that the project proponents continue to collaborate with the District and consider the District's need to access the transmission main during the development and construction of the project.

Fiscal Impact:

Unknown

COMMISSIONERS:

1st Division: Aaron Newman
2nd Division: Greg Dale
3rd Division: Stephen Kullmann
4th Division: Craig Benson
5th Division: Jack Norton

Humboldt Bay
Harbor, Recreation and
Conservation District
(707) 443-0801
P.O. Box 1030
Eureka, California 95502-1030



November 18, 2025

**HUMBOLDT BAY HARBOR, RECREATION, AND CONSERVATION DISTRICT
NOTICE OF APPLICATION**

NOTICE IS HEARBY GIVEN that California Trout (CalTrout) has applied for a permit from the Humboldt Bay Harbor, Recreation and Conservation District for the Elk River Estuary Restoration Project - Planning Area 1 (Permit Application 2025-05). This notice is being given consistent with District Ordinances and the Harbors and Navigation Code. Staff will follow standard procedures to review and evaluate the project. Following that analysis, the permit will go before the Board for a decision.

The Project is one phase of a broader watershed-scale initiative to improve water quality and rehabilitate critical habitats for salmonids and other estuarine species in the Elk River watershed. Approximately 206 acres of the total 857-acre Planning Area 1, is tidally influenced. Developed through the Elk River Watershed Stewardship Program, the Project seeks to restore ecosystem function, reduce nuisance flooding, and rehabilitate habitat for threatened and endangered fish species. The Project also expands riparian habitat and improves the overall ecosystem health in the Elk River. In addition to ecological benefits, the Project includes public access improvements such as new trails, wildlife viewing platforms, and non-motorized boat launches to support recreation, education, and community engagement.

The Project includes removing or upgrading drainage infrastructure, reducing or removing levees, breaching an abandoned railroad grade, restoring tidal sloughs and creek channels, and improving their connectivity to the mainstem. It also creates backwater features for seasonal waterfowl and winter salmonid rearing habitat, manages invasive vegetation, expands native plant communities, and recontours portions of the floodplain to guide winter flows across the floodplain and back into the slough channel network.

The exact location and nature of the proposed project are on file in the Humboldt Bay Harbor, Recreation and Conservation District office, 601 Startare Drive, Woodley Island Marina, Eureka, CA 95501 and <https://humboldtbay.org/public-notices-announcements-information>. Interested parties are invited to submit in writing any comments relative to the proposed activity to the District office or to districtplanner@humboldtbay.org. Written comments should be submitted no later than thirty (30) days from the date of this notice.

Humboldt Community Services District

Dedicated to providing high quality, cost effective water and sewer service for our customers

December 9, 2025

Mr. Chris Mikkelsen

Humboldt Bay Harbor, Recreation, and Conservation District

601 Startare Drive

Eureka, California 95501

RE: Comments on Elk River Estuary Restoration Project

Dear Mr. Mikkelsen,

The Humboldt Community Services District (HCSD) respectfully submits this letter of public comment to the Humboldt Bay Harbor, Recreation, and Conservation District (HBHRCD) regarding the Elk River Estuary Restoration Project proposed by California Trout (CalTrout). HCSD supports the approval of this project and the greater initiative to improve water quality and rehabilitate critical habitats for salmonid and other estuarine species in the Elk River Watershed.

HCSD owns real property, infrastructure assets, and easements within the project footprint and wishes to maintain access and control over these holdings. Specifically, assessor's parcel number 302-181-028-000 is wholly owned by HCSD, as well as a drinking water transmission main that traverses the proposed project area (Figure 1). Figure 1 shows the conceptual project and includes linework showing the approximate alignment of the District's transmission main. CalTrout has coordinated with the District in the development of the conceptual design. The District would like to facilitate ongoing collaboration with project proponents and ensure that the District maintains access to District property and the transmission main for operations and maintenance.

This public comment letter was considered and approved by the Humboldt Community Services District's Board of Directors at their December 9, 2025 meeting.

Sincerely,

Terrence Williams

General Manager

Humboldt Community Services District



Figure 1: Conceptual design of the proposed Elk River Estuary Recovery Project as imagined by CalTrout. The image shows the existing HCSD drinking water transmission main that crosses the project area.