



**HUMBOLDT COMMUNITY SERVICES DISTRICT  
BOARD OF DIRECTORS  
REGULAR MEETING**

**AGENDA**

**DATE: Tuesday, February 24, 2026**

**TIME: 5:00 p.m.**

**LOCATION: 5055 Walnut Drive, Eureka, CA**

Teleconference locations: 5055 Walnut Drive, Eureka, CA  
1010 Northgate Drive, San Rafael, CA

*The HCSD Boardroom is open to the public during the open session of the meeting. 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 (zoom.us) by entering Meeting ID 388 963 6754 and Passcode 202520. Access may also be via telephone 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 February 24, 2026, Meeting Agenda *Pgs. 1-2*
2. Approval of Minutes of the Regular Meeting of February 10, 2026 *Pgs. 3-6*

**D. REPORTS**

1. General Manager *Pgs. 7-11*
  - a) District Update
2. Finance Department *Pgs. 13-22*
  - a) January 2026 Budget Statement *Pgs. 23-24*
  - b) 2025 Discontinuation of Service Report
3. Engineering *Pgs. 25-26*
  - a) Update
4. Planning

a) Update

*Pgs. 27-28*

5. Legal Counsel

6. Director Reports

## **E. PUBLIC PARTICIPATION**

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, and limit their communications to 3 to 5 minutes. After all oral communications, the Board or staff may briefly respond to comments with information; however, the Brown Act prohibits discussion of matters not on the published agenda. Matters requiring discussion or action will be placed on the agenda of a future meeting.

## **F. NEW BUSINESS**

1. Consideration of Approving the Redwood Region Economic Development Commission Amended and Restated Joint Powers Agreement *Pgs. 29-39*
2. Public Notice on the Status of Vacancies and Recruitment and Retention Efforts *Pgs. 41-45*
3. Consideration of Appointing an Ad Hoc Committee to Assist with Fiscal Year 2026/27 Employee Wage and Benefit Negotiations and Revisions to the HCSD Personnel Policies & Procedures Manual *Pgs. 47-48*
4. Consideration of Letter of Support for McKinleyville Community Services District Membership on Humboldt County Association of Governments' (HCAOG) Technical Advisory Committee (TAC) *Pgs. 49-52*

## **G. CLOSED SESSION**

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

## **H. ADJOURNMENT**

Next Res: 2026-02

Next Ord: 2026-01

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](mailto:asm@humboldtcsd.org). Notification 48 hours before the meeting will enable the District to make reasonable arrangements to ensure accessibility for this meeting (28 CFR 35.102–35.104, ADA Title II).

Pursuant to CA Govt §54957.5(a), 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 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, February 10, 2026, at 5055 Walnut Drive, Eureka, California, with public participation available via Zoom tele/video conference

**A. CALL TO ORDER AND ROLL CALL**

Vice President Benzonelli called the meeting to order. Present upon roll call: Directors Benzonelli, Gardiner, Hansen (Remote), and Matteoli. Staff in attendance: General Manager Williams (GM), Finance Manager Montag (FM), Utility Services Planner Rodriguez (USP), Assistant Engineer Rawal (AE), and Legal Counsel Plotz (LC).

Director Hansen joined the meeting remotely via Zoom and requested to participate by teleconference due to emergency circumstances under the provisions of California Government Code § 54954.2(b)(4) and noted that he was ill and could not attend in person.

**IT WAS MOVED BY DIRECTOR RYAN, SECONDED BY DIRECTOR GARDINER, TO APPROVE DIRECTOR HANSEN'S PARTICIPATION IN THE MEETING UNDER CALIFORNIA GOVERNMENT CODE § 54954.2(b)(4) DUE TO EMERGENCY CIRCUMSTANCES INVOLVING ILLNESS. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:**

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

Director Hansen noted that no other individuals were in the room where he was teleconferencing.

**B. PLEDGE OF ALLEGIANCE**

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

**C. CONSENT CALENDAR**

1. Approval of February 10, 2026, Meeting Agenda
2. Approval of Minutes of the Regular Meeting of January 27, 2026

**IT WAS MOVED BY DIRECTOR RYAN, SECONDED BY DIRECTOR MATTEOLI, TO APPROVE THE FEBRUARY 10, 2026, 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 reported on two promotions. Noal Altic was promoted from a Utility Worker I to Utility Worker II. Susan Chase was promoted from Customer Service Representative I to Customer Service Representative II.

2. Finance Manager

a) January 2026 Check Register

FM noted the following significant purchases in the January Check Register: a payment to the City of Eureka for \$579,805.00 for the District's portion of costs associated with the wastewater collection and treatment systems; and a \$2,002,000.00 payment from the District's checking account for a deposit to Redwood Capital Bank, where a six month certificate of deposit (CD) was purchased.

b) FY 2026 Q2 Investment Report

FM reviewed the Investment Report and noted that since the agenda was published, the County of Humboldt has provided the District with its return on investment for the 2<sup>nd</sup> Quarter of its balance held in the County's treasury. The return was \$9,654.15, and the 2026 annualized return rate is 3.26%. The District will also begin to see a return on funds deposited in the Redwood Capital Bank CD (6-month term), which is earning 3.28%. Upon the CD's expiration, the FM plans to negotiate for more favorable rates.

3. Engineering

a) Update

AE updated the Board on the installation of Variable Frequency Drives at sewer lift stations within the King Salmon sewer system. The upgrades enable District staff to effectively modulate pump speeds during extreme tidal and wet-weather conditions. The District monitored effectiveness during the king tides in the last week of January.

4. Planning

a) Update

DRAFT MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT  
FEBRUARY 10, 2026

USP updated the Board on the District's planning and building referral process. Planning and building referrals are two distinct processes. Planning occurs prior to permitting and enables the District to work with the project proponent to develop a project that better informs the construction phase. A building referral occurs during the execution phase of the project and provides final approval to the design, permitting, construction, and inspection of the project.

5. Legal Counsel

No report.

6. Director Reports

Director Ryan reported that she will be attending an executive board meeting of the Redwood Region Economic Development Commission (RREDC). RREDC will attend the next HCSD Board meeting to seek approval of its Joint Powers Authority agreement.

**E. PUBLIC PARTICIPATION**

No Public Comment.

**F. NEW BUSINESS**

No New Business.

**G. CLOSED SESSION**

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

At 5:23 p.m., **IT WAS MOVED BY DIRECTOR GARDINER, SECONDED BY DIRECTOR MATTEOLI, 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 7:39 p.m., and Vice President Benzonelli reported that the Board had taken no action.

DRAFT MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT  
FEBRUARY 10, 2026

**H. ADJOURNMENT**

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

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

THE BOARD ADJOURNED ITS REGULAR MEETING OF February 10, 2026, AT 7:40 P.M.

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Submitted, Board Secretary

# Humboldt Community Services District

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*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: February 20, 2026

SUBJECT: General Manager Report for February 24, 2026 Board Meeting

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### **Regional Waterboard Resolution, Enclosed Bays and Estuaries Policy**

On December 9, 2025, the HCSD Board of Directors approved a letter of public comment pertaining to a California North Coast Regional Water Quality Control Board (Regional Board) resolution (Resolution No. R1-2026-0005) that establishes project criteria that may allow for an exception to the Enclosed Bays and Estuaries Policy (EBEP) for the City of Eureka's treated wastewater discharge into Humboldt Bay. The Resolution was contested by some non-governmental organizations, including Humboldt Waterkeeper and Eco Rights Foundation. As a result, the Regional Waterboard scheduled a formal public hearing for their meeting on February 18 and 19, 2026.

Staff from the City of Eureka requested that the HCSD 2x2 Ad Hoc Committee speak at the public hearing in support of the resolution. The Committee agreed to the request and approved a script consistent with the approved letter in support of the resolution establishing project criteria that may allow an exception to the EBEP. I attended the public hearing via Zoom and provided public comment. The Resolution was adopted by the Regional Board by unanimous vote.

### **Local Hazard Mitigation Grant**

On January 13, 2026, the Board of Directors adopted the updated Humboldt County Local Hazard Mitigation Plan (LHMP), including the Humboldt Community Services District Annex by Resolution 2026-01. The District's adoption of the plan is a necessary step in the Federal Emergency Management Agency (FEMA) review and approval process. On February 17, 2026, FEMA sent a letter to the Humboldt County LHMP Program Coordinator, Patric Esh, indicating that the HCSD Annex is in conformance with Federal Regulations and that the HCSD is included in the list of participating jurisdictions. The letter is included with this agenda packet. The County's LHMP, including the HCSD Annex, is valid under FEMA's guidelines through December 9, 2030.

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**FEMA**

February 17, 2026

Patric Esh  
Program Coordinator  
Humboldt County Sheriff's Office, Office of Emergency Services  
826 4<sup>th</sup> Street  
Eureka, CA 95501

Reference: Hazard Mitigation Plan Approval for Additional Jurisdictions  
Humboldt County, CA

Dear Patric Esh:

The Federal Emergency Management Agency (FEMA) received documentation on February 17, 2026, confirming that the City of Arcata, Fieldbrook Glendale Community Services District, Humboldt Community Services District and Shelter Cove Resort Improvement District have officially adopted the 2025 Humboldt County Hazard Mitigation Plan. FEMA confirms the jurisdiction is in conformance with the Code of Federal Regulations, Title 44, Part 201, Section 6 (44 CFR 201.6). An updated list of the status of participating jurisdictions is enclosed.

The 2025 Humboldt County Hazard Mitigation Plan has an approval date of December 10, 2025, for all participating jurisdictions. To maintain grant eligibility, the City of Arcata, Fieldbrook Glendale Community Services District, Humboldt Community Services District, Shelter Cove Resort Improvement District and participating jurisdictions must review, update, and resubmit the plan to FEMA before **December 9, 2030**.

While local mitigation plans may include additional content to meet Element H: Additional State Requirements or other local objectives, FEMA's approval only applies to elements required by its *Local Mitigation Planning Policy Guide* (FP-206-21-0002).

This plan approval ensures eligibility for project grants under FEMA's Hazard Mitigation Assistance programs, including the Hazard Mitigation Grant Program (HMGP), HMGP Post-Fire, Flood Mitigation Assistance (FMA), and Safeguarding Tomorrow Revolving Loan Fund (STORM RLF). Funding requests are reviewed individually for eligibility and other program requirements.

Thank you for your continued commitment to reducing risk and enhancing community safety. If you have any questions about the planning or review process, please contact the FEMA Region 9 Hazard Mitigation Planning Team at [fema-r9-mitigation-planning@fema.dhs.gov](mailto:fema-r9-mitigation-planning@fema.dhs.gov).

Sincerely,

A handwritten signature in black ink that reads "Alison Kearns". The signature is written in a cursive style with a long, sweeping underline that extends to the right.

Alison Kearns  
Planning and Implementation Branch Chief  
Mitigation Division  
FEMA Region 9

Enclosure (1)

Status of Participating Jurisdictions, dated February 17, 2026

cc: Robyn Fennig, State Hazard Mitigation Officer, California Governor's Office of  
Emergency Services  
Victoria LaMar-Haas, Hazard Mitigation Planning Chief, California Governor's Office of  
Emergency Services

Status of Participating Jurisdictions as of February 17, 2026

Jurisdictions Adopted and Approved

#	Jurisdiction	Adoption Receipt Date
1	Humboldt County	December 10, 2025
2	City of Arcata	February 17, 2026
3	Fieldbrook Glendale Community Services District	February 17, 2026
4	Humboldt Community Services District	February 17, 2026
5	McKinleyville Community Services District	February 5, 2026
6	Shelter Cove Resort Improvement District No. 1	February 17, 2026

Jurisdictions Approvable Pending Adoption

#	Jurisdiction
1	City of Blue Lake
2	City of Eureka
3	City of Ferndale
4	City of Fortuna
5	City of Rio Dell
6	City of Trinidad
7	Arcata Fire District
8	Big Lagoon Community Services District
9	Fortuna Fire Protection District
10	Humboldt Bay Fire
11	Humboldt Bay Harbor
12	Humboldt Bay Municipal Water District
13	Manila Community Services District
14	Peninsula Community Services District Samoa Pen Protection District
15	Redway Community Services District
16	Rio Dell Fire Protection District
17	Southern Humboldt County Health District
18	Westhaven Community Services District
19	Willow Creek Community Services District
20	Willow Creek Volunteer Fire Protection District

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**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**FOR ENTIRE DISTRICT**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance	Note
<b>OPERATING REVENUE</b>							
Metered Water Sales	6,603,000	561,247	3,941,726	3,851,750	89,976	2.3	
Sewer Service Charges	8,842,500	757,899	5,217,198	5,158,125	59,073	1.1	
Water & Sewer Construction Charges	35,000	6,569	33,805	20,417	13,388	65.6	1
Account Charges	115,000	13,214	90,755	67,083	23,672	35.3	
Inspection Charges	700	-	-	408	(408)	(100.0)	1
Reimbursable Maintenance Charges	1,600	-	15,911	933	14,978	1,604.8	1
Miscellaneous	2,000	84	457	1,167	(710)	(60.8)	1
<b>TOTAL OPERATING REVENUE</b>	<b>15,599,800</b>	<b>1,339,013</b>	<b>9,299,852</b>	<b>9,099,883</b>	<b>199,969</b>	<b>2.2</b>	
<b>NON-OPERATING REVENUE</b>							
Capital Connection Charges	125,000	(4,872)	88,144	72,917	15,228	20.9	1
Interest/General	405,000	49,145	327,701	236,250	91,451	38.7	2
Discounts Earned	1,750	-	(255)	1,021	(1,276)	(125.0)	1
Sales: Fixed Assets/Scrap Metal	2,000	-	301	1,167	(866)	(74.2)	1
Bad Debt Recovery	3,000	-	-	1,750	(1,750)	(100.0)	1
Property Taxes & Assessments	450,000	-	-	262,500	(262,500)	(100.0)	1
<b>TOTAL NON-OPERATING REVENUE</b>	<b>986,750</b>	<b>44,273</b>	<b>415,891</b>	<b>575,604</b>	<b>(159,713)</b>	<b>(27.7)</b>	<b>1</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>16,586,550</b>	<b>1,383,286</b>	<b>9,715,743</b>	<b>9,675,488</b>	<b>40,256</b>	<b>0.4</b>	
<b>OPERATING EXPENSES</b>							
Wages Direct	2,065,812	151,769	1,183,984	1,205,057	21,073	1.7	
Benefits: PERS	607,000	14,393	500,457	354,083	(146,374)	(41.3)	3
Group Ins	1,451,000	107,300	708,428	846,417	137,989	16.3	
Workers Comp Ins	32,000	7,624	15,287	18,667	3,380	18.1	
FICA/Medicare	151,650	12,110	91,206	88,463	(2,743)	(3.1)	
Misc Benefits	1,920	20	520	1,120	600	53.6	
<b>Total Wages and Benefits</b>	<b>4,309,382</b>	<b>293,216</b>	<b>2,499,882</b>	<b>2,513,806</b>	<b>13,924</b>	<b>0.6</b>	<b>3</b>
Less: wages & ben charged to Capital Proj.	(300,000)	(21,897)	(235,383)	(175,000)	60,383	(34.5)	
<b>Total Operating Wages and benefits</b>	<b>4,009,382</b>	<b>271,319</b>	<b>2,264,498</b>	<b>2,338,806</b>	<b>74,308</b>		
Water Purchase HBMWWD	1,180,000	99,252	704,963	688,333	(16,630)	(2.4)	
Water Purchase Eureka	850,000	67,853	518,046	495,833	(22,213)	(4.5)	
Sewage Treatment Operations & Maint.	2,185,000	153,841	1,076,887	1,274,583	197,696	15.5	
Water/Sewer Analysis	12,000	595	9,534	7,000	(2,534)	(36.2)	4
Supplies/ Construction	150,000	5,711	57,083	87,500	30,417	34.8	
Supplies/ Office-Administration	15,000	861	6,010	8,750	2,740	31.3	
Supplies/ Engineering	2,000	2	201	1,167	966	82.8	
Supplies/ Maintenance	100,000	8,452	61,443	58,333	(3,110)	(5.3)	
Invoicing	65,000	7,344	42,221	37,917	(4,305)	(11.4)	5
Temporary Labor	44,500	561	20,124	25,958	5,834	22.5	
Repairs & Maintenance/Trucks	75,000	1,424	33,796	43,750	9,954	22.8	
Equipment Rental	2,000	-	323	1,167	844	72.3	
Building & Grounds Maintenance	35,000	1,601	17,374	20,417	3,043	14.9	
Electrical Power	500,000	42,112	271,213	291,667	20,454	7.0	
Street Lights	90,000	5,624	43,766	52,500	8,734	16.6	
Telephone	15,000	870	9,138	8,750	(388)	(4.4)	
Postage	2,500	0	2,573	1,458	(1,115)	(76.5)	6
Freight	1,000	-	-	583	583	100.0	
Chemicals	13,000	961	3,549	7,583	4,035	53.2	
Liability Insurance	150,000	-	143,263	87,500	(55,763)	(63.7)	7
Legal	40,000	4,532	9,940	23,333	13,393	57.4	
Accounting	20,000	750	9,694	11,667	1,973	16.9	
Engineering	1,500	-	-	875	875	100.0	

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**FOR ENTIRE DISTRICT**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance	Note
Other Professional Services	130,000	-	36,161	75,833	39,672	52.3	
Bank Service Charges	22,000	1,752	10,286	12,833	2,548	19.9	
Transportation	75,000	5,045	38,663	43,750	5,087	11.6	
Office Equip. Maintenance	6,000	23	1,682	3,500	1,818	51.9	
Computer Software Maintenance	46,000	2,010	54,893	26,833	(28,060)	(104.6)	8
Memberships & Subscriptions	47,500	50	38,629	27,708	(10,920)	(39.4)	9
Bad Debts & Minimum Balance Writeoff	20,000	-	(1)	11,667	11,667	100.0	
Conference & Continuing Ed	33,000	4,951	14,373	19,250	4,877	25.3	
Certifications	7,500	985	2,015	4,375	2,360	53.9	
State/County & LAFCO Charges and Charge:	62,000	-	61,115	36,167	(24,948)	(69.0)	10
Hydraulic Water Model Maintenance	2,000	-	-	1,167	1,167	100.0	
Human Resources	22,000	1,295	18,299	12,833	(5,466)	(42.6)	11
Miscellaneous	10,000	(19)	(363)	5,833	6,197	106.2	
Director's Charges	16,000	1,200	6,650	9,333	2,683	28.8	
<b>TOTAL OPERATING EXPENSES</b>	<b>10,056,882</b>	<b>690,957</b>	<b>5,588,042</b>	<b>5,866,515</b>	<b>278,472</b>	<b>4.7</b>	
<b>LONG TERM DEBT PAYMENTS</b>							
2012 CIP & Refi.	177,600	-	88,800	103,600	14,800	14.3	12
Davis-Grunsky Loan	6,050	-	6,125	3,529	(2,596)	(73.6)	12
VacCon Truck Loan	117,441	-	117,441	68,507	(48,934)	(71.4)	12
2014 Wastewater Revenue Bonds	487,175	-	121,088	284,185	163,098	57.4	12
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>788,266</b>	<b>-</b>	<b>333,453</b>	<b>459,822</b>	<b>126,368</b>	<b>27.5</b>	
<b>CAPITALIZED EXPENDITURES</b>							
Vehicles, Rolling Stock & Equipment	97,500	2,339	7,135	56,875	49,740	87.5	
Building, Yard & Paving Improvements	395,000	817	71,052	230,417	159,365	69.2	
Capital Improvements Water	2,944,800	108,390	1,708,909	1,717,800	8,891	0.5	
Capital Improvements Sewer	1,645,500	41,637	382,738	959,875	577,137	60.1	
Engineering & Studies	15,000	-	-	8,750	8,750	100.0	
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>5,097,800</b>	<b>153,182</b>	<b>2,169,834</b>	<b>2,973,717</b>	<b>803,883</b>	<b>27.0</b>	
<b>OTHER</b>							
City of Eureka Projects:							
Treatment Plant	3,670,000	-	-	2,140,833	2,140,833	100.0	
<b>TOTAL City of Eureka Projects</b>	<b>3,670,000</b>	<b>-</b>	<b>-</b>	<b>2,140,833</b>	<b>2,140,833</b>	<b>100.0</b>	
Interfund Transfers In	-	-	-	-	-	-	
Interfund Transfers Out	-	-	-	-	-	-	
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>(3,026,398)</b>	<b>539,148</b>	<b>1,624,414</b>	<b>(1,765,399)</b>	<b>3,389,813</b>	<b>192.0</b>	

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**SUMMARY BUDGETARY STATEMENT OF REVENUE AND EXPENSES**  
**FOR ENTIRE DISTRICT**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to Date	Y.T.D. Variance Actual to Budget	% Variance
<b>OPERATING REVENUE &amp; EXPENSES</b>						
TOTAL OPERATING REVENUE	15,599,800	1,339,013	9,299,852	9,099,883	199,969	2.2
TOTAL OPERATING EXPENSES	<u>(10,056,882)</u>	<u>(690,957)</u>	<u>(5,588,042)</u>	<u>(5,866,515)</u>	278,472	4.7
NET SURPLUS/(DEFICIT) FROM OPERATIONS	5,542,918	648,056	3,711,810	3,233,369	478,441	14.8
<b>NON-OPERATING REVENUE &amp; EXPENSES</b>						
TOTAL NON-OPERATING REVENUE	986,750	44,273	415,891	575,604	(159,713)	(27.7)
TOTAL LONG TERM DEBT SERVICE	<u>(788,266)</u>	-	<u>(333,453)</u>	<u>(459,822)</u>	126,368	27.5
SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES	5,741,402	692,330	3,794,247	3,349,151	192,359	5.7
HCSD CAPITAL IMPROVEMENT EXPENDITURES	(5,097,800)	(153,182)	(2,169,834)	(2,973,717)	803,883	27.0
CITY of EUREKA PROJECT REIMBURSEMENT	(3,670,000)	-	-	(2,140,833)	2,140,833	100.0
NEW DEBT ISSUE						
NET INTERFUND TRANSFERS IN/OUT		-	-			
BUDGET SURPLUS (DEFICIT)	<u>(3,026,398)</u>	<u>539,148</u>	<u>1,624,414</u>	<u>(1,765,399)</u>	<u>3,389,813</u>	<u>192.0</u>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**Water Fund**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
<b>OPERATING REVENUE</b>						
Metered Water Sales	6,603,000	561,247	3,941,726	3,851,750	89,976	2.3
Water Construction Charges	20,000	6,569	33,740	11,667	22,073	189.2
Account Charges	70,000	7,532	51,730	40,833	10,897	26.7
Inspection Charges	-	-	-	-	-	-
Reimbursable Maintenance Charges	1,400	-	15,688	817	14,871	1,821.0
Miscellaneous	1,000	48	96	583	(488)	(83.6)
<b>TOTAL OPERATING REVENUE</b>	<b>6,695,400</b>	<b>575,396</b>	<b>4,042,980</b>	<b>3,905,650</b>	<b>137,330</b>	<b>3.5</b>
<b>NON-OPERATING REVENUE</b>						
Water Capital Connection Charges	50,000	(4,872)	70,690	29,167	41,523	142.4
Interest/General	190,000	17,472	130,522	110,833	19,689	17.8
Discounts Earned	1,000	-	(146)	583	(729)	(124.9)
Sales:Fixed Assets/Scrap Metal	1,000	-	172	583	(412)	(70.6)
Bad Debt Recovery	2,000	-	-	1,167	(1,167)	(100.0)
Other Non-Operating Revenue	-	-	-	-	-	-
<b>TOTAL NON-OPERATING REVENUE</b>	<b>244,000</b>	<b>12,600</b>	<b>201,238</b>	<b>142,333</b>	<b>58,905</b>	<b>41.4</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>6,939,400</b>	<b>587,996</b>	<b>4,244,218</b>	<b>4,047,983</b>	<b>196,235</b>	<b>4.8</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	958,750	68,372	575,060	559,271	(15,789)	(2.8)
Wages & Benefits: Allocated	827,731	50,910	498,906	482,843	(16,062)	(3.3)
Benefits: PERS	143,475	7,045	65,245	83,694	18,448	22.0
Group Ins	413,000	24,596	215,528	240,917	25,389	10.5
Workers Comp Ins	14,850	3,783	7,098	8,663	1,565	18.1
FICA/Medicare	70,370	5,223	43,937	41,049	(2,888)	(7.0)
Misc Benefits	-	-	-	-	-	-
Total Wages and Benefits	2,428,176	159,928	1,405,774	1,416,436	10,662	0.8
Less: wages & ben charged to Capital Proj.	(185,000)	(10,719)	(111,349)	(107,917)	3,433	(3.2)
Total Operating Wages and benefits	2,243,176	149,210	1,294,425	1,308,519	14,095	1.1
Water Purchase HBMWD	1,180,000	99,252	704,963	688,333	(16,630)	(2.4)
Water Purchase Eureka	850,000	67,853	518,046	495,833	(22,213)	(4.5)
Water Analysis	12,000	595	9,534	7,000	(2,534)	(36.2)
Supplies/ Construction	110,000	3,240	36,957	64,167	27,210	42.4
Supplies/Office-Administration	4,500	352	2,165	2,625	460	17.5
Supplies/ Engineering	500	-	199	292	93	31.9
Supplies/ Maintenance	50,000	3,805	33,440	29,167	(4,273)	(14.7)
Temporary Labor	22,250	320	11,471	12,979	1,508	11.6
Repairs & Maintenance/Trucks	40,000	812	19,264	23,333	4,070	17.4
Equipment Rental	1,000	-	-	583	583	100.0
Building & Grounds Maintenance	6,000	371	5,096	3,500	(1,596)	(45.6)
Electrical Power	285,000	19,800	162,240	166,250	4,010	2.4
Freight	350	-	-	204	204	100.0
Chemicals	13,000	961	3,488	7,583	4,095	54.0
Liability Insurance	-	-	21,236	-	(21,236)	-
Engineering	-	-	-	-	-	-
Other Professional Services	5,000	-	-	2,917	2,917	100.0
Transportation	43,000	2,876	22,038	25,083	3,046	12.1
Office Equip. Maintenance	750	-	127	438	311	71.1
Computer Software Maintenance	21,000	917	29,908	12,250	(17,658)	(144.1)
Memberships & Subscriptions	2,000	29	2,042	1,167	(876)	(75.1)
Bad Debts & Minimum Balance Writeoff	10,000	-	(0)	5,833	5,834	100.0
Conference & Continuing Ed	10,000	2,622	6,943	5,833	(1,110)	(19.0)
Certifications	3,500	611	1,161	2,042	881	43.1
State/County & LAFCO Charges and Charge:	39,000	-	57,999	22,750	(35,249)	(154.9)
Hydraulic Water Model Maintenance	2,000	-	-	1,167	1,167	100.0
Human Resources	4,500	738	5,479	2,625	(2,854)	(108.7)
Miscellaneous	1,000	-	17	583	567	97.1
General & Admin Expense Allocation	299,150	12,768	174,479	174,504	25	0.0

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**Water Fund**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
TOTAL OPERATING EXPENSES	5,258,676	367,132	3,122,755	3,067,561	(55,194)	(1.8)
LONG TERM DEBT PAYMENTS						
Davis-Grunsky Loan	6,050	-	6,125	3,529	(2,596)	(73.6)
TOTAL LONG TERM DEBT PAYMENTS	6,050	-	6,125	3,529	(2,596)	(73.6)
CAPITALIZED EXPENDITURES						
Capital Improvements Water	2,944,800	107,363	1,474,351	1,717,800	243,449	14.2
TOTAL CAPITAL EXPENDITURES	2,944,800	107,363	1,474,351	1,717,800	243,449	14.2
INTERFUND TRANSFERS IN	-	-	-	-	-	
BUDGET SURPLUS (DEFICIT)	(1,270,126)	113,502	(359,013)	(740,907)	381,894	51.5

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**Sewer Fund**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
<b>OPERATING REVENUE</b>						
Sewer Service Charges	8,842,500	757,899	5,217,198	5,158,125	59,073	1.1
Sewer Construction Charges	15,000	-	65	8,750	(8,686)	(99.3)
Account Charges	45,000	5,682	39,025	26,250	12,775	48.7
Inspection Charges	700	-	-	408	(408)	(100.0)
Reimbursable Maintenance Charges	200	-	224	117	107	91.7
Miscellaneous	1,000	36	72	583	(511)	(87.6)
<b>TOTAL OPERATING REVENUE</b>	<b>8,904,400</b>	<b>763,616</b>	<b>5,256,583</b>	<b>5,194,233</b>	<b>62,350</b>	<b>1.2</b>
<b>NON-OPERATING REVENUE</b>						
Sewer Capital Connection Charges	75,000	-	17,454	43,750	(26,296)	(60.1)
Interest/General	200,000	23,335	134,588	116,667	17,922	15.4
Discounts Earned	750	-	(110)	438	(547)	(125.1)
Sales:Fixed Assets/Scrap Metal	1,000	-	129	583	(454)	(77.8)
Bad Debt Recovery	1,000	-	-	583	(583)	(100.0)
Other Non-Operating Revenue	-	-	-	-	-	-
<b>TOTAL NON-OPERATING REVENUE</b>	<b>277,750</b>	<b>23,335</b>	<b>152,062</b>	<b>162,021</b>	<b>(9,959)</b>	<b>(6.1)</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>9,182,150</b>	<b>786,951</b>	<b>5,408,646</b>	<b>5,356,254</b>	<b>52,391</b>	<b>1.0</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	598,000	46,727	368,376	348,833	(19,543)	(5.6)
Wages & Benefits: Allocated	827,731	50,910	498,906	482,843	(16,063)	(3.3)
Benefits: PERS	77,250	3,912	38,749	45,063	6,314	14.0
Group Ins	275,000	18,918	133,904	160,417	26,513	16.5
Workers Comp Ins	9,275	2,331	5,155	5,410	256	4.7
FICA/Medicare	43,950	3,565	28,141	25,638	(2,504)	(9.8)
Misc Benefits	-	-	-	-	-	-
<b>Total Wages and Benefits</b>	<b>1,831,206</b>	<b>126,361</b>	<b>1,073,231</b>	<b>1,068,204</b>	<b>(5,027)</b>	<b>(0.5)</b>
Less: wages & ben charged to Capital Proj.	(65,000)	(4,037)	(103,157)	(37,917)	65,240	(172.1)
<b>Total Operating Wages and benefits</b>	<b>1,766,206</b>	<b>122,324</b>	<b>970,074</b>	<b>1,030,287</b>	<b>60,213</b>	<b>5.8</b>
Sewage Treatment: Operating & Maint.	2,185,000	153,841	1,076,887	1,274,583	197,696	15.5
Sewer Analysis	-	-	-	-	-	-
Supplies/ Construction	40,000	2,471	20,126	23,333	3,207	13.7
Supplies/ Office-Administration	4,500	265	1,633	2,625	992	37.8
Supplies/ Engineering	500	-	-	292	292	100.0
Supplies/ Maintenance	45,000	4,647	28,003	26,250	(1,753)	(6.7)
Temporary Labor	22,250	241	8,654	12,979	4,326	33.3
Repairs & Maintenance/Trucks	35,000	612	14,532	20,417	5,885	28.8
Equipment Rental	1,000	-	323	583	260	44.6
Building & Grounds Maintenance	5,000	280	3,298	2,917	(382)	(13.1)
Electrical Power	115,000	14,822	51,085	67,083	15,998	23.8
Freight	350	-	-	204	204	100.0
Chemicals	-	-	60	-	(60)	-
Liability Insurance	-	-	16,020	-	(16,020)	-
Engineering	-	-	-	-	-	-
Other Professional Services	5,000	-	-	2,917	2,917	100.0
Transportation	32,000	2,169	16,625	18,667	2,042	10.9
Office Equip. Maintenance	750	-	95	438	342	78.2
Computer Software Maintenance	19,000	692	22,562	11,083	(11,478)	(103.6)
Memberships & Subscriptions	1,500	22	1,553	875	(678)	(77.5)

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**Sewer Fund**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
Bad Debts & Minimum Balance Writeoff	10,000	-	(0)	5,833	5,834	100.0
Conference & Continuing Ed	10,000	2,329	7,339	5,833	(1,506)	(25.8)
Certifications	2,500	374	854	1,458	604	41.4
State/County & LAFCO Charges and Charges	4,000	-	3,116	2,333	(783)	(33.5)
Human Resources	3,000	557	4,133	1,750	(2,383)	(136.2)
Miscellaneous	1,500	-	13	875	862	98.6
General & Admin Expense Allocation	299,150	12,768	174,479	174,504	25	0.0
<b>TOTAL OPERATING EXPENSES</b>	<b>4,608,206</b>	<b>318,415</b>	<b>2,421,496</b>	<b>2,688,120</b>	<b>266,624</b>	<b>9.9</b>
<b>LONG TERM DEBT PAYMENTS</b>						
2014 Wastewater Revenue Bonds	487,175	-	121,088	284,185	163,098	57.4
2012 CIP & Refi.	177,600	-	-	103,600	103,600	100.0
VacCon Truck Loan	117,441	-	117,441	68,507	(48,934)	(71.4)
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>782,216</b>	<b>-</b>	<b>238,528</b>	<b>456,293</b>	<b>217,764</b>	<b>47.7</b>
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles/Rolling Stock/Capital Equipment	-	-	-	-	-	-
Building, Yard& Paving Improvements	-	-	-	-	-	-
Capital Improvements Sewer Engineering & Studies	1,645,500	41,637	382,738	959,875	577,137	60.1
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>1,645,500</b>	<b>41,637</b>	<b>382,738</b>	<b>959,875</b>	<b>577,137</b>	<b>60.1</b>
<b>OTHER</b>						
City of Eureka Projects: Treatment Plant	3,670,000	-	-	2,140,833	2,140,833	100.0
<b>TOTAL OTHER</b>	<b>3,670,000</b>	<b>-</b>	<b>-</b>	<b>2,140,833</b>	<b>2,140,833</b>	<b>100.0</b>
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>(1,523,772)</b>	<b>426,900</b>	<b>2,365,883</b>	<b>(888,867)</b>	<b>3,254,750</b>	<b>366.2</b>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**General Fund**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
<b>OPERATING REVENUE</b>						
Interest (will be allocated to w/s @ y/e)	15,000	8,338	62,591	8,750	53,841	615.3
Miscellaneous	-	-	289	-	289	-
<b>TOTAL OPERATING REVENUE</b>	<b>15,000</b>	<b>8,338</b>	<b>62,879</b>	<b>8,750</b>	<b>54,129</b>	<b>618.6</b>
<b>NON-OPERATING REVENUE</b>						
Property Taxes	450,000	-	-	262,500	(262,500)	(100.0)
Insurance Rebate	-	-	-	-	-	-
Miscellaneous Income	-	-	-	-	-	-
<b>TOTAL NON-OPERATING REVENUE</b>	<b>450,000</b>	<b>-</b>	<b>-</b>	<b>262,500</b>	<b>(262,500)</b>	<b>(100.0)</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>465,000</b>	<b>8,338</b>	<b>62,879</b>	<b>271,250</b>	<b>(208,371)</b>	<b>(76.8)</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	509,062	36,671	240,548	296,953	56,405	19.0
Benefits: PERS	386,275	3,437	396,463	225,327	(171,136)	(76.0)
State Unemploy Ins	-	-	-	-	-	-
Group Ins	763,000	63,786	358,996	445,083	86,088	19.3
Workers Comp Ins	7,875	1,510	3,034	4,594	1,560	34.0
FICA/Medicare	37,330	3,322	19,127	21,776	2,648	12.2
Misc Benefits	1,920	20	520	1,120	600	53.6
<b>Total Wages and Benefits</b>	<b>1,705,462</b>	<b>108,746</b>	<b>1,018,688</b>	<b>994,853</b>	<b>(23,835)</b>	<b>(2.4)</b>
Less: wages & ben charged to Capital Proj.	(50,000)	(7,141)	(20,877)	(29,167)	(8,290)	28.4
Less: Allocated to Water and Sewer Funds	(1,655,462)	(101,820)	(997,811)	(965,686)	32,125	(3.3)
<b>Total Unallocated Wages and Benefits</b>	<b>-</b>	<b>(214)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Supplies/ Construction	-	-	-	-	-	-
Supplies/ Administration	6,000	244	2,213	3,500	1,287	36.8
Supplies/ Engineering	1,000	2	2	583	581	99.7
Supplies/ Maintenance	5,000	-	-	2,917	2,917	100.0
Invoicing	65,000	7,344	42,221	37,917	(4,305)	(11.4)
Temporary Labor	-	-	-	-	-	-
Repairs & Maintenance/Trucks	-	-	-	-	-	-
Equipment Rental	-	-	-	-	-	-
Building & Grounds Maintenance	24,000	950	8,980	14,000	5,020	35.9
Electrical Power	100,000	7,489	57,888	58,333	446	0.8
Street Lights	90,000	5,624	43,766	52,500	8,734	16.6
Telephone	15,000	870	9,138	8,750	(388)	(4.4)
Postage	2,500	0	2,500	1,458	(1,042)	(71.4)
Freight	300	-	-	175	175	100.0
Liability Insurance	150,000	-	106,006	87,500	(18,506)	(21.1)
Legal Services	40,000	4,532	9,940	23,333	13,393	57.4
Accounting	20,000	750	9,694	11,667	1,973	16.9
Engineering	1,500	-	-	875	875	100.0
Other Professional Services	20,000	-	36,161	11,667	(24,494)	(210.0)
Bank Service Charges	22,000	1,752	10,286	12,833	2,548	19.9
Transportation	-	-	-	-	-	-
Office Equip. Maintenance	4,500	23	1,460	2,625	1,165	44.4
Computer Software Maintenance	6,000	400	2,424	3,500	1,076	30.7
Memberships & Subscriptions	44,000	-	35,033	25,667	(9,366)	(36.5)
Bad Debts & Minimum Balance Writeoff	-	-	-	-	-	-
Conference & Continuing Ed	13,000	-	91	7,583	7,493	98.8
Certifications	1,500	-	-	875	875	100.0

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**General Fund**

**January 2026**

	Budgeted 2025-26	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
State/County & LAFCO Charges and Charge:	19,000	-	-	11,083	11,083	100.0
Human Resources	14,500	-	8,688	8,458	(229)	(2.7)
Miscellaneous	7,500	(19)	(393)	4,375	4,768	109.0
Director's Charges	16,000	1,200	6,650	9,333	2,683	28.8
General & Admin Expense Allocation	(598,300)	(25,536)	(348,957)	(349,008)	(51)	0.0
<b>TOTAL OPERATING EXPENSES</b>	<b>90,000</b>	<b>5,410</b>	<b>43,791</b>	<b>52,500</b>	<b>8,709</b>	<b>16.6</b>
<b>CAPITALIZED EXPENDITURES</b>						
				-		
Vehicles/Rolling Stock/Capital Equipment	97,500	3,366	241,693	56,875	(184,818)	(325.0)
Building, Yard & Paving Improvements	395,000	817	71,052	230,417	159,365	69.2
Engineering & Studies	115,000	-	-	67,083	67,083	100.0
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>607,500</b>	<b>4,183</b>	<b>312,745</b>	<b>354,375</b>	<b>41,630</b>	
<b>INTERFUND TRANSFER OUT</b>		-	-	-		
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>(232,500)</b>	<b>(1,254)</b>	<b>(382,456)</b>	<b>(135,625)</b>	<b>(246,831)</b>	<b>182.0</b>

# Humboldt Community Services District

## Notes

January 2026

### Note 1 - Non Operating and Miscellaneous Revenue

Non-operating, Construction/Capacity Charges and Miscellaneous income occurs occasionally throughout the year, and at the very end of the fiscal year.

### Note 2 - Interest Income

Increase in Interest Income due to continued performance with funds held in CA CLASS JPA investment pool being better than expected.

### Note 3 - Benefits - PERS

CalPERS UAL Payment submitted as lump sum instead of as monthly payments. Submitting annual PERS UAL payment as lump sum instead of in monthly installments provides the District with ~\$11,000 in cost savings.

### Note 4 - Water Analysis

Water analysis costs are elevated due to triennial Lead and Copper sampling as well as UCMR 5 sampling. Lead and Copper tests are once every three years, and UCMR testing is once every five years. Due to the infrequent testing requirement, the additional costs were not included in budget. Overage is not projected to have significant impact.

### Note 5 - Invoicing

Additional billing cycle due increased cost for month. Will be offset by lower cost in subsequent months. Annual Expenditure is expected to be in line with budgeted amount

### Note 6 - Postage

Purchase of postage for postage machine in August. Postage purchased is expected to be for entire year.

### Note 7 - Liability Insurance

Liability insurance is billed in lump sums in August and November. Expense for full year expected to be within budgeted amount.

### Note 8 - Computer Software Maintenance

Maintenance/Licensing fees for computer software is paid in annual charges paid near beginning of Fiscal Year. Additionally, upgrade to primary District software (SpringBrook) resulted in increase in annual fees, which were not included in original budget. Additional software has also been purchased for District use, such as Grammarly and Adobe Acrobat Pro. Expenditures for the fiscal year are expected to be approximately \$65,000, \$19,000 above budgeted amount. Overage is not expected to have significant impact, and full cost will be included in budget for future years.

### Note 9 - Memberships and Subscriptions

ACWA Annual membership dues paid in September. Total costs for year are projected to be within budgeted amount.

### Note 10 - State/County & LAFCO Charges and Charges

Annual Water system fees to SWRCB Paid in November. Additionally, annual fee has increased by ~\$20,000 compared to prior years due to District no longer being classified as a disadvantaged community. This is expected to result in expenditure for the year being higher than budgeted. Overage is not expected to have significant impact.

### Note 11 - Human Resources

Increased Human Resources expenses due to advertising for numerous District Positions. Overage is not expected to have significant impact on District Finances.

### Note 12 - Debt Service

Loan Payments are made throughout the year. Total expenditures by the end of the year will match budget amounts.

# **Humboldt Community Services District**

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

## **MEMORANDUM**

**For HCSD Board of Directors Regular Meeting of:** February 24, 2026

**AGENDA ITEM:** D.2b

**TITLE:** Report of Service Shutoffs for Non-Payment Calendar Year 2025

**PRESENTED BY:** Michael Montag, Finance Manager/District Treasurer

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In accordance with California SB998 requirements, the District is required to report to the board the number of service disconnections for failure to pay each calendar year.

The number of accounts subject to service disconnections due to nonpayment, as well as the disconnection count for Calendar Year 2025, is shown in the table below. The count of disconnections exceeds the number of accounts due to accounts that were disconnected more than once during the 2025 Calendar Year.

<b>Account Type</b>	<b>Accounts Subject to Disconnection</b>	<b>Count of Disconnections</b>
Commercial	4	6
Multi-Family Residential	16	26
Single Family Residential	332	522
<b>Total</b>	<b>352</b>	<b>554</b>

The District offers a payment plan for past-due accounts, allowing them to pay down their balances over time. Accounts that have entered into a payment plan and have maintained compliance with required payments under the payment plan agreement are not subject to past due charges or service disconnection. Additionally, accounts that successfully complete their payment plans are credited for previously imposed charges on their past due balance.

Over the course of Calendar Year 2025, 149 accounts participated in the District's alternative Payment Plan. 83 Accounts successfully completed their payment plans during Calendar year 2025, resulting in the forgiveness of \$13,414.21 in previously imposed late charges. 13 accounts failed their payment plans and did not reestablish them during Calendar Year 2024. At the close of the calendar year, 83 accounts had active payment plans.

(cont.)

**Comparison of Disconnections due to failure to pay between  
Calendar Year 2024 and Calendar Year 2025**

<b>Account Type</b>	<b>2024 Count of Disconnections</b>	<b>2025 Count of Disconnections</b>
Commercial	4	6
Multi-Family Residential	31	26
Single Family Residential	425	522
<b>Total</b>	<b>460</b>	<b>554</b>

# 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:** February 20, 2026  
**Subject:** Assistant Engineer Progress Report for the February 24, 2026 Board Meeting

### Water Booster Station Pump #1 Rebuild and Reinstallation

District forces recently completed the rebuild and reinstallation of Pump #1 at one of the District's Pigeon Point Water Booster Station, restoring a critical component of the water distribution system to reliable service. The pump, originally installed in the early 2000s, had reached the end of its functional service life due to normal wear and electrical failure associated with long-term operation. Over time, the pump's motor windings deteriorated and ultimately grounded after making contact with the motor casing. This condition caused the motor to seize, rendering the pump inoperable and necessitating a full rebuild. To address the failure, the pump was removed from service and transported to Industrial Electric for evaluation and repair.

Industrial Electric completed a comprehensive rebuild of the unit, including installation of a rewind motor and replacement of bearings to restore proper mechanical and electrical function. These repairs extend the pump's operational and improve reliability within the booster station. Following the rebuild, District staff successfully reinstalled the pump and returned the booster station to normal operation. Restoring this pump ensures continued system redundancy and maintains reliable water pressure and delivery to customers served by this pressure zone. This repair reflects the District's ongoing commitment to proactive maintenance and cost-effective rehabilitation of existing infrastructure to support long-term system reliability



Figure 1 Photo of Newly Rebuilt Pump #1 at Pigeon Point Water Booster Station

### **Sanitary Sewer Spill 3519 Middlefield Lane**

On February 19, District staff responded to a reported sewer issue at the property line cleanout serving 3519 Middlefield Lane in the Myrtlewood neighborhood. The initial call was received at approximately 4:30 p.m. on February 18, when the customer reported a buildup around the cleanout lid that had caused it to lift slightly. At that time, a sewer spill was not reported.

When District staff arrived on site at approximately 8:30 a.m. on February 19, the discharge had already ceased. Evidence of wastewater release was limited to toilet paper debris on the adjacent sidewalk and minor discharge that had dissipated into nearby vegetation. Upon arrival, District staff cleaned the affected area of the sidewalk.

Staff jetted the private lateral to clear the blockage and successfully restored normal flow. Based on site conditions and customer reports indicating no interior backup, the spill is believed to have occurred intermittently between the time of the initial call and staff response. Using a conservative estimate of 10 toilet flushes at 1.5 gallons per flush, the total spill volume is approximately 15 gallons.

The District has no prior history of issues with this lateral. Preliminary assessment suggests that a foreign object or inappropriate material may have been flushed, contributing to a partial blockage. The incident remains under review until a thorough camera inspection is conducted.



**Figure 2 Photo of Property Line Cleanout at 3519 Middlefield Lane spill extents**

# Humboldt Community Services District

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

## MEMORANDUM

TO: Board of Directors

FROM: Ana Rodriguez, Utility Services Planner

DATE: February 20<sup>th</sup>, 2026

SUBJECT: Utility Services Planner Report for February 24<sup>th</sup>, 2026 Board Meeting

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### **Annual Review and Update of District Plans**

Each year, the planning department is responsible for reviewing and updating the District's plans including the Hazardous Material Business Plan (HMBP); the District's Disinfection Failure Emergency Action Plan (DFEAP); Spill Prevention, Control and Countermeasure Plan (SPCCP); and the Common Ground Alliance-Damage Information Reporting Tool (CGA-DIRT). Staff will receive training on the revised plans during the District's Friday Safety Meetings.

### **Off-Road Diesel (ORD) Reporting**

HCSD reports on the Diesel Off-road On-line Reporting System (DOORS) to comply with the Off-Road Diesel (ORD) regulation administered by the California Air Resources Board (CARB). Public agencies are required to submit annual inventories of off-road diesel vehicles and documentation of actions taken to reduce emissions. Reporting ensures that the District meets state emission-reduction requirements, avoids penalties, maintains eligibility for grant funding, and demonstrates accountability for managing its fleet in accordance with CA air quality laws. The report has been completed for 2026.

### **California Environmental Reporting System (CERS)**

To promote transparency regarding hazardous materials, HCSD is required to report to the California Environmental Protection Agency through CERS. The report includes hazardous materials inventories, underground storage tanks, inspections, and emergency response

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Mailing: Post Office Box 158 • Cullen, CA 95534 • tel (707) 443-4558 • fax (707) 443-1490  
Physical Address: 5055 Walnut Drive, Eureka, CA 95503

Utility Services Planner's Report to the Board of Directors for  
February 24, 2026 Board Meeting

plans. This reporting supports public health protection, ensures environmental oversight, and maintains compliance with legal and safety requirements. The report has been completed and accepted for 2026.

# Humboldt Community Services District

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

## AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: February 24, 2026

**AGENDA ITEM:** F.1

**TITLE:** Consideration of Approving the Redwood Region Economic Development Commission (RREDC) Amended and Restated Joint Powers Agreement

**Presented by:** Terrence Williams, General Manager

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### RECOMMENDATION:

Receive a presentation from Gregg Foster, Executive Director of RREDC. review and consider approval of RREDC's amended and restated Joint Powers Agreement

### SUMMARY:

In 1977, the County of Humboldt received mitigation funds related to the expansion of Redwood National Park. RREDC was formed to coordinate economic development strategy and oversee a revolving loan for local businesses that could not access traditional financing. RREDC is a local Commission that includes members from local cities, special districts, and tribes. Humboldt Community Services District is a charter member of RREDC. Since its founding, RREDC has also supported community-wide economic development initiatives focused on creating opportunity, expanding infrastructure, and fostering regional cooperation to enable more efficient service delivery. They have previously led efforts to expand air service and to develop a fiber-optic connection to Humboldt County.

RREDC operates under a Joint Powers Agreement (JPA), a legal agreement that allows two or more public agencies to create an agency or entity separate from the parties and responsible for administering the agreement. RREDC's last revision to its JPA was in 1992.

In 2025, RREDC's Commission appointed an Ad-Hoc committee to review the JPA. The Ad-Hoc committee included HCSD Director Julie Ryan. The Ad-Hoc committee provided direction to RREDC staff to revise the following aspects of the JPA:

- **Recitals:** Recitals of the JPA should be shortened and modified to be more positive and forward-looking, and emphasize multi-agency collaboration. Updates to the recitals will reflect agency collaboration and remove specific language no longer applicable to RREDC.

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Post Office Box 158 • Cutten, CA 95534 • (707) 443-4558 • Fax (707) 443-0818

F.1 Consideration of Approving the Redwood Region Economic Development Commission (RREDC) Amended and Restated Joint Powers Agreement  
Board of Directors Meeting February 24, 2026

- **Purpose:** The amended JPA revises language that references the Economic Development Administration as the focus of the JPA and adds additional language that reflects the current environment in which RREDC operates.
- **Meetings:** The committee recommended that language be modified to develop an annual meeting calendar.
- **Boundaries:** A public agency located within Humboldt County or an adjacent county is eligible for membership in the Commission upon approval by a simple majority of the Board of Directors.
- **Budget:** Revisions to the JPA revise the deadline for adoption of the Fiscal Year budget to June 30 of each year. The current JPA requires a draft budget to be presented on or before March 1<sup>st</sup> and adopted before May 1<sup>st</sup> of each year.
- **Amendments:** Approval of amendments to the JPA in the future will be reduced from unanimous approval to two-thirds approval.
- **Language:** Language throughout the document was updated to clarify and simplify the document.

The draft Amended and Restated JPA was approved by the Commission on October 27, 2025. RREDC has requested that the governing bodies of each member organization review and approve, by vote, the Amended and Restated JPA. Two-thirds (2/3) of the member organizations must affirmatively vote to approve the revisions.

**FISCAL IMPACT:**

None.

**AMENDED AND RESTATED JOINT POWERS AGREEMENT OF THE  
REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION**

This Amended and Restated Joint Powers Agreement of the Redwood Region Economic Development Commission is made and entered into pursuant to the provisions of California Government Code Section 6500 et seq. (the ACT), and supersedes the original Joint Powers Agreement effective November 1, 1977, and amended nine times from 1978 – 1992. This Amended and Restated Joint Powers Agreement (“Agreement”) is effective as of [DATE.]

**RECITALS**

A. The Redwood Region Economic Development Commission (“COMMISSION” or “RREDC”) was formed in 1977 by the County of Humboldt, the Cities of Arcata, Blue Lake, Eureka, Ferndale, Fortuna, Rio Dell, and Trinidad, the Redwoods Community College District, the Humboldt Community Services District, the Humboldt Bay Municipal Water District, the Humboldt Bay Harbor, Recreation, and Conservation District, and the McKinleyville Community Services District. Subsequent amendments to the Agreement added to the membership the Redway Community Services District, Orick Community Services District, the Orleans Community Services District, the Manila Community Services District, the Willow Creek Community Services District, and the Hoopa Valley Tribe. These entities are referred to individually as a “Member,” and collectively, the “MEMBERS”.

B. The RREDC was formed in 1977 to, among other purposes, develop and implement a countywide Economic Development Action Plan and Strategy for Humboldt County, using financial assistance offered through the federal Public Works and Economic Development Act of 1965 (42 USC §§ 3121-3234). In 1992 the RREDC Joint Powers Agreement was amended to expand its regional effectiveness by coordinating economic development strategy with entities located in the Counties of Mendocino and Del Norte.

C. Successfully formulating and implementing an economic development strategy that best improves the quality of life in the region requires a united, sustainable, and collaborative approach to economic development projects and programs. Such regional coordination is ultimately beneficial to access and leverage federal and state resources and programs and provide capacity for smaller communities with limited resources.

D. The MEMBERS desire to amend the Agreement to create more sustainable and resilient economic opportunities. In particular, the MEMBERS seek to update the Agreement’s purposes to reflect current economic development practices, to facilitate greater coordination within the region, and to update administrative provisions of the Joint Powers Agreement such as the COMMISSION’s regular meeting schedule and its budget adoption schedule.

E. The MEMBERS believe it would be desirable and convenient to restate the Agreement in its entirety, to include previous amendments not further amended herein, and to make those amendments now desired by the MEMBERS.

□

**NOW THEREFORE**, based on the mutual covenants, conditions, and terms recited herein, which are made a material part of this agreement, the undersigned public agencies, collectively referred to herein as the “MEMBERS,” enter into this Amended and Restated Joint Powers Agreement and agree as follows:

## **AGREEMENT**

### **ARTICLE I. COMMISSION FORMATION**

**Section 1.01 Formation.** Pursuant to the Act, the MEMBERS hereby create a Joint Powers Agency to be known as the Redwood Region Economic Development Commission (COMMISSION).

**Section 1.02 Separate Public Entity.** The COMMISSION is a public entity separate from the MEMBERS within the meaning of Government Code Section 6507.

**Section 1.03 Parties to this Agreement.** For purposes of this Agreement, each MEMBER intends to, and does, contract with every other MEMBER which is a signatory to this Agreement and, in addition, with every public agency that becomes a MEMBER under Section 1.04. The withdrawal of any MEMBER from this Agreement does not affect its validity or enforceability as to the remaining MEMBERS, nor any remaining MEMBER’S intent to contract with any of the others.

**Section 1.04 Membership.** Any Public Agency as defined in Government Code Section 6500, which is located wholly or partly within the boundaries of Humboldt County, or any adjacent county, is eligible for membership in the COMMISSION. Upon approval by a simple majority vote of the full Board of Directors, any such public agency may become a MEMBER if:

- (a) its governing body duly approves membership and agrees to all the terms of this Joint Powers Agreement, and
- (b) An authorized officer of such agency executes this Agreement on its behalf.

### **ARTICLE II. DEFINITIONS**

**Section 2.01** Unless the context otherwise requires, the words and terms defined in this ARTICLE II shall, for the purposes hereof, have the meanings specified.

- (i) ACT. "ACT" means Title I, Division 7, Chapter 5 (commencing with Section 6500) of the Government Code of the State of California.
- (ii) COMMISSION. "COMMISSION" means the REDWOOD REGION ECONOMIC DEVELOPMENT COMMISSION created pursuant to this Agreement.
- (iii) BOARD OF DIRECTORS. "BOARD OF DIRECTORS" means the governing board of the COMMISSION established pursuant to this Agreement.
- (iv) MEMBER. "Member" means a Public Agency that is a party to this Joint Powers Agreement.
- (v) PUBLIC AGENCY. “Public Agency” is defined in Section 6500 of the Act.

□

### **ARTICLE III. PURPOSE**

**Section 3.01** The purpose of this Agreement is to create an independent public entity that will provide united, coordinated, efficient, sustainable, and equitable economic development programming for its MEMBERS and the community at large. Specifically, the COMMISSION will:

- (a) lead and participate in economic development programs in Humboldt County and with public entities, sovereign nations, businesses, and organizations therein and in adjacent and nearby counties and tribal lands, and
- (b) operate revolving loan funds and leverage other financial resources to provide access to capital to those individuals, businesses, and organizations that create jobs or otherwise provide opportunities for prosperity through sustainable economic growth, and
- (c) establish operating and advisory committees to assist the COMMISSION in carrying out the foregoing purposes and to assist the COMMISSION in the implementation of economic development projects and programs to improve the quality of life in the region.

### **ARTICLE IV. INTERNAL GOVERNANCE**

**Section 4.01 BOARD OF DIRECTORS** The COMMISSION shall be governed by a Board of Directors composed of one representative from each Public Entity that is a party to this Agreement, each serving in an individual capacity as a member of the BOARD OF DIRECTORS.

**Section 4.02 APPOINTMENTS TO BOARD OF DIRECTORS** Each MEMBER shall appoint, from its respective governing board, one individual to serve on the Board of Directors of the COMMISSION. Each MEMBER shall also appoint from its respective governing board one alternate individual to serve on the Board of Directors in the absence of the primary individual appointed by that Member. The alternate individual may vote at any meeting of the BOARD OF DIRECTORS of the COMMISSION at which the primary representative appointed by that MEMBER is absent or disqualified.

**Section 4.03 TERM OF APPOINTMENT** Each MEMBER'S representatives appointed to serve on the Board of Directors shall serve at the pleasure of the appointing Member. The governing board of the MEMBER shall appoint replacement individuals to serve on the Board of Directors as needed to ensure that the MEMBER maintains continuous representation on the Board of Directors.

**Section 4.04 VOTING POWER** All voting power of the COMMISSION shall reside in the BOARD OF DIRECTORS.

**Section 4.05 PROHIBITION OF EMPLOYMENT** No person while serving as a member of the BOARD OF DIRECTORS of the COMMISSION shall be eligible to be appointed to any salaried office or employment in the service of the COMMISSION nor shall they become eligible for such appointment within one year after they have ceased to be a member of the BOARD OF DIRECTORS of the COMMISSION.

□

**Section 4.06 COMPENSATION** The members of the BOARD OF DIRECTORS and any committees formed by the COMMISSION shall serve without compensation. All members of the BOARD OF DIRECTORS may be reimbursed for reasonable and necessary expenses incurred in the performance of their duties as such members. Reimbursement of expenses shall be subject to approval of the BOARD OF DIRECTORS.

**Section 4.07 REGULAR MEETINGS** The Board of Directors shall establish by resolution the dates, times and places of its regular meetings, which shall be held not less than four times during each calendar year. The Board of Director's meetings shall be conducted in accordance with the Ralph M. Brown Act (Government Code Sections 54950 et seq.).

**Section 4.08 ATTENDANCE AND PARTICIPATION MEMBER** representatives are expected to attend every Board of Director's meeting, arrange for the attendance of their alternate representatively when not able to, and to notice appropriate Commission staff when they will not be in attendance. A MEMBER that fails to attend three regular successive meetings without notice to the COMMISSION or fails to appoint a representative to the Board of Directors without notice to the COMMISSION shall be deemed to have withdrawn as a party to this Agreement and as a MEMBER of the COMMISSION and will be ineligible to vote on COMMISSION business or constitute a quorum.

**Section 4.09 QUORUM AND VOTING** A majority of the Board of Directors shall constitute a quorum for the transaction of business. The Board of Directors shall act by motion or resolution. Except as otherwise expressly provided by this Agreement or applicable law, all motions, resolutions and ordinances of the Board of Directors, and all actions required or permitted to be taken by the MEMBERS acting through the Board of Directors, shall be by a majority vote of the quorum.

**Section 4.10 RULES** The BOARD OF DIRECTORS of the COMMISSION may adopt by-laws, rules and regulations for the conduct of its meetings and affairs as are necessary for the purposes hereof.

**Section 4.11 CHAIR, VICE CHAIR AND SECRETARY** The BOARD OF DIRECTORS shall elect a Chair of the Board and Vice Chair of the Board from among its membership each calendar year. If either the Chair's or the Vice Chair's MEMBER ceases to be a MEMBER of the Commission, the resulting vacancy shall be filled at the next regular meeting of the BOARD OF DIRECTORS held after such vacancy occurs. The CHAIR shall preside over and conduct all meetings of the BOARD OF DIRECTORS.

- (a) The CHAIR shall be the chairperson of the Board of Directors and shall conduct all Board of Director meetings and perform such other duties and functions required of such person by this Agreement or the Board.
- (b) The VICE CHAIR shall serve in the CHAIR's absence and perform such duties as required by this Agreement, the Board.
- (c) The BOARD OF DIRECTORS shall select a Secretary who may, but need not, be a member of the BOARD OF DIRECTORS. The Secretary shall serve at the pleasure of the BOARD OF DIRECTORS and shall perform those duties and functions customary to the office of Secretary of a Public Entity.

□

**Section 4.12 TREASURER AND AUDITOR-CONTROLLER** The Treasurer - Tax Collector of the COUNTY OF HUMBOLDT is hereby designated as the Treasurer of the COMMISSION and as the depository to have custody of all the money of the COMMISSION from whatever source. The Auditor-Controller of the COUNTY OF HUMBOLDT is hereby designated as the Auditor-Controller of the COMMISSION. The Treasurer-Tax Collector and the Auditor-Controller shall have the duties and obligations set forth in Sections 6505 and 6505.5 of the ACT and shall ensure that there shall be strict accountability of all funds and report of all receipts and disbursements of the COMMISSION.

**Section 4.13 LEGAL ADVISOR** The BOARD OF DIRECTORS shall select, appoint, employ and retain the legal advisor of the COMMISSION, who shall perform such duties as may be prescribed by the BOARD OF DIRECTORS.

**Section 4.14 EMPLOYEES** The BOARD OF DIRECTORS shall have the power to appoint and employ such other officers, employees, and may contract with consultants and other professional persons or firms as it considers necessary for the purposes hereof.

## **ARTICLE V. POWERS**

**Section 5.01 GENERAL POWERS** The COMMISSION created by this Agreement shall exercise in the manner hereinafter provided the powers common to each of the entities to this Agreement.

**Section 5.02 SEPARATION** As provided in the ACT, the COMMISSION shall be a public entity separate from the parties hereto.

**Section 5.03 SPECIFIC POWERS** The COMMISSION is hereby authorized, in its own name, to do all acts necessary for the exercise of the foregoing powers for the purposes of this Agreement including, but not limited to, any or all the following:

- (a) To make and enter into contracts.
- (b) To employ agents, employees, consultants, and independent contractors.
- (c) To acquire, hold or dispose of real and personal property, or any interest therein, by deed, purchase, lease, contract, gift, devise, or otherwise.
- (d) To sue and be sued in its own name, except as otherwise provided by law.
- (e) To incur debts, liabilities or obligations, provided that no debt, liability or obligation shall constitute a debt, liability or obligation of any of the separate public entities that are parties to this Agreement.
- (f) To apply for, accept, receive, and disburse grants, loans, and other financial assistance from any agency of the United States of America or of the State of California, or from any other public agency or other sources, public or private, and expend such funds for the purposes outlined in this Agreement.

□

- (g) To invest any money that is not required for the immediate necessities of the COMMISSION, as the COMMISSION determines, is advisable, in the same manner and upon the same conditions as apply to local agencies, pursuant to Section 53601 of the Government Code of the State of California.
- (h) To carry out and enforce all the provisions of this Agreement.
- (i) To contract for and obtain insurance against any insurable risk reasonably anticipated to result from the exercise of any powers or functions of the COMMISSION or the performance of any duties by the officers and employees of the COMMISSION.
- (j) To make, adopt, amend, and repeal its bylaws, rules, ordinances, resolutions, and procedural regulations consistent with, and to carry into effect, the powers granted in and purposes of this Agreement.

**Section 5.04 CLAIMS** All claims and actions for money or damages against the COMMISSION and its officers and employees are governed by Division 3.6 (commencing with Section 810) of Title I of the Government Code of the State of California. The COMMISSION shall be deemed a "public entity" within the meaning of Division 3.6 of Title I of said Government Code.

**Section 5.05 INTERESTS IN CONTRACTS** The provisions of Article 4 (commencing with Section 1090), Article 4.5 (commencing with Section 1100), and Article 4.6 (commencing with Section 1120), Chapter 1, Division 4, Title I, and Sections 87100 et seq. of the Government Code of the State of California prohibiting certain financial interests in public contracts and pertaining to conflicts of interest shall apply to the officers, officials, directors, and employees of the COMMISSION.

**Section 5.06 ENFORCEMENT BY COMMISSION** The COMMISSION is hereby authorized to take any or all legal actions necessary and permitted by law to enforce this Agreement.

- (a) Appointment of Administering Entity Pursuant to Government Code Section 6506, the Board may appoint an agency or entity, including one or more MEMBERS upon consent of the governing body of such Member, a commission or board constituted pursuant to this Agreement, or a person, firm or corporation, including a nonprofit corporation, which it may designate, to administer or execute this Agreement, or any portions of this Agreement.

**Section 5.07 RESTRICTIONS ON EXERCISE OF POWERS** Powers of the COMMISSION shall be exercised as provided in the Act and shall be subject, in accordance with Section 6509 of the Act, to such restrictions upon the manner of exercising such powers as are imposed upon counties in the exercise of similar powers.

## ARTICLE VI. FINANCIAL PROVISIONS

**Section 6.01 FISCAL YEAR.** The fiscal year of the COMMISSION shall be from July 1 of each year to and including June 30 of the following year.

□

**Section 6.02 ADVANCES** Each of the parties to this Agreement may advance to the COMMISSION money in such sums as may be mutually agreed upon by such party and the BOARD OF DIRECTORS. An amount equal to all advances made by each party, plus interest thereon at a rate to be mutually agreed upon by the COMMISSION and the party making such advances, shall be repaid by the COMMISSION funds then available to the COMMISSION. Repayment of such advances may also be made by the COMMISSION at such other time or times as the COMMISSION and the party making such advance shall mutually agree at the time such advance is made.

**Section 6.03 ANNUAL BUDGET** The Board of Directors shall adopt by majority vote of the full Board of Directors an annual budget for each fiscal year at or before its last regular meeting before June 30 of each year.

## **ARTICLE VII. MISCELLANEOUS PROVISIONS**

**Section 7.01 ACCOUNTS** The COMMISSION shall keep accurate and correct books of account, showing in detail the costs of administration, bond interest, bond redemption, operation and maintenance, and all financial transactions of the COMMISSION. Said books of account shall always be open to inspection by any representative of any of the parties hereto, or by any accountant or other person authorized by any party hereto to inspect said books of account.

**Section 7.02 ANNUAL AUDIT** The accounts and records of the COMMISSION shall be audited as provided in Government Code Sections 6505 and 6505.5 or as required by other entities providing funding to COMMISSION.

**Section 7.03 LIMITATION ON LIABILITY OF MEMBERS FOR DEBTS AND OBLIGATIONS OF COMMISSION** As provided for by Government Code section 6508.1, the debts, liabilities, and obligations of the COMMISSION do not constitute debts, liabilities, or obligations of any party to this Agreement. A MEMBER may separately contract for, or assume responsibility for, specific debts, liabilities, or obligations of the COMMISSION.

**Section 7.04 INDEMNITY** The COMMISSION shall indemnify, defend and hold harmless the MEMBERS, their officers and employees, from and against all liability, loss, damage, expense, and costs (including without limitation costs and fees of litigation), collectively referred to as ‘injury’, of every nature arising out of the COMMISSION activities described herein, or its failure to comply with any of its obligations contained herein, except where such injury is caused by the sole negligence or willful misconduct of a Member. Any defense of claims, as well as the cost of any judgments imposed for claims resulting from actions by the COMMISSION or any of the officers, agents, employees, or contractors of the COMMISSION in relation to this Agreement shall be the sole responsibility of the COMMISSION. To the extent that MEMBERS are also held jointly and severally liable for such amounts by Government Code section 895.2, if a MEMBER provides for such defense of itself or the COMMISSION, or pays all or a part of such judgment, the MEMBER shall be entitled to reimbursement in full from the COMMISSION, provided the MEMBER obtains prior approval from the COMMISSION.

**Section 7.05 INSURANCE** The COMMISSION will obtain at its expense, and maintain during the term of this Agreement, insurance against claims for injury to persons or damage to property or the environment which may arise from COMMISSION operations.

□

**Section 7.06 AMENDMENTS** This Agreement may be amended only by a written instrument, approved by an affirmative vote of the governing bodies of two thirds (2/3) of the MEMBERS, and meeting any requirements imposed by the terms or conditions of any revenue bonds issued by the COMMISSION and related documentation including, without limitation, indentures, trust agreements, resolutions and letter of credit agreements.

**Section 7.07 CONSENT** Notwithstanding the foregoing, no amendment shall require any MEMBER to contribute any funds to, or become directly or contingently liable for any debts, liabilities or obligations of, the COMMISSION, without that MEMBER'S written consent, signed by its duly authorized representative.

**Section 7.08 WITHDRAWAL** MEMBERS may withdraw at any time by providing written notice from the governing body of such MEMBER to the Board; provided that no MEMBER may withdraw if withdrawal would adversely affect a bond or other indebtedness issued by the COMMISSION, except upon a two-thirds (2/3) vote of the full Board. Withdrawal shall be effective upon receipt by the Board of said notice or upon said vote of the Board if required. The withdrawing MEMBER shall continue to be financially responsible for its share of financial obligations and liabilities incurred prior to the effective date of withdrawal. Upon such withdrawal, no withdrawing MEMBER shall be entitled to any distribution or withdrawal of property or funds except as may be agreed to by the Board; however such MEMBER may be entitled to participate in a pro-rated return of surplus money and other surplus personal property upon the dissolution of the COMMISSION based on factors as determined by the Board such as but not limited to the MEMBER'S length of time of participation with and contribution to the COMMISSION.

**Section 7.09 TERMINATION AND DISTRIBUTION** This Agreement continues until terminated by the written consent of a simple majority of the full Board; provided that:

- (a) this Agreement cannot be terminated until such time as all principal of and interest on any bonds and other forms of indebtedness that the COMMISSION may issue are paid in full; and
- (b) this Agreement and the COMMISSION continue to exist following termination for the purpose of disposing of all claims, distributing assets, and all other functions necessary to conclude the obligations and affairs of the COMMISSION.

**Section 7.10 DISTRIBUTION OF FUNDS AND ASSETS FOLLOWING**

**TERMINATION** After completion of the COMMISSION's purposes, any surplus money on deposit in any fund or account of the COMMISSION will be disposed of as required by law. All other property of the Commission, real and personal, shall be divided or disposed of in a manner agreed upon by the Board of Directors. The Board of Directors is vested with all powers of the COMMISSION for the purpose of concluding and dissolving its business affairs.

□

**Section 7.11 NOTICES** All notices which any MEMBER or the COMMISSION may wish to give in connection with this Agreement shall be in writing and shall be served by personal delivery during usual business hours at the principal office of the MEMBER or the COMMISSION, to an officer or person apparently in charge of that office, or by depositing the same in the United States mail, postage prepaid, and addressed to the MEMBER or the COMMISSION at its principal office, or to such other address as the COMMISSION or MEMBER may designate from time to time by written notice given to the other MEMBERS in the manner specified in this section. Service of notice shall be deemed complete on the day of service by personal delivery (but 24 hours after such delivery in the case of notices of special meetings of the Board) or three (3) days after mailing if deposited in the United States mail. Until changed by written notice to the COMMISSION and the MEMBERS, notice shall be delivered as follows: **[LIST OF ENTITIES HERE]**

**Section 7.12 PROHIBITION AGAINST ASSIGNMENT** No MEMBER may assign any right, claim, or interest it may have under this Agreement. No creditor, assignee or third-party beneficiary of a MEMBER has a right, claim or title to any part, share, interest, fund or asset of the COMMISSION. However, nothing in this Agreement prevents the COMMISSION from assigning any interest or right it may have under the Agreement to a third party.

**Section 7.13 SEVERABILITY** If a portion, term, condition or provision of this Agreement is determined by a court to be illegal or in conflict with any law of the State of California, or is otherwise rendered unenforceable or ineffectual, the validity of the remaining portions, terms, conditions and provisions is not affected.

**Section 7.14 LIABILITY OF COMMISSION** Subject to limitations contained in any trust agreement or other documents pursuant to which financing of the COMMISSION is implemented, COMMISSION funds may be used to defend, indemnify, and hold harmless the COMMISSION, any Member, any Director or Alternate Director, and any employee or officer of the COMMISSION for their actions taken within the scope of their duties while acting on behalf of the COMMISSION.

**Section 7.15 GOVERNING LAW** This Agreement will be governed by and construed in accordance with the laws of the State of California.

**Section 7.16 COUNTERPARTS** This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes but one and the same instrument.

**Section 7.17 EFFECTIVE DATE** In accordance with the initial Joint Powers Agreement, this Restated and Amended Joint Powers Agreement shall become effective at the time two-thirds (2/3) of the MEMBERS have approved this Amended and Restated Joint Powers Agreement.

**IN WITNESS WHEREOF**, this Amended and Restated Joint Powers Agreement has been duly considered by the governing bodies of all MEMBERS of the Redwood Region Economic Development Commission and has been approved by the governing bodies of all MEMBERS, and is hereby entered into by the MEMBERS effective as of the date written above.

SIGNATURES APPEAR ON FOLLOWING PAGES

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# Humboldt Community Services District

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

## AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: February 24, 2026

**AGENDA ITEM:** F.2

**TITLE:** Public Notice on the Status of Vacancies and Recruitment and Retention Efforts

**Presented by:** Terrence Williams, General Manager

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### Recommendation:

Conduct a public meeting on February 24, 2026, to review the District's status of employment vacancies, and recruitment and retention efforts, in compliance with Government Code section 3502.3.

### Summary:

Effective January 1, 2025, AB2561 enacted Government Code section 3502.3, requiring local agencies to hold an annual public hearing on the status of public employment vacancies and recruitment and retention efforts.

At today's public hearing, the Board will receive a summary of the Status of Vacancies and Recruitment and Retention Efforts from staff, provide an opportunity for a presentation or comments from the HCSD Employee Association, and seek public input and general comments on its planned employment and staffing efforts.

### STATUS OF VACANCIES:

The District has 23 full-time permanent benefited positions.

As of December 31, 2025, the District had 22 full-time benefited employees and 1 vacancy. The District also had 1 full-time temporary employee and 1 temporary employee placed by Express Employment Professionals. Both temporary employees worked on the District's Automated Meter Reading program.

The status of vacancies as of December 31, 2025 are as follows:

- **Maintenance Foreman – Vacated October, 6 2026**

The Maintenance Foreman position was vacated unexpectedly upon the passing of Darren Toland. The District initiated a recruitment for the position on October 30,

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2025. Currently, the most tenured Utility Worker in the department is serving as the interim foreman. The District plans to interview candidates in the coming month.

### **2025 RECRUITMENTS:**

The 2025 Calendar year was a significant year for employee recruitment. The District recruited seven (7) employees.

**Utility Worker Recruitment (2 positions) February 2025** – In October 2024 the District had an unsuccessful recruitment for a vacant Utility Worker position in the Maintenance Department. The District had 15 applicants for the position. A successful candidate was identified and an offer was made. The candidate declined the job offer because the District could not meet his salary requirements. The District decided to suspend the recruitment and resolicit the position in February 2025.

During the February 2025 recruitment, the District received 46 applications. The District made offers to two candidates, both of whom accepted the position and began working for the District. Both candidates began their employment in May 2025. One of the hired employees resigned from the position in their second month of employment to attend the Caltrans Heavy Highway Construction Trades Academy. During an exit interview, the candidate expressed that he preferred to find employment as a heavy equipment operator. A third candidate who had interviewed was offered temporary employment through Express Employment Professionals and was working on the District's Automated Meter Installation program. The candidate accepted the job offer and began working for the District as a permanent employee in September 2025.

**Customer Service Representative Position (1 Position) May 2025** – In March 2025, a Customer Service Representative, who had been on a long-term leave of absence, vacated their position. A temporary employee, who was placed through Express Employment Professionals in the position, accepted an offer of permanent employment in May 2025.

**Construction Foreman (1 Position) August 2025** – The District's incumbent Construction Foreman, Mark Taylor, announced his retirement effective December 30, 2025. The District solicited for a Construction Foreman. The District had 3 applicants for the position. The District made an offer of employment as foreman to a long-tenured Utility Worker from the Construction Department who had applied for the position. The new Construction Foreman began his position on October 15, 2025, which provided for a ten-week transition with the retiring Foreman.

**Utility Worker Recruitment (1 Position) October 2025** – The District solicited for a Utility Worker in the Construction Department to fill the vacancy created by the promotion of a Utility Worker to foreman. The District received 17 applications for the position. A candidate with experience in water/wastewater utilities accepted the position and started employment on December 7, 2025.

**Utility Services/Engineering Technician Series (2 Positions) August 2025–** The District’s incumbent Utility Services Planner and Engineering Technician both announced their retirement date of December 30, 2025. The District reviewed the job descriptions for both positions and created a position series consisting of Utility Services Assistant/Engineering Technician I and Utility Services Planner/Engineering Technician II. The District released one solicitation to cover both positions. The District received eight (8) applicants for the positions. After an initial round of interviews in September, the District identified three candidates who met the minimum qualification for the Utility Services Planner II/Engineering Technician II position and invited each candidate back for a second interview and selection process in October. Two candidates accepted offers for the solicited positions. The candidate selected for the Utility Services Assistant/Engineering Technician I position began work on December 1, 2026, and the candidate selected for the Utility Services Planner/Engineering Technician II position began work on December 16, 2026. The Utility Services Assistant/Engineering Technician I had four weeks of overlap with the incumbent Engineering Technician. The Utility Services Planner/Engineering II transitioned from the Engineering Intern position and had the opportunity to work with the incumbent Utility Services Planner before his retirement.

## **2025 RECRUITMENT EFFORTS**

All recruitment efforts in 2025 were performed in-house by the Administrative Department. Recruitment efforts include: reviewing and updating current job descriptions; creating job announcements; advertising vacancies; screening and assessing applications; coordinating panel interviews; preparing offers of employment; negotiating salaries; and coordinating background screening, driver history, and occupational health screening.

## **RECRUITMENT CHALLENGES**

HCSD faces similar challenges with each recruitment:

- Lack of mid-career candidates for technical and field positions
- The District’s hourly wages are not competitive with private industry wages. Pacific Gas & Electric, CalTrans, and local contractors and local consultants offer a significantly higher salary scale.
- Younger applicants do not often comprehend the value of the District’s comprehensive benefits program.
- There are no formal local water and wastewater utility education programs offered. New employees often have no industry experience or education. Employers in other parts of California often have minimum qualifications that require applicants to already hold Water Distribution Certification.

## **RETENTION EFFORTS**

HCSD offers an excellent benefits package, including CalPERS defined benefit (pension) retirement, an optional 457 defined contribution retirement, fourteen (14) paid holidays, vacation and sick leave, health, dental, vision, short-term and long-term disability, and life

F.3 Public Notice on the Status of Vacancies and Recruitment and Retention Efforts  
Board of Directors Meeting February 24, 2026

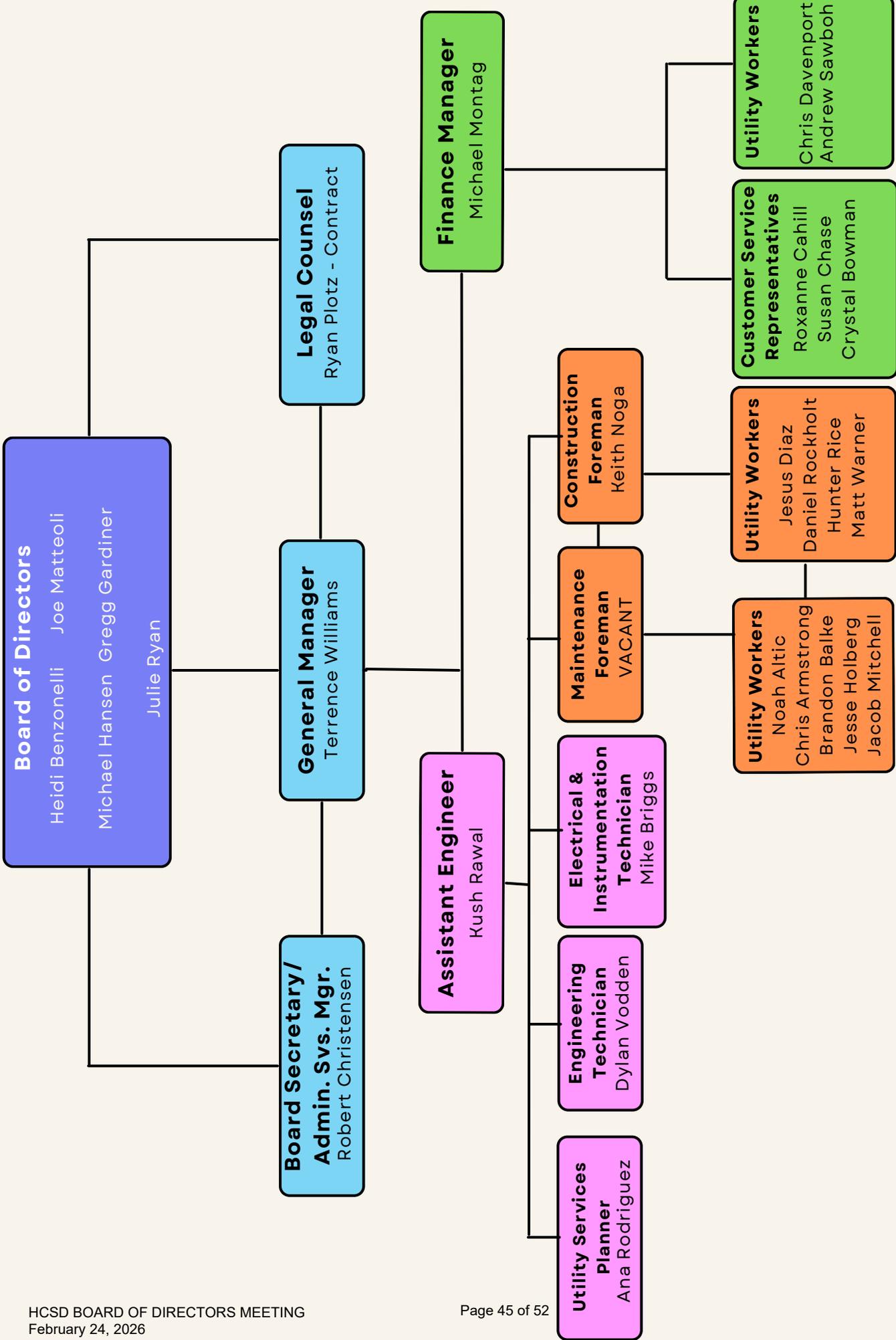
insurance plans. The District pays 100% of the premium on all District-sponsored insurance plans. The District also covers costs associated with training and testing for obtaining and maintaining certifications and commercial driver's licenses, and pays for employee membership in professional organizations, including the California Water Environment Association (CWEA) and the American Water Works Association. District staff will also recommend that the Board of Directors authorize and budget for a salary study to commence in the first quarter of Fiscal Year 2027, so that the District can maintain a compensation program that is competitive and provides for an equitable longevity and merit-based system.

**FISCAL IMPACT**

There is no fiscal impact associated with conducting the public hearing required by AB 2561 and receiving this update on the status of HCSD's vacancies, recruitments, and retention efforts.

**ATTACHMENTS**

- HCSD Organization Chart



# Humboldt Community Services District

January 2026

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# **Humboldt Community Services District**

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

## **AGENDA REPORT**

**For HCSD Board of Directors Regular Meeting of:** February 24, 2026

**AGENDA ITEM:** **F.3**

**TITLE:** Consideration of Appointing an Ad Hoc Committee to Assist with Fiscal Year 2026/27 Employee Wage and Benefit Negotiations and Revisions to the HCSD Personnel Policies & Procedures Manual

**Presented by:** Terrence Williams, General Manager

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### **Recommendation:**

Appoint two Board Members to serve on an Ad Hoc Committee to assist staff with Fiscal Year 2026/27 employee wage and benefit negotiations and review of revisions to the HCSD Personnel Policies & Procedures Manual.

### **Summary:**

Each year, the District negotiates benefits, new requests, and cost-of-living adjustments with the Humboldt Community Services District Employee Association (EA), which represents all non-exempt (hourly) non-confidential regular employees.

In addition to the annual negotiations, staff have completed draft revisions to the HCSD Personnel Policies & Procedures Manual. The draft revisions include updates to the following sections:

- General Provisions
- Employment Policies and Practices
- Standards of Conduct
- Operational Considerations
- Benefits
- Employer – Employee Relations Policy

The draft manual will be submitted to the District's legal counsel and ACWA JPIA for initial review. Following receipt of comments from counsel and ACWA JPIA, staff recommend that the Board-appointed Ad Hoc Committee conduct a secondary review of the draft manual.

After incorporating feedback from the Ad Hoc Committee, staff will finalize the proposed revisions and present them to the Employee Association. Staff further recommends that

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Appointing an Ad Hoc Committee to Assist with Fiscal Year 2025/26 Employee Wage and Benefit Negotiations and Revisions to the HCSD Personnel Policies & Procedures Manual  
Board of Directors Meeting February 24, 2026

the Ad Hoc Committee receive and consider any feedback from the Employee Association regarding the proposed manual during the negotiation process.

The goal is to complete negotiations and finalize revisions to the Personnel Policies & Procedures Manual in time for implementation on July 1, 2026. This requires that the negotiations and revisions be approved no later than the May 26, 2026 meeting.

The General Manager requests that the Board appoint two Directors to participate in the annual negotiations and manual review process. Participation in negotiations will provide the direction necessary for staff to develop the Fiscal Year 2025/26 Draft Budget. It is anticipated that the Ad Hoc Committee may meet up to four times prior to the end of the fiscal year.

**Fiscal Impact:**

None at this time.

# **Humboldt Community Services District**

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

## **AGENDA REPORT**

**For HCSD Board of Directors Regular Meeting of:** February 24, 2026

**AGENDA ITEM:** F.4

**TITLE:** Consideration of Letter of Support for McKinleyville Community Services District Membership on Humboldt County Association of Governments' (HCAOG) Technical Advisory Committee (TAC)

**Presented by:** Terrence Williams, General Manager

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### **Recommendation:**

Consider authorizing the General Manager to sign a letter of Support for McKinleyville Community Services District membership on the Humboldt County Association of Governments' (HCAOG) Technical Advisory Committee (TAC) by motion and roll call vote.

### **Summary:**

MCSD has formally requested an appointment to the HCAOG Technical Advisory Committee (TAC).

The TAC is comprised of technical and/or planning staff representatives from the Cities, the County of Humboldt, Caltrans, the California Highway Patrol, and six Native American tribes. Committee members serve in a staff-level advisory capacity, reviewing, commenting on, and providing recommendations to the HCAOG Board and Policy Advisory Committee on transportation and related regional issues. The TAC's role is to support a comprehensive, coordinated transportation planning process and to assist in implementing the Regional Transportation Plan.

Most matters considered by the TAC relate to regional transportation planning, funding priorities, project programming, and policy coordination. These decisions can directly affect infrastructure owned, operated, and maintained by special districts serving unincorporated communities.

MCSD serves the unincorporated community of McKinleyville, one of the largest population centers in Humboldt County outside of incorporated cities. As a community services district responsible for water, wastewater, parks, and other public infrastructure within a single, identifiable community, MCSD has indicated that participation on the TAC would allow it to provide technical input on transportation decisions that directly affect its facilities and residents.

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F.2 Letter of support for MCSD membership on HCAOG TAC  
Board of Directors Meeting February 24, 2026

Humboldt Community Services District (HCSD) similarly serves residents in unincorporated areas, though its service area comprises multiple distinct communities rather than a single centralized population center. HCSD is not seeking membership on the TAC at this time; however, staff believes that representation from a community services district would provide a valuable operational perspective regarding the impacts of regional transportation decisions on special district infrastructure and service delivery.

Approval of the attached letter would express HCSD's support for MCSD's request for TAC membership.

**Fiscal Impact:**

None at this time.

# Humboldt Community Services District

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

February 24, 2026

Attn: Brendan Byrd, Executive Director  
Humboldt County Association of Governments (HCOAG)  
611 I Street, Suite B  
Eureka, CA 95501

Re: Support for McKinleyville Community Services District Seat on HCOAG's Technical Advisory Committee

Dear Mr. Byrd:

On behalf of Humboldt Community Services District (HCSD), I am writing in support of McKinleyville Community Services District's (MCSD) request for membership on the HCAOG Technical Advisory Committee (TAC).

HCSD and MCSD share a similar governance structure and responsibility to provide essential infrastructure in unincorporated areas. CSD's collectively serve a significant portion of Humboldt County residents whose water, wastewater, and public facilities are affected by regional transportation planning decisions.

There is an important distinction between our districts that makes MCSD's participation on the TAC particularly appropriate. MCSD serves one large, identifiable community—McKinleyville—with a cohesive transportation network, centralized commercial corridors, and community-wide infrastructure systems. Regional transportation decisions often affect the community in a unified, direct way, making dedicated representation logical.

By contrast, HCSD serves several smaller, geographically distinct communities—including Myrtle town, Freshwater, Humboldt Hill, Cutten, King Salmon, and Fields Landing—each with its own character, development patterns, and localized infrastructure needs. Because our service area is decentralized across multiple unincorporated communities rather than centered on a single population hub, we are not currently considering a TAC membership request.

We do, however, believe representation from a community services district serving a single, identifiable population center would strengthen the Committee's work. MCSD's participation would provide valuable technical insight while ensuring that the operational realities of special districts—and the residents of unincorporated communities—are thoughtfully considered in regional transportation planning.

We respectfully request your consideration and approval of MCSD's application for membership on the HCAOG TAC.

Support for McKinleyville Community Services District Seat on HCOAG's Technical  
Advisory Committee  
February 24, 2026  
Page 2 of 2

Sincerely,

Terrence Williams  
General Manager  
HUMBOLDT CSD

/rwc