

AGENDA ITEM 5A

MARCH 19, 2025 DRAFT MEETING MINUTES

1. CALL TO ORDER

The meeting was called to order at 9:00 a.m. in the City of Eureka Council Chambers and via Zoom video conference with Chair Madrone presiding.

2. FLAG SALUTE

3. ROLL CALL

Members Present: Heidi Benzonelli, Michelle Bushnell, Cheryl Kelly, Steve Madrone, Meredith Matthews, Troy Nicolini, and Elaine Weinreb

Members Absent: None

Alternates Present: David Couch* and Debra Garnes

Alternates Absent: Gordon Johnson and Mike Wilson

Staff: Colette Santsche, Executive Officer
Krystle Heaney, Clerk/Analyst
Ryan Plotz, Attorney

*Alternate Commissioner Couch was present on Zoom and participated as a member of the public.

4. PUBLIC COMMENT

No public comment was received.

5. CONSENT CALENDAR

A) Approval of January 15, 2025 Regular Meeting Minutes

Motion Bushnell/Matthews to approve the consent calendar. Motion passed by 7-0-0 voice vote.

6. PUBLIC HEARING ITEMS

A) Municipal Service Review and Sphere of Influence Update for Humboldt Bay Municipal Water District

Clerk Heaney introduced the staff report and provided an overview of the MSR/SOI review process, document revisions, and service area of the Humboldt Bay Municipal Water District (HBMWD). She explained that the District serves primarily as a wholesale provider with municipal water contracts in place with several cities and community services districts within the Humboldt Bay Region. The District also maintains an industrial water system that is currently inactive. In addition to receiving Commission review and feedback at the January 15th meeting, the draft MSR/SOI Update was reviewed by HBMWD staff and Board members. The current version is presented as a final draft for Commission consideration as part of a noticed public hearing.

The Commission discussed revisions made to the document since the January meeting. It was noted that the City of Eureka boundary was shown incorrectly on two maps due to the inadvertent inclusion of the SOI layer. Staff acknowledged the mapping error and confirmed the correction.

EO Santsche noted additional revisions to the MSR distributed following the packet release, including clarifications to better document the Fairhaven service area and updated water rate information. Commissioner Nicolini provided background on the Techite Pipeline Replacement Project completed in 2014, including the Coastal Commission's requirement that the pipeline be routed along New Base Road. This routing decision resulted in increased project costs and, ultimately, higher water rates for the 63 homes in Fairhaven. Nicolini noted ongoing disagreement about whether the capital expenses associated with environmental mitigation for the pipeline should have been borne solely by Fairhaven residents or distributed across all District ratepayers. While affirming that the MSR is adequate, he expressed hope that the matter might be resolved through other channels in the future.

The Commission also discussed the potential extension of a water main north along Highway 101 toward the Trinidad Rancheria. Chair Madrone shared a report prepared by Pacific Watershed Associates titled *Overview of Luffenholz Creek Water Resources and Water Availability*. He highlighted that approximately 25–33% of water storage occurs within the marine terrace watershed areas and the development of small water storage reservoirs could improve water availability during low-flow periods.

Several Commissioners expressed concerns about potential growth inducement associated with such an extension. A request was made to include further analysis of estimated population growth that could result from the project. However, given the conceptual nature of the proposal and absence of a formal application, the Commission determined that investing time and resources into growth projections at this stage would be premature. Instead, it was recommended that a condition be added to the MSR resolution stating that a project-specific MSR/SOI Update shall be prepared if an application for service extension is submitted to LAFCo.

District staff were present to provide comments and answer questions. They expressed appreciation for the detailed information included in the MSR/SOI Update and affirmed that, should the main line extension move forward, there would be additional opportunities for public input and agency coordination as the project is further defined.

Motion Nicolini/ Kelly to adopt Resolution No. 25-01, approving the HBMWD MSR/SOI Update, including (1) correction to the City of Eureka boundary as shown in the figures; (2) incorporation of additional revisions related to the Fairhaven service area and updated water rates as distributed following packet release; and (3) direction that any future application submitted to LAFCo for a mainline extension include a project-specific MSR to support its review. Motion passed by 7-0-0 voice vote.

B) Proposed Budget and Work Plan for Fiscal Year 2025-26

EO Santsche introduced the staff report and provided an overview of the budget process. She noted that insurance costs are expected to be increasing for the

upcoming year. To offset these increased costs, a reduction in the office supplies line item to \$500 is recommended.

Commissioners discussed various budget components, including projected expenses for attendance at the annual CALAFCO Conference, insurance premiums, and GIS web mapping. It was clarified that the insurance costs in FY 2020–21 appeared unusually high due to a payment being posted in the incorrect fiscal year. Regarding web mapping, staff noted that ongoing maintenance should require minimal staff time, with the primary recurring expenses limited to the annual ESRI license and website hosting.

Motion Bushnell/ Matthews to adopt Resolution No. 25-02, approving the proposed budget for FY 2025-26 with the recommended adjustments to the insurance and office supplies line items, and directing the Executive Officer to distribute the proposed budget to member agencies for review and comment. Motion passed by 7-0-0 voice vote.

8. BUSINESS ITEMS

None

9. INFORMATIONAL AND CONTINUING ITEMS

A) Form 700 and Ethics Training

EO Santsche introduced the staff report and requested that forms be sent to LAFCo as soon as possible. It was also noted that ethics training is required every two years.

B) Status of Municipal Service Review Preparations

Clerk Heaney introduced the staff report and provided an overview of current MSR preparations. Staff will be working on the City of Eureka MSR/SOI Update and later in the year will be looking at Scotia and Peninsula CSDs.

C) Status of Current and Future Proposals

EO Santsche introduced the staff report and provided a brief update on current and anticipated proposals. A new application has been received from the Kneeland FPD for annexation of its goodwill response area. The District conducted successful community outreach last fall in support of its proposed special tax (Measure D), which was approved by voters. Staff will send notices to affected landowners and registered voters ahead of the public hearing scheduled for the Commission's May meeting.

It was also noted that regional fire service planning efforts are ongoing, and additional district reorganizations are expected in the future. The draft 2023 Fire Chiefs Annual Report will be released soon, with work beginning shortly on the 2024 report.

Commissioner Benzonelli commented that discussions surrounding the proposed North McKay Ranch development are continuing. She clarified that all public infrastructure associated with the project—including, but not limited to, the new water tank—will be owned and maintained by Humboldt Community Services District.

D) Status of Humboldt LAFCo Web Mapping

Clerk Heaney introduced the staff report and provided a brief overview of the web mapping project to date. A live demonstration of the web mapping application was

presented, and Executive Officer Santsche offered additional detail regarding the various data layers available for viewing.

Commissioners expressed support for the project, noting its value in visualizing jurisdictional boundaries and service areas. They suggested that, if feasible, it would be beneficial to incorporate additional layers depicting key infrastructure to help illustrate potential growth impacts and support planning discussions.

10. EXECUTIVE OFFICER'S REPORT

A) CALAFCO Staff Workshop (April 30 – May 2, 2025)

B) CALAFCO Legislative Update (March 2025)

EO Santsche provided a brief overview of the current status of CALAFCO and provided Commissioners with a copy of a recent letter from the association. The organization is going through a transition period and is looking towards changes to make Board proceedings and the overall organization more transparent. A transition team has been brought on to help guide the process.

11. WRITTEN CORRESPONDENCE - None

12. ADJOURNMENT

The meeting was adjourned at 10:59 am. The next meeting of the Commission will take place on May 21, 2025 at 9:00am at the City of Eureka Council Chambers located at 531 K Street, Eureka, CA 95501.