



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

**AGENDA**

**DATE:** Tuesday, May 23, 2023

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

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

This meeting will also be held by Zoom video/teleconference, per Government Code Section 54953(b)

Teleconference locations: 5055 Walnut Drive, Eureka, CA, and  
20 Via Ravello, Henderson, NV

*The HCSD Boardroom is open to the public during open session segment(s) of the meeting. This meeting will also be held by Zoom video/teleconference, per Government Code Section 54953(b). If members of the public cannot attend in person and would like to speak on an agenda item including Public Participation, please join through the Zoom website (<https://zoom.us>) entering Meeting ID 867 4479 5850 and Passcode 197244. Access may also be achieved via telephone only by dialing 1-669-900-9128.*

**A. ROLL CALL**

Directors Benzonelli, Gardiner, Hansen, Matteoli, Ryan

**B. PLEDGE OF ALLEGIANCE**

**C. CONSENT CALENDAR**

1. Approval of May 23, 2023 Agenda *Pgs 1-2*
2. Approval of Minutes of the Regular Meeting of May 9, 2023 *Pgs 3-5*

**D. REPORTS**

1. General Manager
  - a) District Update *Pg 7*
2. Engineering Department
  - a) Engineering Status *Pgs 9-10*

3. Superintendent

a) April 2023 Operations/Maintenance

Pg 11

4. Finance Department

a) April 2023 Budgetary Statement

Pgs 13-22

5. Legal Counsel

6. Director Reports

7. Other

**E. PUBLIC PARTICIPATION \*\***

\*\*Members of the public will be given the opportunity to comment on items not on the agenda. Please use the information set forth above to participate via Zoom. The Board requests that speakers please state their name and where they are from, be clear, concise and limit their communications to 3 to 5 minutes. At the conclusion of all oral communications, the Board or staff may choose to briefly respond with information in response to comments; however, the Brown Act prohibits discussion of matters not on the published agenda. Matters requiring discussion, or action, will be placed on a future agenda.

**F. NON-AGENDA**

**G. NEW BUSINESS**

1. Consideration of Ordinance 2023-01 Modifying District Code Section 7.02.010 Water Capacity Charges and 7.05.010 Sewer Capacity Charges; First Reading

Pgs 23-31

**H. OLD BUSINESS**

**I. ADJOURNMENT**

Next Res: 2023-05

Next Ord: 2023-02

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact Brenda Franklin at (707) 443-4558, ext. 210. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102 – 35.104 ADA Title II).

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

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

The Board of Directors of the Humboldt Community Services District met in Regular Session at 5:00 p.m. on Tuesday, May 9, 2023, at 5055 Walnut Drive, Eureka, California with public participation available via Zoom tele/video conference.

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

The meeting was called to order at 5:00 p.m. Present upon roll call were Directors Benzonelli, Gardiner, Hansen, and Matteoli. Director Ryan arrived at 5:08 p.m. Staff in attendance: General Manager Williams (GM), Superintendent Latham, Finance Manager Montag (FM), and Assistant Engineer Adams (AE).

**B. PLEDGE OF ALLEGIANCE**

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

**C. CONSENT CALENDAR**

1. Approval of the May 9, 2023 Agenda
2. Approval of Minutes of the Regular Meeting of April 25, 2023

GM informed of a misspelling of a name under Minutes Item H.1 wherein the City Council Member Bolton requires correction to Moulton.

Public Comment: None

DIRECTOR MATTEOLI MOVED, DIRECTOR HANSEN SECONDED, TO ACCEPT AND APPROVE THE APRIL 25, 2023 CONSENT CALENDAR WITH CORRECTION TO ITEM H.1. OF THE APRIL 25, 2023 MINUTES TO REFLECT MOULTON RATHER THAN BOLTON. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

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

**D. REPORTS**

1. General Manager

a) District Update

- South Broadway Forcemain – GM reviewed the five-year grant process with CalOES and FEMA, the unforeseen delays, and significant cost increases over the time period. Staff is investigating possibilities related to financing the increased costs through the Clean Water State Revolving Fund.
- Earthquake Recovery – Through CalOES, the District has been awarded \$29,215.73 toward protective measures taken by the District on the day of the earthquake and another \$876,408.23 to apply toward damaged infrastructure.

DRAFT – MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT  
MAY 9, 2023

- City of Eureka Wastewater Agreement – the District Adhoc consisting of Directors Benzonelli and Matteoli met with the GM, City of Eureka staff, and Council Members Bauer and Castellano. The May 8 meeting was productive and constructive.

2. Engineering

a) Engineering Status

- Brier Lane Water Storage Tank Rehabilitation Project – AE summarized the project process. The construction performance period will begin May 15 with and close September 29, 2023. The contractor will have 100 days to complete the project within the performance window.

3. Superintendent

a) March 2023 Operations/Maintenance

Superintendent summarized the significant sewer main cleaning, sewer main and lateral filming as well as the cleaning of numerous sewer wet wells and responses to power outages in the King Salmon and Cutten areas while continuing preparations for multiple upcoming Capital Improvement Projects.

b) April 2023 Construction Operations

Superintendent reviewed the repair, replacement, and capital improvement projects progress throughout the month.

Discussion followed addressing the difficulties with PG&E's unreliable power shut off notifications, and how the District's ability to respond to power outages with or without PG&E notifications will improve significantly once the new SCADA system is implemented. Comments continued with regard to the Hoover Sewer Lift Station's vulnerability to overflows during overwhelming major rain events and the GM's pending grant application to fund a solution to minimize, the possibility of future events.

4. Finance Department

a) March 2023 Budgetary Statement

FM reviewed the report. Director Gardiner questioned the unusual Temporary Labor account wherein FM advised the need relates to staff shortages noting wages and benefits are much lower than anticipated.

b) April 2023 Check Register

FM reviewed the report commenting it was a standard month of activity.

**E. PUBLIC PARTICIPATION**

None

**G. NEW BUSINESS**

1. Consideration of Appointment of an AdHoc Committee to Assist with Fiscal Year 2023/2024 Employee Wage and Benefit Negotiations

GM advised the Employee Association submitted a request to negotiate wages and benefits for Fiscal Year 2023/2024, thus, the need for the appointment of two Board members to assist in determining recommendations to the full Board for consideration.

IT WAS THEN MOVED BY DIRECTOR MATTEOLI, SECONDED BY DIRECTOR GARDINER, TO APPOINT DIRECTORS HANSEN AND RYAN TO THE ADHOC COMMITTEE TO ASSIST WITH FISCAL YEAR 2023/2024 EMPLOYEE ASSOCIATION NEGOTIATIONS.

PUBLIC COMMENT: None

MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

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

**I. ADJOURNMENT**

There being no further business, IT WAS MOVED BY DIRECTOR HANSEN, SECONDED BY DIRECTOR MATTEOLI, TO ADJOURN. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

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

THE BOARD ADJOURNED ITS REGULAR MEETING OF MAY 9, 2023 AT 5:30 P.M.

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Submitted, Board Secretary

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# 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: May 19, 2023

SUBJECT: General Manager Report for May 23, 2023 Board Meeting

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### Rate Study Update

Legal review for the District's ongoing rate study has been completed. Notices regarding the plan to adopt the rate study have been mailed out to ratepayers. The Rate Study Report has been posted to the District's website for public review. A public workshop will be held during the Regular Board Meeting scheduled for June 13, 2023. The final public hearing will be held during the Regular Board Meeting scheduled for July 11, 2023. We are in the process of recording a radio public service announcement and publishing a newspaper advertisement that includes this information.

Adjusting the District's Water and Sewer Capacity Charges follows a slightly different process than the adjusting the Water and Sewer Rates. The Capacity Charge Study was included in the District's Rate Study Report which is posted to the District's website. The intention to adjust the District's Water and Sewer Capacity Charges will be advertised in a newspaper of general circulation. A public hearing to adopt the new Capacity Charges will be held at least 60-days after the public notification. The public notice will go out in June and the associated public hearing will occur in August.

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# 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:** Benjamin Adams, Assistant Engineer

**DATE:** May 19, 2023

**SUBJECT:** Engineering Department Status Report for May 23, 2023 Board Meeting

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### District Steel Main Replacement Projects

Engineering Staff have created preliminary plans for two upcoming steel main replacement (SMR) projects. These construction projects are scheduled for this summer, following the 18<sup>th</sup> Street SMR Project.

Stanford Circle is located at the base of Humboldt Hill. The Stanford Circle SMR project consists of replacing 100 feet of 2-inch galvanized steel water main with 4-inch PVC C900 pipe. This water main serves two residential lots. District standards for new water mains, which are based on California Fire Code and AWWA Standards, identify 4-inch as the minimum acceptable pipe diameter for this configuration. An end line blow off will be installed to maintain the ability to flush this water main. There are currently two fire hydrants located within 150 feet of the cul-de-sac entrance. Their proximity to the project satisfies fire hydrant spacing requirements of the 2022 California Fire Code, which is upheld and verified by the Humboldt Bay Fire Department. No additional fire hydrants will be installed as part of this project.

Temple Circle is also located at the base of Humboldt Hill. The Temple Circle SMR project consists of replacing 170 feet of 2-inch galvanized steel water main with 8-inch PVC C900 pipe and installing a new fire hydrant. This water main currently serves six residential lots. District standards for new water mains, identify 8-inch as the minimum acceptable pipe diameter when supplying a fire hydrant. The new fire hydrant installed at the end of this water main, will provide additional fire protection to the neighborhood and serve as a flushing point for the water main.

### Coordination with Humboldt County Public Works

Engineering Staff reviewed and provided comments to the Humboldt County Public Works department for a project at the intersection of Sea Avenue and Union Street. The intention of the project is to repair a section of road that was damaged in the December 2022 earthquake. The District maintains a 14" water transmission main under this portion of Sea Avenue, as well as a 6" sewer force main, a gravity sewer manhole and an associated 8" gravity sewer main which is located to the north, outside of the built-up road section.

Engineering staff alerted the county of the condition of the road after noticing the sewer manhole and concrete collar was approximately 4 inches higher than the road surface.

District facilities in this vicinity did not settle and were not damaged as a result of the settling or the earthquake.

District staff will monitor the sewer lid grade adjustment work, that will be performed by the County's contractor, to ensure that the work is completed as designed and to the District's standards. County staff indicates that the project will be completed by the end of July.

### **Private Projects Within the District**

Engineering staff have responded to over 100 USA notifications since reported last at the April 25<sup>th</sup> Board Meeting. Approximately 75% of the USA notifications required District staff to mark District infrastructure in the field at the location of the proposed work areas.

Engineering staff have responded to eight Humboldt County Building and Planning Department Referrals this year.

# Humboldt Community Services District

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

## **BOARD MEMORANDUM**

To: H.C.S.D. Board of Directors  
From: Tim Latham, District Superintendent  
Date: May 17, 2023  
Subject: April 2023 Operations/Maintenance Report

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The Operations/Maintenance Department was busy in April with a variety of projects. In addition to the standard operation and maintenance of District facilities, crews continued to do station maintenance and assisted with customer service. All of the stationary and portable generators were tested in order to ensure proper operation in the time of need.

General business included cleaning 2,177 feet of sewer main line and 357 feet of sewer lateral line in the Myrtle town area, continued work related to the Blackberry Street SLS Rehabilitation Project, preparations at the Brier Lane water storage tank site for the upcoming tank rehabilitation project scheduled to begin in June, continued preparations for multiple other upcoming Capital Improvement Projects, and the completion of the annual respirator fit testing.

Other business included meeting with Green Diamond Resource Company at the Lentell water storage tank site to discuss options to remove a large tree (approximately 130 ft. long) which had fallen from District property onto Green Diamond property during the storms. When the tree fell, it loosened the root systems of several other trees (on District property) in the immediate vicinity, and now they may likely fall in a storm. Due to the proximity of a neighboring home, the District is soliciting quotes from tree service companies for the removal of those trees.

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

**April 2023**

	Budgeted 2022-23	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	5,449,000	397,571	4,318,688	4,540,833	(222,145)	(4.9)	
Water Charges - Pass Through	-	-	-	-	-	-	
Sewer Service Charges	5,280,000	433,796	4,352,057	4,400,000	(47,943)	(1.1)	
Sewer Service Charges - Pass Through	1,500,000	129,120	1,300,880	1,250,000	50,880	4.1	
Water & Sewer Construction Fees	47,000	-	25,909	39,167	(13,257)	(33.8)	
Account Fees	35,000	9,966	63,937	29,167	34,770	119.2	
Reimbursable Maintenance Fees	1,000	-	-	833	(833)	(100.0)	1
Miscellaneous	2,000	84	1,602	1,667	(65)	(3.9)	1
<b>TOTAL OPERATING REVENUE</b>	<b>12,314,000</b>	<b>970,536</b>	<b>10,063,224</b>	<b>10,261,667</b>	<b>(198,443)</b>	<b>(1.9)</b>	
<b>NON-OPERATING REVENUE</b>							
Capital Connection Fees	180,000	-	85,821	150,000	(64,179)	(42.8)	1
Interest/General	30,000	-	-	25,000	(25,000)	(100.0)	1
Discounts Earned	2,000	151	1,297	1,667	(370)	(22.2)	1
Sales: Fixed Assets/Scrap Metal	15,700	-	43	13,083	(13,041)	(99.7)	1
Bad Debt Recovery	10,000	213	912	8,333	(7,421)	(89.1)	1
Property Taxes & Assessments	354,000	-	-	295,000	(295,000)	(100.0)	1
Insurance Rebate	20,000	-	-	16,667	(16,667)	(100.0)	1
Other Non-Operating Revenue	-	-	237	-	237	-	
<b>TOTAL NON-OPERATING REVENUE</b>	<b>611,700</b>	<b>364</b>	<b>88,310</b>	<b>509,750</b>	<b>(421,440)</b>	<b>(82.7)</b>	<b>1</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>12,925,700</b>	<b>970,900</b>	<b>10,151,534</b>	<b>10,771,417</b>	<b>(619,883)</b>	<b>(5.8)</b>	
<b>OPERATING EXPENSES</b>							
Wages Direct	1,635,000	129,937	1,256,199	1,362,500	106,301	7.8	
Benefits: PERS	503,000	40,883	411,622	419,167	7,545	1.8	
Group Ins	1,235,000	78,176	846,436	1,029,167	182,731	17.8	
Workers Comp Ins	23,500	-	20,476	19,583	(893)	(4.6)	2
FICA/Medicare	117,000	10,142	97,399	97,500	101	0.1	
Misc Benefits	500	40	500	417	(83)	(20.0)	2
<b>Total Wages and Benefits</b>	<b>3,514,000</b>	<b>259,177</b>	<b>2,632,632</b>	<b>2,928,333</b>	<b>295,702</b>	<b>10.1</b>	
Less: wages & ben charged to Capital Proj.	(175,676)	(20,140)	(244,291)	(146,397)	97,894	(66.9)	
<b>Total Operating Wages and benefits</b>	<b>3,338,324</b>	<b>239,037</b>	<b>2,388,341</b>	<b>2,781,937</b>	<b>393,596</b>		
Water Purchase HBMWD	1,075,000	87,967	882,253	895,833	13,580	1.5	
Water Purchase Eureka	810,000	69,117	686,575	675,000	(11,575)	(1.7)	
Sewage Treatment Operations & Maint.	1,495,000	134,733	1,347,330	1,245,833	(101,497)	(8.1)	
Water/Sewer Analysis	15,000	425	9,468	12,500	3,032	24.3	
Supplies/ Construction	159,500	10,690	113,813	132,917	19,104	14.4	
Supplies/ Office-Administration	15,000	111	12,103	12,500	397	3.2	
Supplies/ Engineering	2,500	9	536	2,083	1,548	74.3	
Supplies/ Maintenance	100,000	7,353	55,202	83,333	28,131	33.8	
Invoicing	57,000	3,536	44,928	47,500	2,572	5.4	
Temporary Labor	61,200	21,394	107,248	51,000	(56,248)	(110.3)	3
Repairs & Maintenance/Trucks	55,000	1,662	41,761	45,833	4,072	8.9	
Equipment Rental	5,000	-	-	4,167	4,167	100.0	
Building & Grounds Maintenance	30,000	2,250	23,703	25,000	1,297	5.2	
Electrical Power	295,800	30,857	298,711	246,500	(52,211)	(21.2)	4
Street Lights	70,000	2,317	57,420	58,333	913	1.6	4
Telephone	18,000	1,002	11,805	15,000	3,195	21.3	
Postage	3,000	-	2,521	2,500	(21)	(0.8)	
Freight	500	-	4,503	417	(4,086)	(980.7)	5
Chemicals	10,000	946	8,955	8,333	(621)	(7.5)	
Liability Insurance	62,000	-	81,315	51,667	(29,648)	(57.4)	6

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

**April 2023**

	Budgeted 2022-23	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance	Note
Legal	70,000	1,513	37,395	58,333	20,938	35.9	
Accounting	13,000	1,400	18,003	10,833	(7,169)	(66.2)	7
Engineering	1,000	-	570	833	263	31.6	9
Other Professional Services	118,000	-	9,041	98,333	89,292	90.8	
Bank Service Charges	28,000	855	14,993	23,333	8,340	35.7	
Transportation	75,738	6,974	60,038	63,115	3,077	4.9	
Office Equip. Maintenance	7,000	315	2,660	5,833	3,173	54.4	
Computer Software Maintenance	45,000	134	29,408	37,500	8,092	21.6	
Memberships & Subscriptions	24,800	-	20,820	20,667	(153)	(0.7)	
Bad Debts & Minimum Balance Writeoff	50,000	-	175	41,667	41,492	99.6	
Conference & Continuing Ed	34,500	1,863	12,184	28,750	16,566	57.6	
Certifications	3,500	7	2,640	2,917	277	9.5	
State/County & LAFCO Fees and Charges	40,000	-	34,570	33,333	(1,236)	(3.7)	
Hydraulic Water Model Maintenance	6,000	-	-	5,000	5,000	100.0	
Elections Expense	15,000	-	-	12,500	12,500	100.0	
Human Resources	21,000	979	6,023	17,500	11,477	65.6	
Miscellaneous	12,000	85	8,002	10,000	1,998	20.0	
Director's Fees	16,000	950	10,000	13,333	3,333	25.0	
<b>TOTAL OPERATING EXPENSES</b>	<b>8,258,362</b>	<b>628,481</b>	<b>6,445,011</b>	<b>6,881,968</b>	<b>436,957</b>	<b>6.3</b>	
<b>LONG TERM DEBT PAYMENTS</b>							
Safe Drinking Water Bond	177,429	-	88,738	147,858	59,120	40.0	8
2012 CIP & Refi.	203,766	-	203,766	169,805	(33,961)	(20.0)	8
Davis-Grunsky Loan	6,049	-	5,838	5,041	(797)	(15.8)	8
VacCon Truck Loan	117,441	-	117,441	97,868	(19,573)	(20.0)	8
2014 Wastewater Revenue Bonds	484,175	349,588	484,175	403,479	(80,696)	(20.0)	8
New Long-Term Debt	(340,000)	-	-	(283,333)	(283,333)	100.0	8
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>648,860</b>	<b>349,588</b>	<b>899,957</b>	<b>540,717</b>	<b>(359,241)</b>	<b>(66.4)</b>	<b>8</b>
<b>CAPITALIZED EXPENDITURES</b>							
Vehicles, Rolling Stock & Equipment	340,000	-	46,241	283,333	237,092	83.7	
Building, Yard & Paving Improvements	94,000	9,608	89,493	78,333	(11,160)	(14.2)	
Capital Improvements Water	1,617,700	36,835	381,174	1,348,083	966,910	71.7	
Capital Improvements Sewer	865,000	1,210	110,890	720,833	609,943	84.6	
Engineering & Studies	-	8,685	59,466	-	(59,466)	-	9
District Design Standards	-	-	1,840	-	(1,840)	-	
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>2,916,700</b>	<b>56,338</b>	<b>689,104</b>	<b>2,430,583</b>	<b>1,741,479</b>	<b>71.6</b>	
<b>OTHER</b>							
City of Eureka Projects:							
Treatment Plant	1,135,000	-	-	945,833	945,833	100.0	
<b>TOTAL City of Eureka Projects</b>	<b>1,135,000</b>	<b>-</b>	<b>-</b>	<b>945,833</b>	<b>945,833</b>	<b>100.0</b>	
Interfund Transfers In	-	-	-	-	-	-	
Interfund Transfers Out	-	-	-	-	-	-	
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>(33,222)</b>	<b>(63,507)</b>	<b>2,117,462</b>	<b>(27,685)</b>	<b>2,145,147</b>	<b>7,748.4</b>	

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

**April 2023**

	Budgeted 2022-23	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	12,314,000	970,536	10,063,224	10,261,667	(198,443)	(1.9)
TOTAL OPERATING EXPENSES	<u>(8,258,362)</u>	<u>(628,481)</u>	<u>(6,445,011)</u>	<u>(6,881,968)</u>	<u>436,957</u>	<u>6.3</u>
NET SURPLUS/(DEFICIT) FROM OPERATIONS	4,055,638	342,055	3,618,213	3,379,698	238,514	7.1
<b>NON-OPERATING REVENUE &amp; EXPENSES</b>						
TOTAL NON-OPERATING REVENUE	611,700	364	88,310	509,750	(421,440)	(82.7)
TOTAL LONG TERM DEBT SERVICE	<u>(648,860)</u>	<u>(349,588)</u>	<u>(899,957)</u>	<u>(540,717)</u>	<u>(359,241)</u>	<u>(66.4)</u>
SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES	4,018,478	(7,169)	2,806,566	3,348,732	176,315	5.3
HCSD CAPITAL IMPROVEMENT EXPENDITURES	(2,916,700)	(56,338)	(689,104)	(2,430,583)	1,741,479	71.6
CITY of EUREKA PROJECT REIMBURSEMENT	(1,135,000)	-	-	(945,833)	945,833	100.0
NEW DEBT ISSUE						
NET INTERFUND TRANSFERS IN/OUT		-	-			
BUDGET SURPLUS (DEFICIT)	<u>(33,222)</u>	<u>(63,507)</u>	<u>2,117,462</u>	<u>(27,685)</u>	<u>2,145,147</u>	<u>7,748.4</u>

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

**April 2023**

	Budgeted 2022-23	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	5,449,000	397,571	4,318,688	4,540,833	(222,145)	(4.9)
Water Pass Through	-	-	-	-	-	-
Water Construction Fees	35,000	-	25,875	29,167	(3,292)	(11.3)
Account Fees	19,950	5,681	36,444	16,625	19,819	119.2
Inspection Fees	-	-	-	-	-	-
Reimbursable Maintenance Fees	800	-	-	667	(667)	(100.0)
Miscellaneous	1,000	84	861	833	27	3.3
<b>TOTAL OPERATING REVENUE</b>	<b>5,505,750</b>	<b>403,336</b>	<b>4,381,868</b>	<b>4,588,125</b>	<b>(206,257)</b>	<b>(4.5)</b>
<b>NON-OPERATING REVENUE</b>						
Water Capital Connection Fees	90,000	-	62,727	75,000	(12,273)	(16.4)
Interest/General	23,547	-	-	19,623	(19,623)	(100.0)
Discounts Earned	1,280	86	739	1,067	(327)	(30.7)
Sales:Fixed Assets/Scrap Metal	8,844	-	24	7,370	(7,346)	(99.7)
Bad Debt Recovery	5,700	121	520	4,750	(4,230)	(89.1)
FW/MR Assessment	4,000	-	-	3,333	(3,333)	(100.0)
Other Non-Operating Revenue	-	-	-	-	-	-
<b>TOTAL NON-OPERATING REVENUE</b>	<b>133,371</b>	<b>207</b>	<b>64,010</b>	<b>111,143</b>	<b>(47,132)</b>	<b>(42.4)</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>5,639,121</b>	<b>403,543</b>	<b>4,445,878</b>	<b>4,699,268</b>	<b>(253,389)</b>	<b>(5.4)</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	768,450	62,288	565,730	640,375	74,645	11.7
Wages & Benefits: Allocated	623,298	46,543	490,113	519,415	29,302	5.6
Benefits: PERS	181,080	8,378	80,491	150,900	70,409	46.7
Group Ins	382,850	27,906	267,640	319,042	51,401	16.1
Workers Comp Ins	12,690	-	11,359	10,575	(784)	(7.4)
FICA/Medicare	54,990	4,757	43,245	45,825	2,580	5.6
Misc Benefits	-	-	-	-	-	-
<b>Total Wages and Benefits</b>	<b>2,023,358</b>	<b>149,871</b>	<b>1,458,578</b>	<b>1,686,132</b>	<b>227,554</b>	<b>13.5</b>
Less: wages & ben charged to Capital Proj.	(130,000)	(11,813)	(129,511)	(108,333)	21,177	(19.5)
<b>Total Operating Wages and benefits</b>	<b>1,893,358</b>	<b>138,058</b>	<b>1,329,067</b>	<b>1,577,798</b>	<b>248,731</b>	<b>15.8</b>
Water Purchase HBMWD	1,075,000	87,967	882,253	895,833	13,580	1.5
Water Purchase Eureka	810,000	69,117	686,575	675,000	(11,575)	(1.7)
Water Analysis	7,500	425	9,468	6,250	(3,218)	(51.5)
Supplies/ Construction	118,030	9,493	91,391	98,358	6,967	7.1
Supplies/Office-Administration	4,500	63	5,939	3,750	(2,189)	(58.4)
Supplies/ Engineering	1,425	-	299	1,188	889	74.9
Supplies/ Maintenance	50,000	3,347	31,040	41,667	10,627	25.5
Temporary Labor	31,744	12,194	61,131	26,453	(34,678)	(131.1)
Repairs & Maintenance/Trucks	30,800	947	23,042	25,667	2,624	10.2
Equipment Rental	3,700	-	-	3,083	3,083	100.0
Building & Grounds Maintenance	1,800	292	2,947	1,500	(1,447)	(96.5)
Electrical Power	162,690	16,501	175,858	135,575	(40,283)	(29.7)
Telephone	5,760	-	-	4,800	4,800	100.0
Postage	1,290	-	206	1,075	869	80.8
Freight	285	-	44	238	193	81.4
Chemicals	10,000	946	8,955	8,333	(621)	(7.5)
Engineering	390	-	325	325	(0)	(0.0)
Other Professional Services	23,600	-	-	19,667	19,667	100.0
Transportation	43,171	3,975	34,222	35,976	1,754	4.9
Office Equip. Maintenance	1,050	87	369	875	507	57.9
Computer Software Maintenance	21,600	-	15,822	18,000	2,178	12.1
Memberships & Subscriptions	1,488	-	1,402	1,240	(162)	(13.1)
Bad Debts & Minimum Balance Writeoff	28,500	-	100	23,750	23,650	99.6
Conference & Continuing Ed	12,075	19	1,343	10,063	8,719	86.6
Certifications	1,050	-	411	875	464	53.0
State/County & LAFCO Fees and Charges	13,600	-	28,527	11,333	(17,193)	(151.7)
Hydraulic Water Model Maintenance	6,000	-	-	5,000	5,000	100.0



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

**April 2023**

	Budgeted 2022-23	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	%
Human Resources	8,190	459	459	6,825	6,366	93.3
Miscellaneous	2,640	-	68	2,200	2,132	96.9
General & Admin Expense Allocation	262,094	9,613	176,335	218,412	42,077	19.3
<b>TOTAL OPERATING EXPENSES</b>	<b>4,633,330</b>	<b>353,503</b>	<b>3,568,639</b>	<b>3,861,108</b>	<b>292,469</b>	<b>7.6</b>
<b>LONG TERM DEBT PAYMENTS</b>						
Safe Drinking Water Bond	177,429	-	88,738	147,858	59,120	40.0
2012 CIP & Refi.	26,166	-	-	21,805	21,805	100.0
Davis-Grunsky Loan	6,049	-	5,838	5,041	(797)	(15.8)
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>209,644</b>	<b>-</b>	<b>94,576</b>	<b>174,703</b>	<b>80,128</b>	<b>45.9</b>
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles/Rolling Stock/Capital Equipment	-	-	-	-	-	-
Building & Yard Improvements	-	-	-	-	-	-
Capital Improvements Water	1,617,700	36,835	341,606	1,348,083	1,006,478	74.7
Engineering & Studies	-	-	-	-	-	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>1,617,700</b>	<b>36,835</b>	<b>341,606</b>	<b>1,348,083</b>	<b>1,006,478</b>	<b>74.7</b>
INTERFUND TRANSFERS IN	-	-	-	-	-	
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>(821,553)</b>	<b>13,205</b>	<b>441,058</b>	<b>(684,628)</b>	<b>1,125,685</b>	<b>164.4</b>

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

**April 2023**

	Budgeted 2022-23	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	5,280,000	433,796	4,352,057	4,400,000	(47,943)	(1.1)
Sewer Service Charges - Pass Through	1,500,000	129,120	1,300,880	1,250,000	50,880	4.1
Sewer Construction Fees	12,000	-	34	10,000	(9,966)	(99.7)
Account Fees	15,050	4,285	27,493	12,542	14,951	119.2
Inspection Fees	-	-	150	-	150	-
Reimbursable Maintenance Fees	200	-	-	167	(167)	(100.0)
Miscellaneous	1,000	-	119	833	(714)	(85.7)
<b>TOTAL OPERATING REVENUE</b>	<b>6,808,250</b>	<b>567,201</b>	<b>5,680,734</b>	<b>5,673,542</b>	<b>7,192</b>	<b>0.1</b>
<b>NON-OPERATING REVENUE</b>						
Sewer Capital Connection Fees	90,000	-	23,094	75,000	(51,906)	(69.2)
Interest/General	6,453	-	-	5,378	(5,378)	(100.0)
Discounts Earned	720	65	558	600	(42)	(7.1)
Sales: Fixed Assets/Scrap Metal	6,856	-	18	5,713	(5,695)	(99.7)
Bad Debt Recovery	4,300	92	392	3,583	(3,191)	(89.1)
Other Non-Operating Revenue	-	-	-	-	-	-
<b>TOTAL NON-OPERATING REVENUE</b>	<b>108,329</b>	<b>156</b>	<b>24,063</b>	<b>90,274</b>	<b>(66,212)</b>	<b>(73.3)</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>6,916,579</b>	<b>567,357</b>	<b>5,704,796</b>	<b>5,763,816</b>	<b>(59,020)</b>	<b>(1.0)</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	474,150	36,889	353,697	395,125	41,428	10.5
Wages & Benefits: Allocated	623,297	46,543	490,113	519,414	29,301	5.6
Benefits: PERS	115,690	4,646	49,314	96,408	47,094	48.8
Group Ins	234,650	11,866	167,051	195,542	28,490	14.6
Workers Comp Ins	7,755	-	6,749	6,463	(286)	(4.4)
FICA/Medicare	35,100	2,819	27,095	29,250	2,155	7.4
Misc Benefits	-	-	-	-	-	-
<b>Total Wages and Benefits</b>	<b>1,490,642</b>	<b>102,763</b>	<b>1,094,020</b>	<b>1,242,202</b>	<b>148,182</b>	<b>11.9</b>
Less: wages & ben charged to Capital Proj.	(45,676)	(1,784)	(34,746)	(38,063)	(3,318)	8.7
<b>Total Operating Wages and benefits</b>	<b>1,444,966</b>	<b>100,979</b>	<b>1,059,274</b>	<b>1,204,138</b>	<b>144,864</b>	<b>12.0</b>
Sewage Treatment: Operating & Maint.	1,495,000	134,733	1,347,330	1,245,833	(101,497)	(8.1)
Sewer Analysis	7,500	-	-	6,250	6,250	100.0
Supplies/ Construction	41,470	1,197	22,421	34,558	12,137	35.1
Supplies/ Office-Administration	4,500	48	4,480	3,750	(730)	(19.5)
Supplies/ Engineering	1,075	-	225	896	671	74.9
Supplies/ Maintenance	50,000	4,006	24,162	41,667	17,505	42.0
Temporary Labor	19,456	9,199	46,117	16,213	(29,903)	(184.4)
Repairs & Maintenance/Trucks	24,200	715	18,719	20,167	1,448	7.2
Equipment Rental	1,300	-	-	1,083	1,083	100.0
Building & Grounds Maintenance	1,500	220	2,223	1,250	(973)	(77.8)
Electrical Power	70,992	8,527	60,301	59,160	(1,141)	(1.9)
Telephone	2,880	-	-	2,400	2,400	100.0
Postage	960	-	170	800	630	78.8
Freight	215	-	4,437	179	(4,258)	(2,376.6)
Legal	-	-	-	-	-	-
Engineering	100	-	245	83	(162)	(194.2)
Other Professional Services	23,600	-	2,279	19,667	17,387	88.4
Transportation	32,567	2,999	25,816	27,139	1,323	4.9
Office Equip. Maintenance	770	66	278	642	364	56.7

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

**April 2023**

	Budgeted 2022-23	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
Computer Software Maintenance	16,200	-	11,936	13,500	1,564	11.6
Memberships & Subscriptions	992	-	1,058	827	(231)	(28.0)
Bad Debts & Minimum Balance Writeoff	21,500	-	-	17,917	17,917	100.0
Conference & Continuing Ed	15,180	14	962	12,650	11,688	92.4
Certifications	805	-	186	671	485	72.3
State/County & LAFCO Fees and Charges	7,200	-	5,659	6,000	341	5.7
Human Resources	6,090	346	346	5,075	4,729	93.2
Miscellaneous	1,920	-	126	1,600	1,474	92.1
General & Admin Expense Allocation	262,094	9,613	176,335	218,412	42,077	19.3
<b>TOTAL OPERATING EXPENSES</b>	<b>3,555,032</b>	<b>272,662</b>	<b>2,815,086</b>	<b>2,962,527</b>	<b>147,440</b>	<b>5.0</b>
<b>LONG TERM DEBT PAYMENTS</b>						
2014 Wastewater Revenue Bonds	484,175	349,588	484,175	403,479	(80,696)	(20.0)
2012 CIP & Refi.	177,600	-	-	148,000	148,000	100.0
VacCon Truck Loan	117,441	-	117,441	97,868	(19,573)	(20.0)
Debt Service: Allocated	-	-	-	-	-	-
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>779,216</b>	<b>349,588</b>	<b>601,616</b>	<b>649,347</b>	<b>47,731</b>	<b>7.4</b>
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles/Rolling Stock/Capital Equipment	-	-	-	-	-	-
Building, Yard& Paving Improvements	-	-	-	-	-	-
Capital Improvements Sewer	865,000	1,210	110,890	720,833	609,943	84.6
Engineering & Studies	-	573	5,517	-	(5,517)	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>865,000</b>	<b>1,784</b>	<b>116,407</b>	<b>720,833</b>	<b>604,426</b>	<b>83.9</b>
<b>OTHER</b>						
City of Eureka Projects:						
Treatment Plant	1,135,000	-	-	945,833	945,833	100.0
Martin Slough	-	-	-	-	-	-
<b>TOTAL OTHER</b>	<b>1,135,000</b>	<b>-</b>	<b>-</b>	<b>945,833</b>	<b>945,833</b>	<b>100.0</b>
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>582,331</b>	<b>(56,676)</b>	<b>2,171,687</b>	<b>485,276</b>	<b>1,686,411</b>	<b>(347.5)</b>

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

**April 2023**

	Budgeted 2022-23	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)	-	-	237	-	237	-
Miscellaneous	-	-	622	-	622	-
<b>TOTAL OPERATING REVENUE</b>	-	-	859	-	859	-
<b>NON-OPERATING REVENUE</b>						
Property Taxes	350,000	-	-	291,667	(291,667)	(100.0)
Insurance Rebate	20,000	-	-	16,667	(16,667)	(100.0)
Miscellaneous Income	-	-	-	-	-	-
<b>TOTAL NON-OPERATING REVENUE</b>	370,000	-	-	308,333	(308,333)	(100.0)
<b>TOTAL DISTRICT REVENUE</b>	370,000	-	859	308,333	(307,474)	(99.7)
<b>OPERATING EXPENSES</b>						
Wages Direct	392,400	30,759	336,772	327,000	(9,772)	(3.0)
Benefits: PERS	206,230	27,859	281,817	171,858	(109,959)	(64.0)
Group Ins	617,500	38,404	411,745	514,583	102,839	20.0
Workers Comp Ins	3,055	-	2,368	2,546	177	7.0
FICA/Medicare	26,910	2,566	27,059	22,425	(4,634)	(20.7)
Misc Benefits	500	40	500	417	(83)	(20.0)
Total Wages and Benefits	1,246,595	99,628	1,060,261	1,038,829	(21,432)	(2.1)
Less: wages & ben charged to Capital Proj.	-	(6,543)	(80,034)	-	80,034	-
Less: Allocated to Water and Sewer Funds	(1,246,595)	(93,085)	(980,227)	(1,038,829)	(58,602)	5.6
Total Unallocated Wages and Benefits	-	-	-	-	-	-
Supplies/ Construction	-	-	-	-	-	-
Supplies/ Administration	6,000	-	1,684	5,000	3,316	66.3
Supplies/ Engineering	-	9	12	-	(12)	-
Supplies/ Maintenance	-	-	-	-	-	-
Invoicing	57,000	3,536	44,928	47,500	2,572	5.4
Web Payment Portal	-	-	-	-	-	-
Temporary Labor	10,000	-	-	8,333	8,333	100.0
Repairs & Maintenance/Trucks	-	-	-	-	-	-
Equipment Rental	-	-	-	-	-	-
Building & Grounds Maintenance	26,700	1,738	18,533	22,250	3,717	16.7
Electrical Power	62,118	5,829	62,552	51,765	(10,787)	(20.8)
Street Lights	70,000	2,317	57,420	58,333	913	1.6
Telephone	9,360	1,002	11,805	7,800	(4,005)	(51.3)
Postage	750	-	2,145	625	(1,520)	(243.2)
Freight	-	-	22	-	(22)	-
Liability Insurance	62,000	-	80,273	51,667	(28,606)	(55.4)
Legal Services	70,000	1,513	37,395	58,333	20,938	35.9
Accounting	13,000	1,400	18,003	10,833	(7,169)	(66.2)
Engineering	510	-	-	425	425	100.0
Other Professional Services	70,800	-	6,762	59,000	52,238	88.5
Bank Service Charges	28,000	855	11,128	23,333	12,205	52.3
Transportation	-	-	-	-	-	-
Office Equip. Maintenance	5,180	163	2,014	4,317	2,303	53.3
Computer Software Maintenance	7,200	134	1,650	6,000	4,350	72.5
Memberships & Subscriptions	22,320	-	18,360	18,600	240	1.3
Bad Debts & Minimum Balance Writeoff	-	-	-	-	-	-
Conference & Continuing Ed	7,245	1,831	9,879	6,038	(3,841)	(63.6)
Certifications	1,645	7	2,043	1,371	(672)	(49.0)

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

**April 2023**

	Budgeted 2022-23	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
State/County & LAFCO Fees and Charges	19,200	-	384	16,000	15,616	97.6
Elections Expense	15,000	-	-	12,500	12,500	100.0
Human Resources	6,720	174	5,218	5,600	382	6.8
Miscellaneous	7,440	85	7,883	6,200	(1,683)	(27.1)
Director's Fees	16,000	950	10,000	13,333	3,333	25.0
General & Admin Expense Allocation	(524,188)	(19,226)	(352,670)	(436,823)	(84,154)	19.3
<b>TOTAL OPERATING EXPENSES</b>	<b>70,000</b>	<b>2,317</b>	<b>57,420</b>	<b>58,333</b>	<b>913</b>	<b>1.6</b>
<b>LONG TERM DEBT PAYMENTS</b>						
2014 PGE Energy Efficiency Loan	-	-	-	-	-	-
2012 CIP & Refi	-	-	203,766	-	(203,766)	-
New Financing	(340,000)	-	-	(283,333)	(283,333)	100.0
Less: Allocated to Water & Sewer Funds	-	-	-	-	-	-
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>(340,000)</b>	<b>-</b>	<b>203,766</b>	<b>(283,333)</b>	<b>(487,099)</b>	<b>171.9</b>
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles/Rolling Stock/Capital Equipment	340,000	-	46,241	283,333	237,092	83.7
Building, Yard & Paving Improvements	94,000	9,608	89,493	78,333	(11,160)	(14.2)
Engineering & Studies	-	8,112	53,949	-	(53,949)	-
District Design Standards	-	-	1,840	-	(1,840)	-
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>434,000</b>	<b>17,719</b>	<b>191,523</b>	<b>361,667</b>	<b>170,144</b>	
<b>INTERFUND TRANSFER OUT</b>		<b>-</b>	<b>-</b>	<b>-</b>		
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>206,000</b>	<b>(20,036)</b>	<b>(451,849)</b>	<b>171,667</b>	<b>(623,516)</b>	<b>(363.2)</b>

# Humboldt Community Services District

## Notes April 2023

Note 1 - Non Operating and Miscellaneous Revenue

Most non-operating and Miscellaneous income occurs occasionally throughout the year, or at the very end of the fiscal year.

Note 2 - Benefits

Works comp expenses are billed to the district in quarterly installments. Worker's comp expenses are expected to match budgeted amount for full fiscal year.

Health club benefits utilized by more employees than originally estimated.

Note 3 - Temporary Labor

Temporary labor costs have increased due to difficulties in finding suitable permanent applicants. Increased temporary labor costs have been more than offset by reductions in regular District wage expenses

Note 4 - Electrical Power (District use and Street Lighting)

District electrical usage is consistent with previous annual usage (2.2% increase in power consumed). Increase in costs are due to rates increases from PGE.

Note 5 - Freight

Shipping cost for sewer pump for repair. Not anticipated in budget

Note 6 - Liability Insurance

While The District has anticipated an increase in Liability insurance premiums due to general inflationary and COLA increases, insurance premiums have increased more than originally anticipated. In a letter sent by ACWA/JPIA in October, it was explained that ACWA/JPIA has been able to keep such insurance increases to a minimum over the years, cost increases have necessitated an increase in rates at this time. Staff has confirmed that Liability insurance costs from ACWA/JPIA have remained surprisingly stable over the past 15 years, even at times when increases would be expected.

Note 7 - Accounting

Accounting expenses are due to expenses from the regular annual audit..

Note 8 - Debt Service

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

Note 9 - Engineering

Engineering Expense - a/c 6810 - Operating Expense Water Fund	Note 1 - Non Operating and Misc	YTD
Eng Bid Advertising		
Times Standard		570
<b>Total posted to 6810</b>	<b>-</b>	<b>570</b>
<hr style="border-top: 3px double #000;"/>		
<b>Engineering &amp; Studies - a/c 9040 - Capital Improvement Projects</b>		
Non Engineering Costs Posted to 9040		
Rate Study	8,112	53,949
Hartman SLS	573	5,517
<b>Grand Total posted to 9040</b>	<b>8,685</b>	<b>59,466</b>
	<hr style="border-top: 3px double #000;"/>	<hr style="border-top: 3px double #000;"/>

# Humboldt Community Services District

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

## AGENDA REPORT

**For HCSD Board of Directors Regular Meeting of:** May 23, 2023

**AGENDA ITEM:** G.1 (New Business)

**TITLE:** Consideration of Ordinance 2023-01 Modifying District Code Section 7.02.010 Water Capacity Charges and 7.05.010 Sewer Capacity Charges; First Reading

**PRESENTED BY:** Terrence Williams, General Manager

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### Recommendation:

Open public hearing for first reading of Ordinance 2023-01 Modifying District Code Section 7.02.010 Water Capacity Charges and 7.05.010 Sewer Capacity Charges. Hear public comments. Close public hearing. Motion and roll call vote to accept modifications to District Code Sections and establish second reading public hearing for June 27, 2023 to adopt changes to District Code sections.

### Summary:

California law is becoming more stringent regarding Capacity Charges, Connection Fees, and Development Impact Fees. One thing that is being tightened up is the definitions of each. To comply with state law and the way the District charges for new construction, it is necessary to use the phrase Capacity Charges in our Code and not reference Connection Fees, Development Fees or Impact Fees. Language in both of the referenced Code Sections was adjusted to comply with this.

The rate study that is currently in progress proposes Water Capacity Charges for new construction that are based on the meter size necessary to supply the actual demand that the new development will place on the system based on the Water Supply Fixture Unit Count; and not based on the meter size required for fire flow. Language in Code Section 7.02.010 Water Capacity Charges was adjusted to accommodate that change in policy.

### Fiscal Impact:

The modifications to the District's Code support the policy to charge new single-family connections a capacity charge based on their actual usage demands on the system and not the meter size required for fire flow. The current Rate Study that is in progress also supports this policy. Therefore, the fiscal impact to the District is nominal.

**ORDINANCE NO. 2023-01**

**AN ORDINANCE OF  
THE HUMBOLDT COMMUNITY SERVICES DISTRICT  
REVISING THE HUMBOLDT COMMUNITY SERVICES DISTRICT CODE  
CHAPTERS 7.02, AND 7.05 RELATED TO WATER AND SEWER CAPACITY FEES**

**WHEREAS**, the Humboldt Community Services District provides water and sewer services to the residents of the District, and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District has the authority to set water and sewer capacity charges for water and sewer services provided by the District; and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District declares the water capacity charges for all classes of customers shall be based upon the number of meters per lot as well as the size of meter required to supply the property's demand based on the water supply fixture unit count; and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District declare the sewer capacity charge for all customer classes shall be based upon the number of Equivalent Dwelling Units (EDUs) the connection will serve; and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District desires to define one Equivalent Dwelling Unit (EDU) as 24 drainage fixture units as defined by the most recent Uniform Plumbing Code for calculating sewer capacity charges for single residential lots with more than one living unit and all other classifications; and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District desires to define the capacity of one 5/8" meter as 24 water supply fixture units as defined by the most recent Uniform Plumbing Code for calculating water capacity charges for single residential lots and all other classifications; and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District declares that when drainage fixture unit count of the proposed development are greater than 24, the additional drainage fixture units shall be pro-rated against the prevailing EDU sewer capacity charge and added to the single EDU sewer capacity charge; and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District declares that when water supply fixture unit count of the proposed development are greater than 24, the meter size necessary to supply the demand based on the water supply fixture unit count will be used as the basis of the water capacity charge regardless of the size meter required to supply fire flow; and

**WHEREAS**, the Board of Directors of the Humboldt Community Services District declares that if a customer/developer requests a meter larger than necessary to supply the demand based on the water supply fixture unit count for reasons other than fire flow, the water capacity charge will be based on the size meter requested; and



**WHEREAS**, The Board of Directors of the Humboldt Community Services District has considered this Ordinance at a duly noticed Public Hearing,

**NOW THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE HUMBOLDT COMMUNITY SERVICES DISTRICT TO ADOPT, REPLACE AND INCORPORATE EXHIBIT A (PAGES 3-8) ATTACHED HERETO INTO THE HUMBOLDT COMMUNITY SERVICES DISTRICT CODE BY ITS REFERENCE MADE A PART HEREOF.**

**Effective Date.** All rules and regulations as amended or established by this Ordinance shall become effective on August 15, 2023.

**Separability.** If a section, subsection, sentence, clause, or phrase of this Ordinance is held to be unconstitutional, or contrary to the general or special laws of the United States or the State of California, the invalidity of such section, subsection, sentence, clause, or phrase shall not affect the remaining portions of this Ordinance.

**Further Action.** The Board of Directors of the District is hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF THE HUMBOLDT COMMUNITY SERVICES DISTRICT ON THIS \_\_\_\_\_ day of \_\_\_\_\_, 2023** by the following roll call vote:

AYES:

NOES:

ABSENT:

APPROVED:

\_\_\_\_\_  
Heidi Benzonnelli, President  
Board of Directors

ATTEST:

\_\_\_\_\_  
Brenda K. Franklin, Board Secretary

**Chapter 7.02: Water ~~Connection Fees~~ Capacity Charges**

**MODIFY:**

7.02.010 Water ~~Connection Fees~~ Capacity Charges. ~~Connection fees (Capacity charges)~~ are one-time ~~fees~~ charges intended to reflect the cost of existing infrastructure and planned improvements available to new services. The ~~fees~~ charges for a permit to connect a new water service to the District's water system (Capacity Charge Buy-In), ~~except for the Freshwater/Mitchell Rd. assessment area,~~ shall be adopted by resolution following a public hearing by the Board of Directors. Notice of the public hearing shall be published at least ~~ten~~ sixty<sup>[h1]</sup> days in advance in a newspaper of general circulation. ~~(See Section D. below, for Freshwater/Mitchell Rd. assessment area).~~

A. ~~Water Connection Fees~~ (Capacity Charge Buy-In)

~~Connection fees (capacity charges~~ Charges) for all classes of customer shall be based on the number of meters per lot and vary depending on the size of the water meter required to serve the customer/parcel based on the water supply fixture unit count, regardless of the meter size required to accommodate fire flow. If the customer elects to install a larger meter than required to support the water supply fixture unit count for reasons other than to accommodate fire flow demand, the capacity charge will be based solely on the meter size installed.

The size of the water meter required to serve the customer/parcel shall be calculated based on the water supply fixture unit count served. A 5/8" meter shall be required for less than, or equal to, 24 water supply fixture units. Should the calculated water supply fixture unit count exceed 24, the meter size required shall be used to determine the additional capacity charges. Water supply fixture unit counts are defined by the most current Uniform Plumbing Code Edition.

Meter size is ~~generally~~ proportionate to the demands a parcel places on the water utility system, specifically the peaking requirements related to the meter size. The ~~connection fee~~ capacity charge shall be charged based on measured flow equivalents of a 5/8" meter as detailed in the latest adopted Master Fee Schedule. Capacity charges will not be prorated between available meter sizes.

For example, if the Master Fee Schedule shows that a 3/4" meter is equivalent to 1.40, 5/8" meters then a 3/4" meter would support up to 34 fixture units (24 fixture units times the equivalency factor of 1.40 equals 33.6 rounded to the nearest whole fixture unit is 34 fixture units).

1. Accessory Dwelling Units (ADU)

An accessory dwelling unit shall not be considered to be a new residential use for the purposes of calculating ~~connection fees~~ (capacity charges) for utilities, except for water services as set forth below;

ORDINANCE 2023-01 – EXHIBIT A

- a. ~~Connection fees~~Capacity charges may be ~~charged~~assessed if the owner requests a new or separate utility ~~connection~~service between the accessory dwelling unit and the utility.
  - b. For an accessory dwelling unit that is not contained within the existing space of a single-family residence or accessory structure (detached) or an accessory dwelling unit which is contained within the existing single-family dwelling (attached) and does not meet the conditions listed below in numbers ~~1-4~~IV, a new or separate utility ~~connection~~service directly between the accessory dwelling unit and the utility may be required. Consistent with Government Code Section 66013, the connection may be subject to a ~~connection fee~~ (capacity charge) that is proportionate to the burden of the proposed accessory dwelling unit upon the water system, based upon water meter size. The fee or charge shall not exceed the reasonable cost of providing the service.
    - I. The accessory dwelling unit or junior accessory dwelling unit (JADU) is within the proposed footprint of an existing or proposed single family dwelling or accessory structure, and may include an expansion of not more than 150 square feet beyond the same physical dimension as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.
    - II. The accessory dwelling unit or junior accessory dwelling unit has separate exterior access from the proposed or existing single-family dwelling.
    - III. The side and rear setbacks are sufficient for fire and safety as established by the local fire authority.
    - IV. The junior accessory dwelling unit complies with the requirements of section 65852.22 of the Government Code.
2. ~~Connection fees~~ (cCapacity charges) are in addition to the actual cost of installing a service including main line tap, service line, meter and box. Does not include permanent paving or sidewalk replacement.
- B. District Installed Service Connection from Existing Mains. Where the District will be installing a new water meter and service line the fee shall be dependent on the size of the meter required and shall be per current adopted resolution setting District installed service connection fees.

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C. Existing Service Connection. Where the Developer has installed the new water service line and the District will merely be installing a new meter, the fee shall be per current adopted resolution setting existing service connection fees.

D. ~~Connections in the Freshwater/Mitchell Rd. Assessment Area. Charges for connections in the Freshwater/Mitchell Rd. assessment area shall per current adopted resolution setting Freshwater/Mitchell Rd Assessment area connection fees.~~ [b](f2)

**Chapter 7.05: Sewer ~~Connection Fees~~ Capacity Charges**

**MODIFY:**

7.05.010 Sewer ~~Connection Fees~~ Capacity Charges. ~~Connection Fees (e~~ Capacity charges ~~Charges)~~ are one-time ~~fees~~ charges intended to reflect the cost of existing infrastructure and planned improvements available to new services. The ~~fee~~ (Capacity Charge Buy-in) for a permit to connect a new sewer service to the District's sewer system shall be per current adopted resolution setting sewer connection fees. Resolution shall be adopted following a public hearing by the Board of Directors. Notice of the public hearing shall be published at least ~~ten~~ sixty days in advance in a newspaper of general circulation.

A. ~~Sewer Connection Fees~~ (Capacity Charge Buy-In)

~~1. One Single Family Residential (SFR) on one legal parcel~~

~~The fee shall be equal to one Equivalent Dwelling Unit (EDU) without consideration of the number of fixture units.~~

~~2.1.~~ One. Two to Three Single Family Residential (SFR) including Accessory Dwelling Unit (ADUs) on one legal parcel if applicable

The ~~fee~~ Capacity Charge shall be calculated on the drainage fixture unit count converted to EDU's. The first EDU shall be less than, or equal to, 24 drainage fixture units. Should the calculated drainage fixture count exceed 24, the excess amount shall be pro-rated to determine additional capacity fees. ~~Fixture Drainage fixture~~ fixture unit counts are defined by the most current Uniform Plumbing Code Edition.

~~3.2.~~ For Multiple Family Residential (MFR) units (four or more living units), Including Accessory Dwelling Units on one legal parcel if applicable.

The ~~fee~~ Capacity Charge shall be calculated on the drainage fixture unit count converted to EDU's. The first EDU shall be less than, or equal to, 24 drainage fixture units. Should the calculated drainage fixture count exceed 24, the excess amount shall be pro-rated to determine additional capacity fees. ~~Fixture Drainage fixture~~ fixture unit counts are defined by the most current Uniform Plumbing Code Edition.

~~4.3.~~ Commercial on one legal parcel

~~Connection fees (capacity charge~~ Charges) for Commercial developments shall be calculated on the drainage fixture unit count converted to EDU's. The first EDU shall be less than, or equal to, 24 drainage fixture units. Should the calculated drainage fixture count exceed 24, the excess amount shall be pro-

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rated to determine additional capacity ~~fees~~charges. ~~Fixture~~Drainage fixture unit counts are defined by the most current Uniform Plumbing Code Edition.

5.4. Accessory Dwelling Units (ADU)

An accessory dwelling unit shall not be considered to be a new residential use for the purposes of calculating ~~connection fees~~ or capacity charges for utilities, except for sewer services as set forth below;

- a. ~~Connection fees~~Capacity charges may apply if the accessory dwelling unit was constructed with a new single-family dwelling
- b. For an accessory dwelling unit that is not contained within the existing space of a single-family residence or accessory structure (detached) or an accessory dwelling unit which is contained within the existing single-family dwelling (attached) and does not meet the conditions listed below in numbers ~~4-4-I-IV~~, a new or separate utility connection directly between the accessory dwelling unit and the utility may be required. Consistent with Government Code Section 66013, the connection may be subject to a ~~connection fee~~ or capacity charge that is proportionate to the burden of the proposed accessory dwelling unit upon the water system, based upon drainage fixture unit values as defined in the latest Uniform Plumbing Code Edition. This ~~fee~~ or charge shall not exceed the reasonable cost of providing this service.
  - I. The accessory dwelling unit or junior accessory dwelling unit (JADU) is within the proposed footprint of an existing or proposed single family dwelling or accessory structure, and may include an expansion of not more than 150 square feet beyond the same physical dimension as the existing accessory structure. An expansion beyond the physical dimensions of the existing accessory structure shall be limited to accommodating ingress and egress.
  - II. The accessory dwelling unit or junior accessory dwelling unit has separate exterior access from the proposed or existing single-family dwelling.
  - III. The side and rear setbacks are sufficient for fire and safety as established by the local fire authority.
  - IV. The junior accessory dwelling unit complies with the requirements of section 65852.22 of the Government Code.

6.5. ~~Connection fees~~ (capacity ~~charges~~Charges) are in addition to the actual cost of installing a service including main line tap, lateral line, and cleanout. Does not include permanent pavement or sidewalk replacement.

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- B. District Installed Lateral from Existing Mains. Where the District will be installing a new sewer service lateral, the fee shall be per current adopted resolution setting District installed sewer lateral fees.
- C. Existing Lateral. Where the Developer has installed the new sewer service lateral and the District will merely be issuing a permit and inspecting the building sewer connection no additional charge beyond the capacity charge buy-in will be due. (Ord. 2012-02, §1, 2012)