



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

**AGENDA**

**DATE:** Tuesday, June 13, 2023

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

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

*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 June 13, 2023 Agenda
2. Approval of Minutes of the Regular Meeting of May 23, 2023

Pgs 1-2

Pgs 3-5

**D. REPORTS**

1. General Manager

- a) District Update

Pg 7

2. Engineering Department

- a) Engineering Status

Pg 9

3. Superintendent

- a) May 2023 Construction Operations

Pg 11

4. Finance Department

- a) May 2023 Check Register

Pgs 13-20

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. NEW BUSINESS**

1. Prop. 218 Rate Study Public Workshop *Pgs 21-56*
2. Consideration of Employee Association Requests for Adjustments to the Memorandum of Understanding (MOU) for Fiscal Year 2023/24 *Pgs 57-58*
3. Review, Consider Fiscal Year 2023/24 Capital Improvement Program (CIP) *Pgs 59-66*
4. Review, Consider Fiscal Year 2023/24 Budget *Pgs 67-82*

**G. OLD BUSINESS**

**H. 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 23, 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 5:02 p.m. Present upon roll call were Directors Hansen, Matteoli, and Ryan. Director Gardiner participated via teleconference from 20 Via Ravello in Henderson, Nevada. Director Benzonelli was absent. Staff in attendance: General Manager Williams (GM), Superintendent Latham, Finance Manager Montag (FM), and Assistant Engineer Adams (AE).

**B. PLEDGE OF ALLEGIANCE**

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

**C. CONSENT CALENDAR**

1. Approval of the May 23, 2023 Agenda
2. Approval of Minutes of the Regular Meeting of May 9, 2023

Public Comment: None

DIRECTOR HANSEN MOVED, DIRECTOR RYAN SECONDED, TO ACCEPT AND APPROVE THE MAY 23, 2023 CONSENT CALENDAR. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

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

**D. REPORTS**

1. General Manager
  - a) District Update
    - Rate Study – Notices of the rate increases are in the mail to all customers, and posted to the District website. Radio and newspaper ads will go out this week announcing the public workshop to be held at the June 13 regular meeting and the scheduled adoption of the rate study at the July 11 regular meeting. Notices regarding Capacity Charge increases will post in June for sixty days as mandated before the public hearing in August.
2. Engineering
  - a) Engineering Status

DRAFT – MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT  
MAY 23, 2023

- District Steel Main Replacement Projects – Preliminary drawings are ready for the Stanford Circle project consisting of replacing 100 feet 2-inch steel water main with 4-inch PVC C900, and the Temple Circle project consisting of replacing 170 feet 2-inch steel water main with 8-inch PVC C900. An additional fire hydrant will be installed at the end of the Temple Circle water main as well.
- Coordination with Humboldt County Public Works – the December 2022 earthquake created significant road damage at Sea Avenue and Union Street. As the District maintains a 14-inch water transmission main, a 6-inch sewer force main, gravity sewer manhole, and 8-inch gravity sewer main in the immediate area, staff will monitor the work to ensure the road restoration project meets District standards.
- Private Projects Within the District – Since the April 25 report, staff have responded to more than 100 USA requests wherein approximately 75% required marking of District infrastructure and roughly 54% originated from PG&E and/or their consultants. Director Gardiner suggested that an in-depth study of difficulties caused the District by PGE may be worthwhile.

Director Gardiner then commended AE Adams as Mr. Barnum who is looking at additional development on his property had very nice comments about the professional assistance and courtesies extended to him by Mr. Adams.

3. Superintendent

a) April 2023 Operations/Maintenance

Superintendent summarized the department accomplishments for the month including coordination with Green Diamond to remove fallen and weakened trees due to the winter wind storms.

4. Finance Department

a) April 2023 Budgetary Statement

FM reviewed the report without comment.

**E. PUBLIC PARTICIPATION**

None

**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

GM reviewed the necessity for the ordinance due to California Law definition updates and to modify water capacity charge determinations to align with the actual demand placed on the system based upon water supply fixture unit count rather than solely on the meter size.

DRAFT – MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
HUMBOLDT COMMUNITY SERVICES DISTRICT  
MAY 23, 2023

Director Hansen noted the use of “fee” and “fees” in several locations. GM confirmed they will be corrected prior to the June 27, 2023 second reading.

PUBLIC HEARING: Vice-President Matteoli opened the Public Hearing at 5:21 p.m. There being no public present, the Public Hearing closed at 5:22 p.m.

Director Gardiner expressed his disappointment in the lack of public presence. Discussion ensued affirming the ordinance does not provide for rate or charge increases as it merely will allow the District to charge for water capacity charges based upon fixture unit count rather than actual meter size when fire flow is an issue.

IT WAS THEN MOVED BY DIRECTOR HANSEN, SECONDED BY DIRECTOR RYAN, TO ACCEPT THE FIRST READING OF ORDINANCE 2023-01 MODIFYING DISTRICT CODE SECTION 7.02.010 WATER CAPACITY CHARGES AND 7.05.010 SEWER CAPACITY CHARGES.

MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

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

**I. ADJOURNMENT**

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

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

THE BOARD ADJOURNED ITS REGULAR MEETING OF MAY 23, 2023 AT 5:28 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: June 9, 2023

SUBJECT: General Manager Report for June 13, 2023 Board Meeting

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### Rate Study Update

The Proposition 218 process for the District's Rate Study is in full swing. The Public Workshop for the Water and Sewer Rate and Capacity Charge Studies is scheduled for June 13, 2023. The Public Hearings are scheduled for July 11. Notifications were distributed by US Post to every District account holder. Advertisements for the Rate Study and Capacity Charge Workshop and Public Hearings have been running on local radio stations and in local printed news. The radio stations include KHUM, KSLG also known as Kay-Slug, KWPT also known as The Point, KLGE also known as The Lounge, KFMI also known as Power 96, KKHB also known as Cool 105, KEJB also known as Jukebox, KATA also known as ESPN Humboldt and KRED also known as Big Red Country. The print ads were run in the North Coast Journal. North Coast Public Media, KEET television ran a story about the District's rate study on Friday June, 2 with their Headline Humboldt news programming. The rate study was also discussed during a Greater Eureka Area Chamber of Commerce event titled Conversations with Leaders: Humboldt's Housing Crisis. I was approached by a Robert Black representing Arcata News who plans to run a story about the District's proposed rate increases asking about attending the Public Workshop and about recording. I expect to see Mr. Black on Tuesday. The point is that the word is out, the community has been notified of the District's Rate and Capacity Charge Studies and intent to increase rates and charges.



# Humboldt Community Services District

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## Engineering Memorandum

**TO:** Board of Directors

**FROM:** Benjamin Adams, Assistant Engineer

**DATE:** June 9, 2023

**SUBJECT:** Engineering Department Status Report for June 13, 2023 Board Meeting

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### **District's List of Contractor's for FY 23**

Notices were posted to the District webpage and in regional construction trade journals, inviting all California licensed contractors to submit qualifications to be added to the District's list of qualified contractors for the FY 2023-2024 in accordance with the California Uniform Public Construction Cost Accounting Act (Act). In accordance with the Act, District projects costing between \$60,000 and \$200,000 can be approached with a simplified or informal bidding procedure using the list qualified contractors. Engineering staff have received and reviewed qualification packets including letters of interest, from 13 Contractors. Applicants are predominantly local Class A General Engineering Contractors; many are additionally licensed for more specific work such as: well drilling, plumbing, asbestos abatement, low voltage electrical, and painting. Multiple contractors have certifications for hazardous material abatement, and experience with trenchless pipe rehabilitation methods.

### **Brier Lane Water Storage Tank Rehabilitation Project**

Farr Construction dba Resource Development Corporation (contractor) has mobilized a crew of welders to the Brier Lane tank site to begin work. The welders have started structural and overflow piping modifications. All modifications will be inspected and approved prior to starting the coating and painting process. Quality assurance and design compliance inspections are provided by Harper and Associates Engineering. The contractors project schedule shows that the work will be completed before the end of September of this year.

### **18<sup>th</sup> Street Steel Main Replacement**

Engineering staff have finalized the 18<sup>th</sup> Street steel main replacement plans. A new fire hydrant will be added near the intersection of 18<sup>th</sup> Street and the East Circle Drive. New system isolation valve clusters outside of the steel mainline replacement area are not appropriate at this time, given near future capital improvement projects to replace Asbestos-Cement (AC) watermains.

### **Noe Street Sewer Main Replacement Project**

Engineering staff are planning the replacement of a 400-foot-long section of 6" AC gravity sewer main, plagued with root intrusion issues. This sewer main is one of two gravity mains that discharge to the Pine Hill Sewer Lift Station (SLS). This gravity main is located 12 inches from the 6" AC force main coming from the Pine Hill SLS, with a slope of 30%. CCTV inspections of the gravity main have indicated that the pipe is showing signs of degradation and needs to be replaced.



# 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: June 8, 2023  
Subject: May 2023 Construction Operations Report

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General business for the month of May included a water service line leak repair on Montgomery Street, water service line replacements due to leaks on “E” Street, Pigeon Point Road, Home Drive, Mabelle Avenue, “D” Street, Simmons Road, and two on Vernon Street, water main line leak repairs on “E” Street and at the end of London Street, replacing a broken angle meter stop on Valley View Drive, repairing a fire hydrant on Herrick Avenue, and concrete repairs on Aldo Court, Artino Street and Tess Court.

Other business included performing vehicle and equipment maintenance, water meter reading, customer service orders, landscape maintenance, and continued construction on the sidewalks and parking area in front of the District office as part of the District Office ADA Improvement Project.



# Accounts Payable

## Checks by Date - Detail by Check Date

User: FM  
 Printed: 6/7/2023 11:55 AM

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

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
56228	A210	Petrusha Enterprises Inc.	05/10/2023	
	645331	AES Comml Fire Alarml Comms		111.00
	645331	Open/Close Reporting		45.00
	645331	RdgdwPump Comml Monitoring		82.50
	645331	RidgdwPump Cell Alarm Coms		120.00
	645331	RdgdwPump KeypadMobile Access		15.00
	645331	Commercial Fire Monitoring		91.50
Total for Check Number 56228:				465.00
56229	A360	AFLAC	05/10/2023	
	519270	Supplemental Health Premium - Monthly Payme		149.68
Total for Check Number 56229:				149.68
56230	A413	Airgas USA LLC	05/10/2023	
	9136903821	Compressed gas for the welder		91.65
Total for Check Number 56230:				91.65
56231	B650	BNI Publications, INC.	05/10/2023	
	76467	Public Works Costbook digital and print, 2023 ec		204.50
Total for Check Number 56231:				204.50
56232	B726	Rusty Brown	05/10/2023	
	2304	Annual respirator fit testing for affected employe		805.00
Total for Check Number 56232:				805.00
56233	D910	Don's Rent-All Inc	05/10/2023	
	235731	Manlift rental for the Brier Lane Tank Rehabilita		580.73
	235933	24" Form Stake		2.73
	235951	Wood chipper rental for the Brier Lane Tank Ref		573.56
Total for Check Number 56233:				1,157.02
56234	E485	Cooney Parris and Rieke Corp	05/10/2023	
	04302023	Discount Earned April		-5.56
	04302023	Discount Earned April		-1.96
	137949/3	Screws for the Office ADA Improvement Project		18.30
	138278/3	Roof drain fittings for the Office ADA Improver		77.52
	138333/3	Form lumber for the Office ADA Improvement F		13.43
	138349/3	Replacement saw blade for the Office ADA Impr		21.54
	138661/3	Unit #9 Hardware screws/Wire Steel		10.23
	139094/3	Unit #1 GFI ST WP Receipt TR WHT		34.47
Total for Check Number 56234:				167.97
56235	E558	NAPA Auto Parts of Eureka	05/10/2023	
	335697	Purple Power		53.51

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	335808	Purple Power Car Wash		12.01
	336340	Purple Power		66.61
	338678	Bobcat Sweeper Repair - Hyd Hose Fittings		149.43
	339150	Unit #18 2.5 Blue Def x2		42.59
	716435	Bobcat Sweeper Repair - Hyd Hose Fitting/ 12M		175.13
			Total for Check Number 56235:	499.28
56236	E650 85748	Eureka Ready Mix Concrete for the District Office ADA Improveme	05/10/2023	666.30
			Total for Check Number 56236:	666.30
56237	H010 04302023 04302023 S012862731.002 S012862731.003 S012952839.002 S013000955.001 S013044330.001 S013044658.001 S013044658.002 S013064090.001 S013066127.001 S013071495.002 S01307157.001 S013079151.001 S013079206.001 S013079224.001 S013079308.001	Keenan Supply Discount Earned April Discount Earned April AYM 728-207WXPP 33 x4 /AYM 728-212WXP 33 Copper Meter Setter x4/ Rubber Meter Gaske PEP Mac-PakxmipBrass CPLG Lead Free x8 Bevel Pro PVC 4" Beveling Tool for SDR35/26 ; Repair Cupling/AYM 74704B-22 Brass Stop/AY Gaskets for meter instalations 3/4 Water Meter Gasket 1/16" x600 8" AC Water Repair at 1253 Allard Ave Mainline ML11078 6 Mech Test Plug x10 Mainline ML51-44 4 D/IXCI/PL Flex x9 3/4 x100 IPS SIDR-7 D-2239 250 PSI Polyethyl Krausz 8" 8.54-9.84 Hymax 2 Flip 260 psi x2 Romac SS1 9.70x16 SS 1 Section Clamp Northtow 1in Bug Screen 20 Mesh Male x 6 3/4x3 Full Circle Redi Clamp x12	05/10/2023	-143.98 -1.20 1,597.75 754.44 407.70 89.69 1,509.85 65.40 318.39 824.34 266.62 62.55 98.74 824.34 455.83 153.10 501.82
			Total for Check Number 56237:	7,785.38
56238	H210 637295	Hensell Materials Rebar for front of the office	05/10/2023	297.43
			Total for Check Number 56238:	297.43
56239	H410 13349000	Humboldt Bay Municipal Water D Water Purchased - April 1-28, 2023	05/10/2023	87,966.52
			Total for Check Number 56239:	87,966.52
56240	H660 23-6562 23-6574	Humboldt County Clerk Recorder Copies Copies	05/10/2023	3.00 6.00
			Total for Check Number 56240:	9.00
56241	M101 134666	MapleService Inc. Reattach customer side service line to water met	05/10/2023	430.15
			Total for Check Number 56241:	430.15
56242	M230 M245048 M245049	Mendes Supply Co PSCQcarbacticide 30 gal/Drm Dep Drum Deposit for 3 30 Gallon Drums	05/10/2023	1,126.42 -180.00
			Total for Check Number 56242:	946.42
56243	M450	Mission Linen	05/10/2023	

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	519062193	Uniforms/Mats		240.36
	519105169	Uniforms/Mats		412.07
	519148437	Uniforms/Mats		236.97
	519190427	Uniforms/Mats		403.93
Total for Check Number 56243:				1,293.33
56244	O400 3871	O and M Industries Diagnose, repair and service front office forced a	05/10/2023	370.00
Total for Check Number 56244:				370.00
56245	P190 199321	Pacific Paper Co Automatic Pencils/Gel Pens/Steno Notebooks/D:	05/10/2023	111.05
Total for Check Number 56245:				111.05
56246	P430 04302023 104146 104376 104387 104643 104756 105318 106047 109686	Pierson Building Center Discount Earned April Taste/Odor Cartridge Jumbo Steel Grip Pickup Tool 36in 2x4x10 Lumber HP Hand Sprayer 2 Liter Hex Driller/Female Disconnect/Butt Connector/I So Bay Well Supplies 30in Poly Leaf Rake FG Handle 2x6x20 Lumber	05/10/2023	-3.71 36.04 56.79 21.12 16.28 26.38 41.49 39.31 61.91
Total for Check Number 56246:				295.61
56247	P557 3U18555 3V05557	Rexel USA Inc. Unit #12 AC Current Clamp Ridgewood Pump Breakers	05/10/2023	217.72 2,044.65
Total for Check Number 56247:				2,262.37
56248	P785 306A	Powell Landscape Materials 1/2 yard #4 cobble for the District Office ADA Ir	05/10/2023	33.87
Total for Check Number 56248:				33.87
56249	S310 220015220	Low Voltage Security Inc Keys for the Allard Street sewer meter station pa	05/10/2023	16.39
Total for Check Number 56249:				16.39
56250	U410	United Way of Humboldt PR Batch 00001.05.2023 UNITED WAY PR Batch 00001.05.2023 UNITED WAY PR Batch 00001.05.2023 UNITED WAY	05/10/2023 PR Batch 00001.05.2023 UNI PR Batch 00001.05.2023 UNI PR Batch 00001.05.2023 UNI	1.45 1.50 1.05
Total for Check Number 56250:				4.00
56251	V700 INV 23-657710 INV 23-664680	Valley Pacific Petroleum Services Inc Fuel Fuel	05/10/2023	3,787.89 3,186.14
Total for Check Number 56251:				6,974.03
56252	W208 1049	Watt's Cleaning Services District offices cleaning for April 2023	05/10/2023	1,165.00

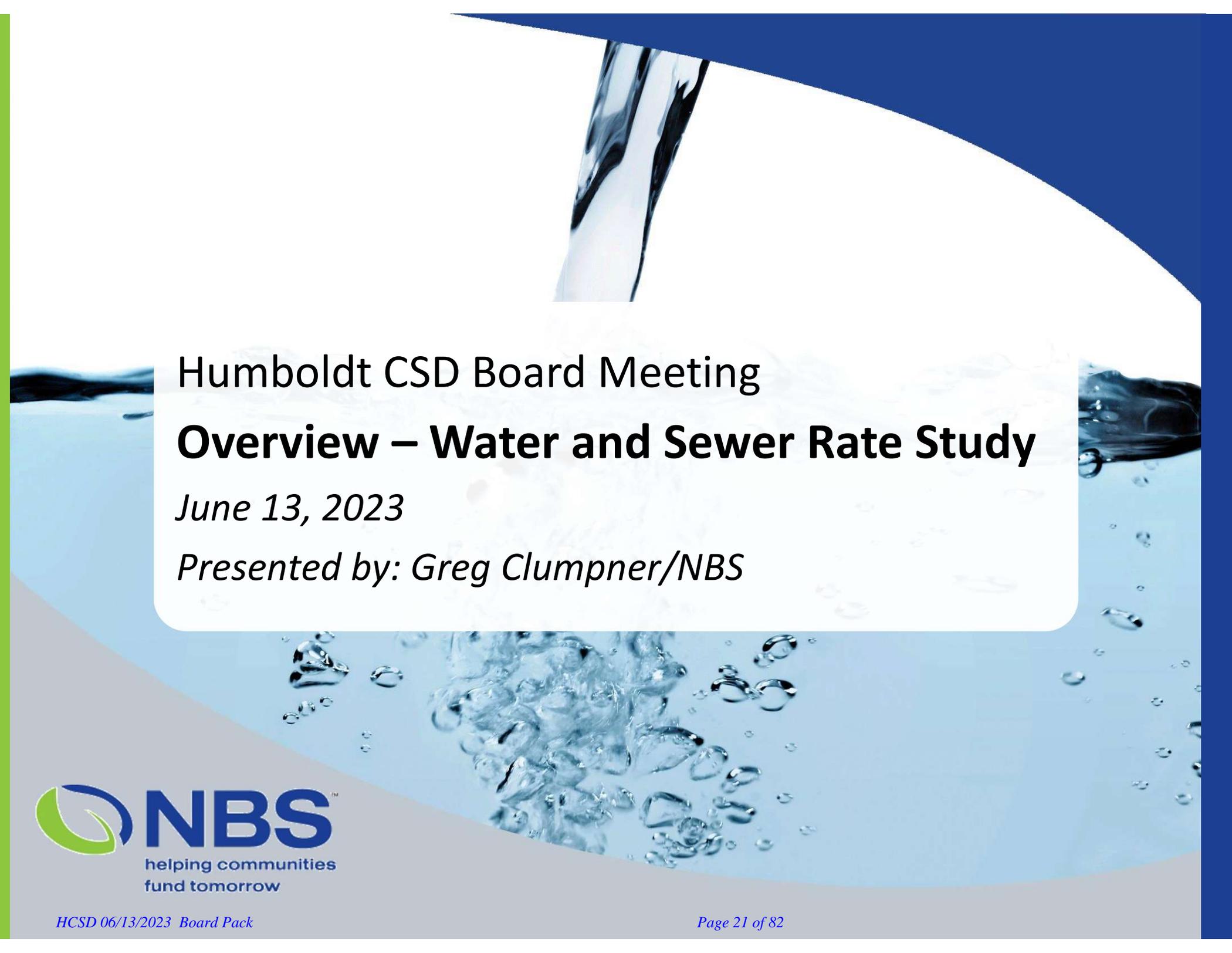
Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 56252:	1,165.00
56253	W570	Western Chain Saw	05/10/2023	
	346642	6.4 oz mix		34.94
	346860	Shredder Blade		31.67
	347120	Thurst Washer		13.20
			Total for Check Number 56253:	79.81
56254	UB*02107	LINDA/LYLE KITTLESON	05/10/2023	
		Refund Check		120.57
			Total for Check Number 56254:	120.57
			Total for 5/10/2023:	114,367.33
56255	A072 0008476	Accurate Drug Testing Services DOT Physical/TL	05/16/2023	
			Total for Check Number 56255:	100.00
56256	A160	ACWA-JPIA	05/16/2023	
	0699566	gVision Plan - Board Members Coverage Period:		62.52
	0699566	fDental Plan - Board Members Coverage Period:		342.64
	0699566	aMedical Plan - Employees Coverage Period: 6/1-		49,835.15
	0699566	bDental Plan - Employees Coverage Period: 6/1-		1,490.60
	0699566	cVision Plan - Employees Coverage Period: 6/1-		296.97
	0699566	dLife/AD&D Plan - Employees Coverage Period:		369.71
	0699566	hLife/AD&D Plan -Board Members Coverage Pe		26.07
	0699566	iMedical Plan -Retired Members Coverage Perio		19,316.87
	0699566	jDental Plan - Retired Members Coverage Perio		1,192.00
	0699566	kVision Plan - Retired Members Coverage Perio		343.86
	0699566	lCOBRA - Medical Coverage Period: 6/1-30/202		3,343.37
	0699566	mCOBRA - Dental Coverage Period: 6/1-30/202		106.12
	0699566	nCOBRA - Vision Coverage Period: 6/1-30/2023		15.63
	0699566	eMedical Plan - Board Members Coverage Perio		9,788.72
			Total for Check Number 56256:	86,530.23
56257	B283 23-24715	Backflow Technologies, Inc Meter backflow device repair kits.	05/16/2023	
			Total for Check Number 56257:	149.86
56258	B284 1561869 159260	Badger Meter Inc 3/4" Meters 1" Meters	05/16/2023	
			Total for Check Number 56258:	18,540.36
56259	B702 03-71846 03-72170	Bobcat of Chico Repair parts for the Bobcat skidsteer loader swee Grinder attachment repair on the Bobcat skidstee	05/16/2023	
			Total for Check Number 56259:	613.43
56260	C036 240133931030013 240133931050016	Corporate Payment Systems TL/Ingram: (10) HR10WB3 bubbler air compres TW/ In N Out Burger: Emergency OT Staff Mea	05/16/2023	
			Total for Check Number 56260:	2,948.12
			Total for Check Number 56260:	73.80

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
	242316831234000	DT/ Harbor Freight: Low voltage cutoff board fo		151.84
	244309931040833	MM/ Dell: Keyboards and Monitor for shop com		40.92
	244309931040833	MM/ Dell: Keyboards and Monitor for shop com		111.67
	244310631110816	TW/ Fastrak: Certification Travel Toll		7.00
	244921531190274	MT/Pape: Parts to repair electric dewatering pun		93.00
	246921631231087	TW/ Amazon: Decaf Coffee		89.44
	247542310228102	DT/ Oasis: Low voltage cutoff board for Unit #6		101.89
	249064131051717	TL/DRI Crash Plan		29.97
	249064131051718	TL/Microsoft		104.00
			Total for Check Number 56260:	3,751.65
56261	C180	Canon Solutions America Inc.	05/16/2023	
	6004116457	Office/Black Copies WXD03492- 1416		15.94
	6004116457	Office/Color Copies WXD03492- 1458		105.55
	6004116457	UseTaxRecoveryFee/OfficeCopier		4.71
			Total for Check Number 56261:	126.20
56262	C410	City of Eureka: SW	05/16/2023	
	April 2023	Humboldt Hill 21%		28,293.93
	April 2023	General 79%		106,439.07
			Total for Check Number 56262:	134,733.00
56263	C430	City of Eureka: WA	05/16/2023	
	04302023	*Excess Billing @ \$0.003726/gallon		12,482.00
	04302023	Water Purchased - April 2023		56,635.00
			Total for Check Number 56263:	69,117.00
56264	C495	Colantuono, Highsmith, Whatley, PC	05/16/2023	
	55783	Legal Services: Prop 218		8,111.50
	55784	Legal Services: Special Counsel Services throug		1,225.00
			Total for Check Number 56264:	9,336.50
56265	E890	Express Employment Professionals	05/16/2023	
	28953914	Temporary Personnel - Finance PPE 04/30/2023		2,752.68
	28953914	Temporary Personnel - Construction PPE 04/30/		671.76
	28953914	Temporary Personnel - Maintenance PPE 04/30/		1,230.40
			Total for Check Number 56265:	4,654.84
56266	G090	Galco Industrial Electronics Inc	05/16/2023	
	4162740	Water and Sewer station motor savers		637.68
			Total for Check Number 56266:	637.68
56267	I525	Infosend	05/16/2023	
	234599	UB/Process and Mail/Bills - April 2023		3,536.45
			Total for Check Number 56267:	3,536.45
56268	J800	Johnson's Mobile Rentals LLC	05/16/2023	
	159252	Rental fencing for the Ridgewood Tank Rehabili		252.78
			Total for Check Number 56268:	252.78
56269	M340	Mercer Fraser Co	05/16/2023	
	109481	3/4" Crushed Aggregate Base		260.37

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
			Total for Check Number 56269:	260.37
56270	M560 52411	The Mitchell Law Firm LLP Legal Services - April 2023	05/16/2023	288.00
			Total for Check Number 56270:	288.00
56271	R250 30370092	Recology Humboldt County Garbage Service - April 1- 30, 2023	05/16/2023	511.75
			Total for Check Number 56271:	511.75
56272	R705 932434-4	Guy Rents Inc Planer attachment rental for the Bobcat skidsteer	05/16/2023	914.42
			Total for Check Number 56272:	914.42
56273	S495 50600	Shred Aware PickUp/Shredding/64GalBin/27"S	05/16/2023	117.42
			Total for Check Number 56273:	117.42
56274	T285 4907	Thomas R. Bess Hot mix asphalt for Circle Drive and Highland C	05/16/2023	465.48
			Total for Check Number 56274:	465.48
56275	U730 328725 347572	USA Bluebook 115V Motor, ABA 316SS Clamp 3/4' -1 1/8' / CI Ratchet Shears 1/8"-1 5/8" x3	05/16/2023	395.78 150.15
			Total for Check Number 56275:	545.93
56276	X800 3556C72250	Xylem Inc. New replacement pump for the Liberty Bell SLS	05/16/2023	13,763.24
			Total for Check Number 56276:	13,763.24
56277	UB*02108	GALLERY TOMSHA Refund Check Refund Check Refund Check Refund Check	05/16/2023	27.34 52.75 10.48 22.55
			Total for Check Number 56277:	113.12
56278	UB*02109	STEVE MILLER Refund Check Refund Check Refund Check Refund Check	05/16/2023	4.63 3.74 8.54 2.70
			Total for Check Number 56278:	19.61
56279	UB*02110	FOUR STAR RENTALS Refund Check	05/16/2023	25.94
			Total for Check Number 56279:	25.94
			Total for 5/16/2023:	349,105.26

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
56280	A072 0008622	Accurate Drug Testing Services Pre-Employment Drug Screen/SK	05/31/2023	30.00
Total for Check Number 56280:				30.00
56281	E849 L0636366 L0636371	Eurofins Eaton Analytical Inc. Hexavalent Chromium analysis at the Spruce Poi Hexavalent Chromium analysis at the South Bay	05/31/2023	75.00 75.00
Total for Check Number 56281:				150.00
56282	E890 28998451 28998451 28998451 29017302 29017302 29017302 29017302 29051813 29051813 29051813 29051813	Express Employment Professionals Temporary Personnel - Construction PPE 05/07/ Temporary Personnel - Finance PPE 05/07/2023 Temporary Personnel - Maintenance PPE 05/07/ Temporary Personnel - Construction PPE 05/14/ Temporary Personnel - Construction PPE 05/14/ Temporary Personnel - Maintenance PPE 05/14/ Temporary Personnel - Finance PPE 05/14/2023 Temporary Personnel - Finance PPE 05/21/2023 Temporary Personnel - Constuction PPE 05/21/2 Temporary Personnel - HR Screening PPE 05/21/ Temporary Personnel - Maintenance PPE 05/21/	05/31/2023	1,209.24 3,019.18 1,230.40 1,092.88 57.52 1,230.40 2,969.22 3,240.39 1,121.64 67.00 1,230.40
Total for Check Number 56282:				16,468.27
56283	F049 CAEUR127079 CAEUR127079 CAEUR127218 CAEUR127218	Fastenal Company Ear Plug 5ct x5/ Black Electric Tape x2 D Alk Battery x10/9V Alk Battery x8/XL OR Di 10.4"x11" Towel DT Tape Roll/ 12" Recip/ Saftey Glasses/Ear Plu	05/31/2023	16.62 87.26 10.76 111.31
Total for Check Number 56283:				225.95
56284	F050 CAEUR127321 CAEUR127363	Fastenal Industrial MultiFold PaperTowel / Ind Bag 24x32 Cable Ties/Variou Colors of Electrical Tape/Yel	05/31/2023	94.57 74.12
Total for Check Number 56284:				168.69
56285	F510 90016	Fortuna Iron Stainless steel plate for repairs to Unit #18	05/31/2023	110.80
Total for Check Number 56285:				110.80
56286	N465 0021846	Brad's Nor-Cal Automotive Repairs to Unit #3	05/31/2023	930.75
Total for Check Number 56286:				930.75
56287	P010 06052023 06052023 06052023 06052023 06052023 06052023 06052023	Pacific Gas and Electric-GN aWA Pump & District/Cummings gSpark energy Gas/LP Gas Chgs fOffice/Yard eKS/HH Sewer System cFW/MR Water System dGeneral Sewer System bHH Water System	05/31/2023	4,890.70 354.90 4,978.82 1,318.16 626.74 4,232.25 10,181.15
Total for Check Number 56287:				26,582.72

Check No	Vendor No Invoice No	Vendor Name Description	Check Date Reference	Check Amount
56288	P130 06122023	Pacific Gas and Electric-St Street lighting May	05/31/2023	2,480.50
Total for Check Number 56288:				2,480.50
56289	P821 B939002057A	Proforma Marketing Solutions Num 10 window envelopes	05/31/2023	472.70
Total for Check Number 56289:				472.70
56290	S490 117183	SHN Consulting Engineers SBFM - Prelim OPCC Period Ending 4/30/2023	05/31/2023	1,817.50
Total for Check Number 56290:				1,817.50
56291	S750 06012023	Standard Insurance Company Short&Long Term Empl Disabilit Period 06/01-3	05/31/2023	1,293.87
Total for Check Number 56291:				1,293.87
56292	S850 06152023	Optimum Internet/ 05/24/23 - 06/23/23	05/31/2023	520.39
Total for Check Number 56292:				520.39
56293	T900 INV1419075	TransAct Technologies Incorporated Receipt paper and ink ribbons for counter	05/31/2023	250.84
Total for Check Number 56293:				250.84
56294	U410	United Way of Humboldt PR Batch 00002.05.2023 UNITED WAY PR Batch 00002.05.2023 UNITED WAY PR Batch 00002.05.2023 UNITED WAY	05/31/2023 PR Batch 00002.05.2023 UNI PR Batch 00002.05.2023 UNI PR Batch 00002.05.2023 UNI	1.73 0.63 1.64
Total for Check Number 56294:				4.00
56295	V500 9935472267	Verizon Wireless Cellular Service - May 2023	05/31/2023	463.50
Total for Check Number 56295:				463.50
56296	W330 0051511-IN	WECO Industries Repair of sewer camera control box	05/31/2023	421.89
Total for Check Number 56296:				421.89
Total for 5/31/2023:				52,392.37
Report Total (69 checks):				515,864.96

A background image featuring a dynamic splash of water. A stream of water falls from the top center, creating a large, energetic splash that spreads outwards. The water is clear and bright blue, with many small droplets and bubbles visible. The overall composition is clean and modern, with a white semi-transparent box in the center containing the text.

# Humboldt CSD Board Meeting **Overview – Water and Sewer Rate Study**

*June 13, 2023*

*Presented by: Greg Clumpner/NBS*

# Presentation Overview

- **Rate Study Methodology**
- **Water/Sewer Rate Studies**
  - Revenue Requirements
  - Cost-of-Service
  - Proposed Water Rates
- **Water/Sewer Connection Fees**
  - Methodology
  - Allocating Costs to Growth
  - Proposed Connection Fees
- **Next Steps/Prop 218 Process**
- **Questions**

# Rate Study Methodology

- Rate Study approach widely used across the industry:

## 1 FINANCIAL PLAN

Compares current sources and uses of funds and determines the revenue needed from rates and projects rate adjustments.

## 2 COST-OF-SERVICE ANALYSIS

Proportionately allocates the revenue requirements to the customer classes in compliance with industry standards and State Law.

## 3 RATE DESIGN ANALYSIS

Considers what rate structure will best meet the City's need to collect rate revenue from each customer class.

# WATER RATE STUDY

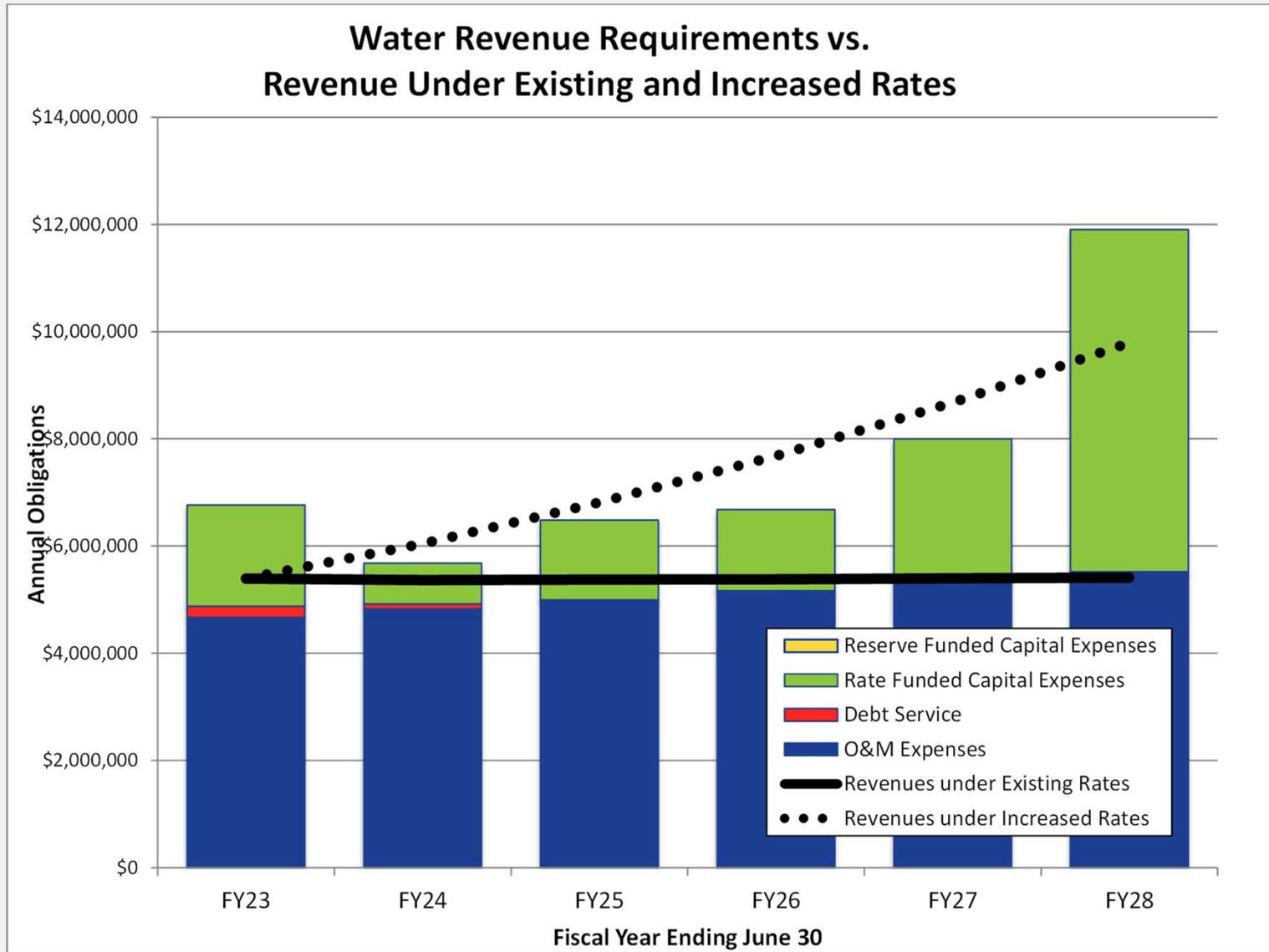
# RATE REVENUE REQUIREMENTS - WATER

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	5-Year Prop 218 Period				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Sources of Water Funds</b>						
Rate Revenue Under Prevailing Rates	\$ 5,200,000	\$ 5,200,000	\$ 5,200,000	\$ 5,200,000	\$ 5,200,000	\$ 5,200,000
Non-Rate Revenues	118,344	118,344	118,344	118,344	118,344	118,344
Interest Earnings	74,151	48,584	55,317	61,454	80,081	92,744
<b>Total Sources of Funds</b>	<b>\$ 5,392,495</b>	<b>\$ 5,366,928</b>	<b>\$ 5,373,661</b>	<b>\$ 5,379,798</b>	<b>\$ 5,398,425</b>	<b>\$ 5,411,088</b>
<b>Uses of Water Funds</b>						
Personnel Expenses	\$ 1,859,749	\$ 1,934,139	\$ 2,011,504	\$ 2,091,964	\$ 2,175,643	\$ 2,262,669
Purchased Water	1,941,550	1,999,797	2,059,790	2,121,584	2,185,232	2,250,789
Operating Expenses	866,422	892,666	919,711	947,580	976,299	1,005,894
Debt Service	209,605	94,623	5,906	5,905	-	-
Rate-Funded Capital Expenses	1,889,741	759,710	1,486,655	1,514,372	2,658,911	6,384,502
<b>Total Use of Funds</b>	<b>\$ 6,767,066</b>	<b>\$ 5,680,935</b>	<b>\$ 6,483,567</b>	<b>\$ 6,681,405</b>	<b>\$ 7,996,085</b>	<b>\$ 11,903,853</b>
<b>Net Revenue Requirement<sup>2</sup></b>	<b>\$ 6,574,572</b>	<b>\$ 5,514,008</b>	<b>\$ 6,309,906</b>	<b>\$ 6,501,607</b>	<b>\$ 7,797,659</b>	<b>\$ 11,692,765</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ (1,374,572)</b>	<b>\$ (314,008)</b>	<b>\$ (1,109,906)</b>	<b>\$ (1,301,607)</b>	<b>\$ (2,597,659)</b>	<b>\$ (6,492,765)</b>
Additional Revenue from Rate Increases <sup>1</sup>	-	\$676,000	\$1,439,880	\$2,303,064	\$3,278,463	\$4,380,663
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ (1,374,572)</b>	<b>\$ 361,992</b>	<b>\$ 329,974</b>	<b>\$ 1,001,457</b>	<b>\$ 680,803</b>	<b>\$ (2,112,102)</b>
<b>Total Rate Revenue after Rate Increase</b>	<b>\$ 5,200,000</b>	<b>\$ 5,876,000</b>	<b>\$ 6,639,880</b>	<b>\$ 7,503,064</b>	<b>\$ 8,478,463</b>	<b>\$ 9,580,663</b>
<b>Projected Annual Rate Increase</b>	<b>0.00%</b>	<b>13.00%</b>	<b>13.00%</b>	<b>13.00%</b>	<b>13.00%</b>	<b>13.00%</b>

1. Assumes new rates are implemented July of each year of rate period.

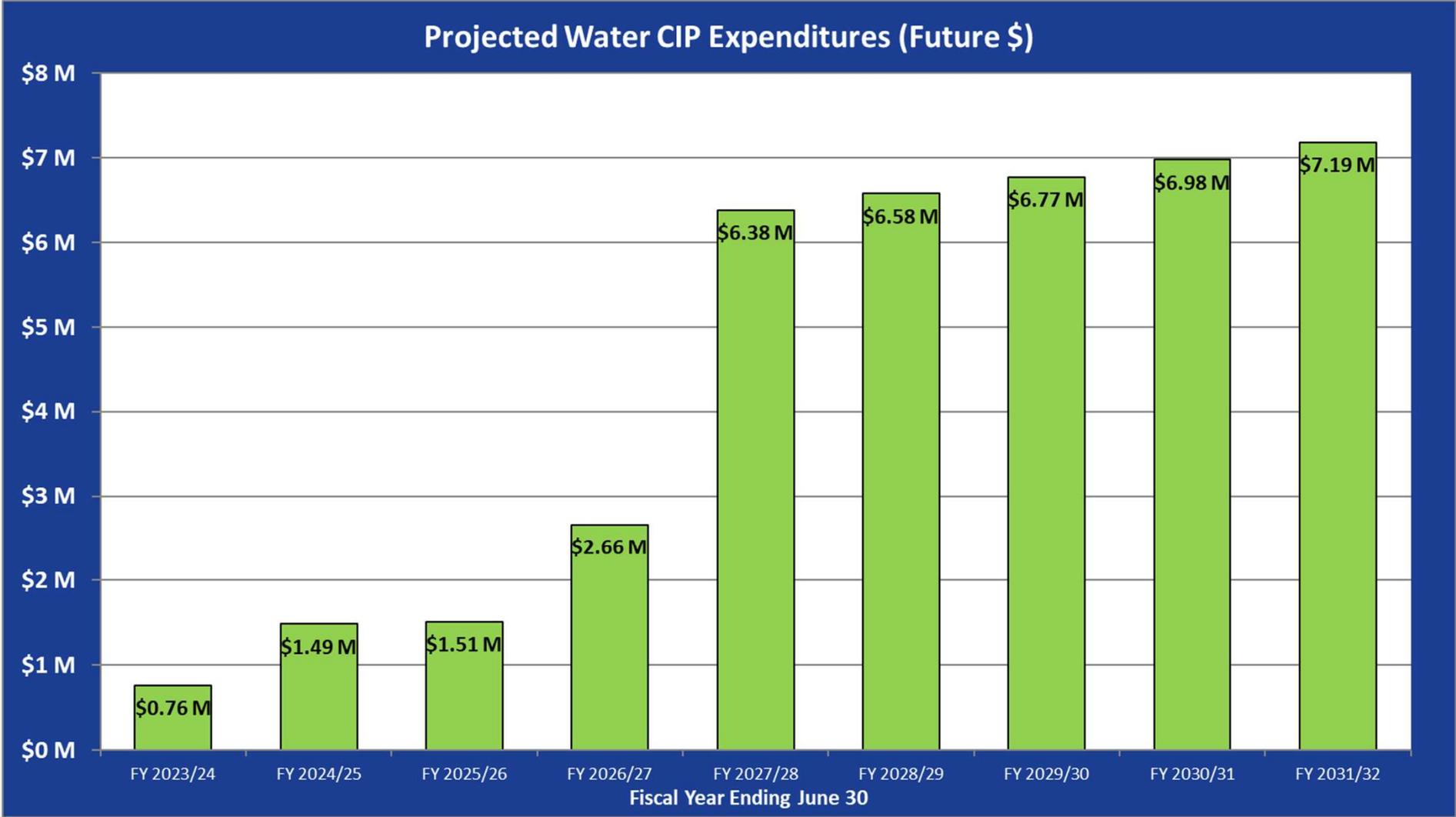
2. Total Use of Funds less non-rate revenues and interest earnings. This is the annual amount needed from water rates.

# WATER REVENUE REQUIREMENTS



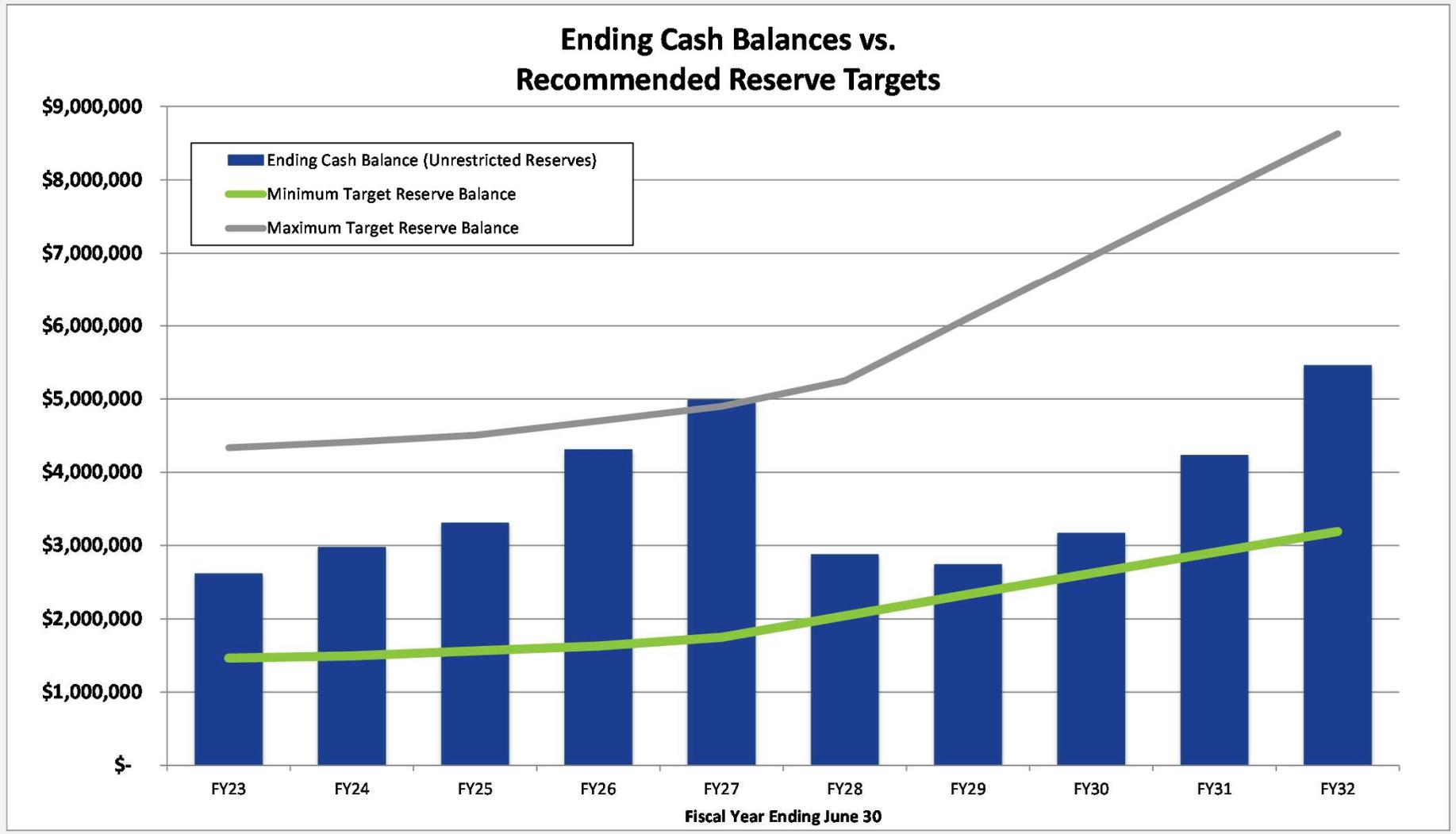
# CAPITAL COSTS ARE DRIVING WATER RATES

## HCSD 10-year CIP:



# RESERVE FUND BALANCES – WATER

## HCSD 10-year Reserves:



# COST-OF-SERVICE ALLOCATION FACTORS

- **Commodity/Variable costs:** Allocated based on Water Consumption
- **Capacity-Related/Fixed costs:** Allocated based on Peaking factors (i.e., peak month ÷ average month)
- **Customer-Related costs:** Allocated based on Number of accounts.

# WATER COST-OF-SERVICE RESULTS

Classification Components	Fixed & Variable Cost Allocations	Adjusted Net Revenue Requirements	
		<i>40% Fixed / 60% Variable</i>	
Commodity-Related Costs	Variable	\$ 3,525,600	60.0%
Capacity-Related Costs	Fixed	2,085,980	35.5%
Customer-Related Costs	Fixed	264,420	4.5%
<b>Net Revenue Requirement</b>		<b>\$ 5,876,000</b>	<b>100%</b>
Fire-Related Costs		-	0.0%
<b>Net Revenue Requirement</b>		<b>\$ 5,876,000</b>	<b>100%</b>

Customer Classes	Classification Components			Cost of Service Net Rev. Req'ts	% of COS Net Revenue Req'ts
	Commodity-Related Costs	Capacity-Related Costs	Customer-Related Costs		
Residential	\$ 2,814,711	\$ 1,657,497	\$ 238,973	\$ 4,711,181	80.2%
Multi-Family Residential	244,605	130,060	15,948	390,613	6.6%
Mobile Home Park	156,944	78,924	377	236,245	4.0%
Commercial Light	237,463	145,587	8,025	391,076	6.7%
Commercial Medium	13,000	7,878	103	20,981	0.4%
Commercial Heavy	53,464	52,740	789	106,993	1.8%
Construction Meter	5,412	13,293	206	18,911	0.3%
<b>Total Net Revenue Requirement</b>	<b>\$ 3,525,600</b>	<b>\$ 2,085,980</b>	<b>\$ 264,420</b>	<b>\$ 5,876,000</b>	<b>100%</b>
<i>Total Net Revenue Requirement by Classification Component</i>	<u>VARIABLE</u> \$3,525,600	<u>FIXED</u> \$2,350,400		\$5,876,000	

# PROPOSED WATER RATES

To promote conservation, the proposed rate structure recovers:

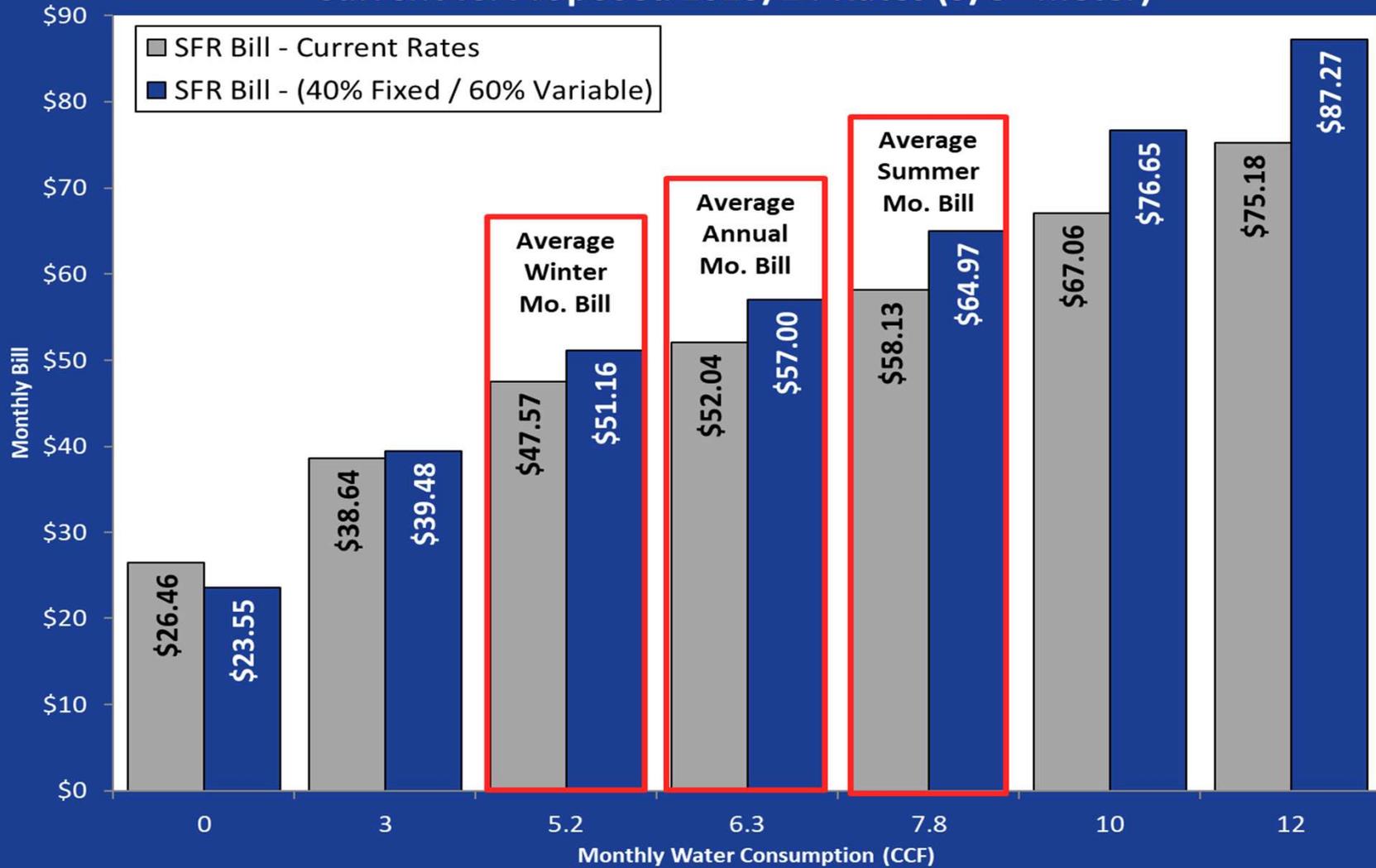
- 60% of rate revenue from volumetric rates
- 40% from fixed charges
- Current rate design is intended to collect revenue 50/50

Water Rate Schedule	Current Rates	Proposed Rates (40% Fixed/60% Variable)				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Fixed Service Charge (by Meter Size)</b>						
<b>Monthly Fixed Service Charges:</b>						
Residential 5/8-, 3/4-, and 1-inch <sup>1</sup>	\$26.46	\$23.55	\$26.61	\$30.07	\$33.98	\$38.40
5/8 inch	\$26.46	<b>\$23.55</b>	\$26.61	\$30.07	\$33.98	\$38.40
3/4 inch	\$38.42	<b>\$33.90</b>	\$38.30	\$43.28	\$48.91	\$55.27
1 inch	\$62.34	<b>\$54.59</b>	\$61.68	\$69.70	\$78.76	\$89.00
1 1/2 inch	\$122.13	<b>\$106.32</b>	\$120.14	\$135.76	\$153.40	\$173.35
2 inch	\$193.89	<b>\$168.39</b>	\$190.28	\$215.02	\$242.97	\$274.56
3 inch	\$385.23	<b>\$333.93</b>	\$377.34	\$426.39	\$481.82	\$544.46
4 inch	\$600.49	<b>\$1,037.45</b>	\$1,172.32	\$1,324.72	\$1,496.93	\$1,691.53
6 inch	\$1,198.44	<b>\$1,658.20</b>	\$1,873.77	\$2,117.36	\$2,392.61	\$2,703.65
<b>Volumetric Charges for All Water Consumed</b>						
<b>Uniform Rate (per hcf)</b>	\$4.06	<b>\$5.31</b>	\$6.00	\$6.78	\$7.66	\$8.66

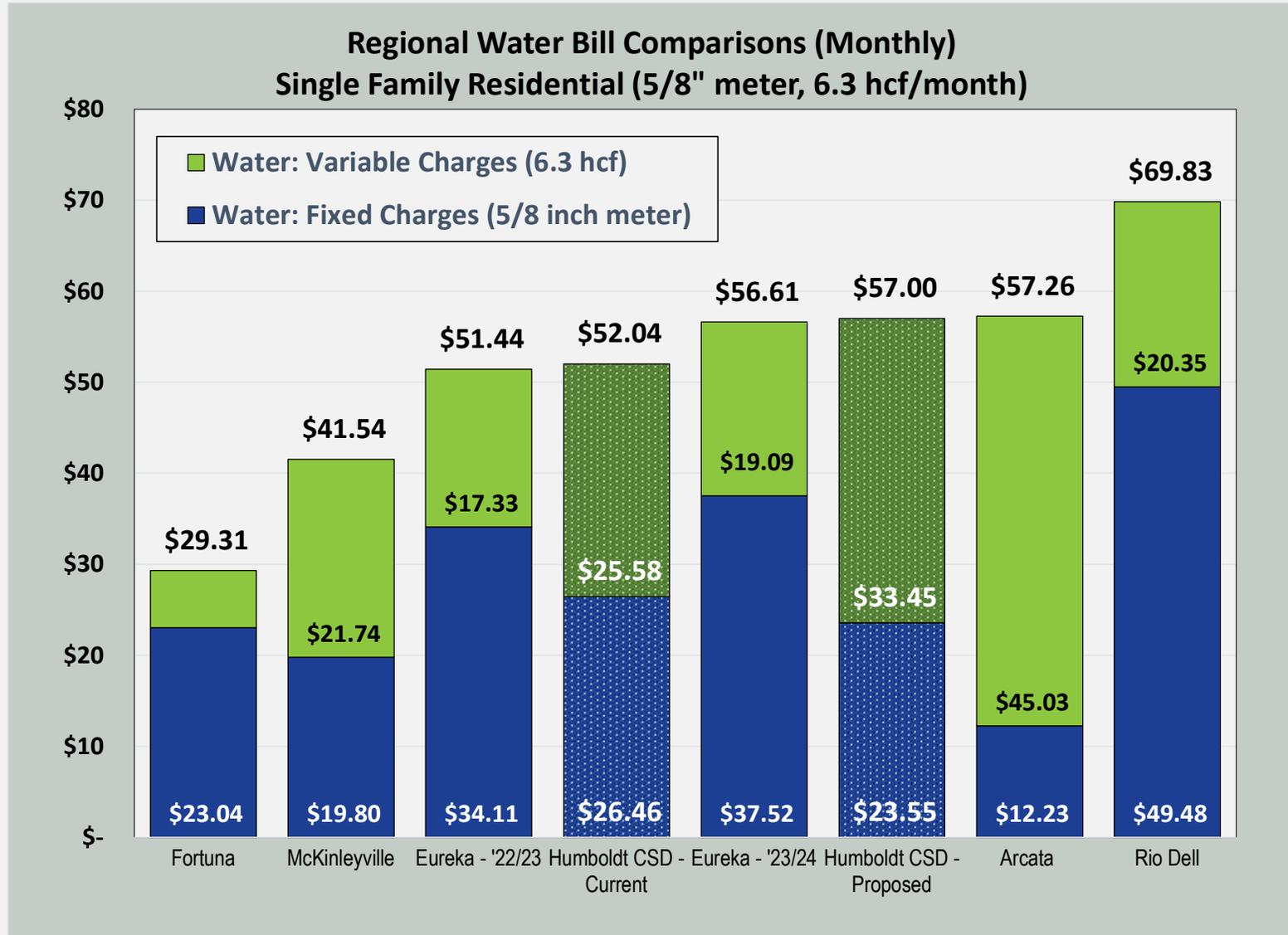
1. Fixed charges for 5/8-, 3/4-, and 1-inch *single-family residential* meters are the same.

# SINGLE-FAMILY WATER BILL COMPARISON

Single-Family Residential Water Bill Comparison  
Current vs. Proposed 2023/24 Rates (5/8" meter)



# REGIONAL WATER BILL COMPARISON



# SEWER RATE STUDY

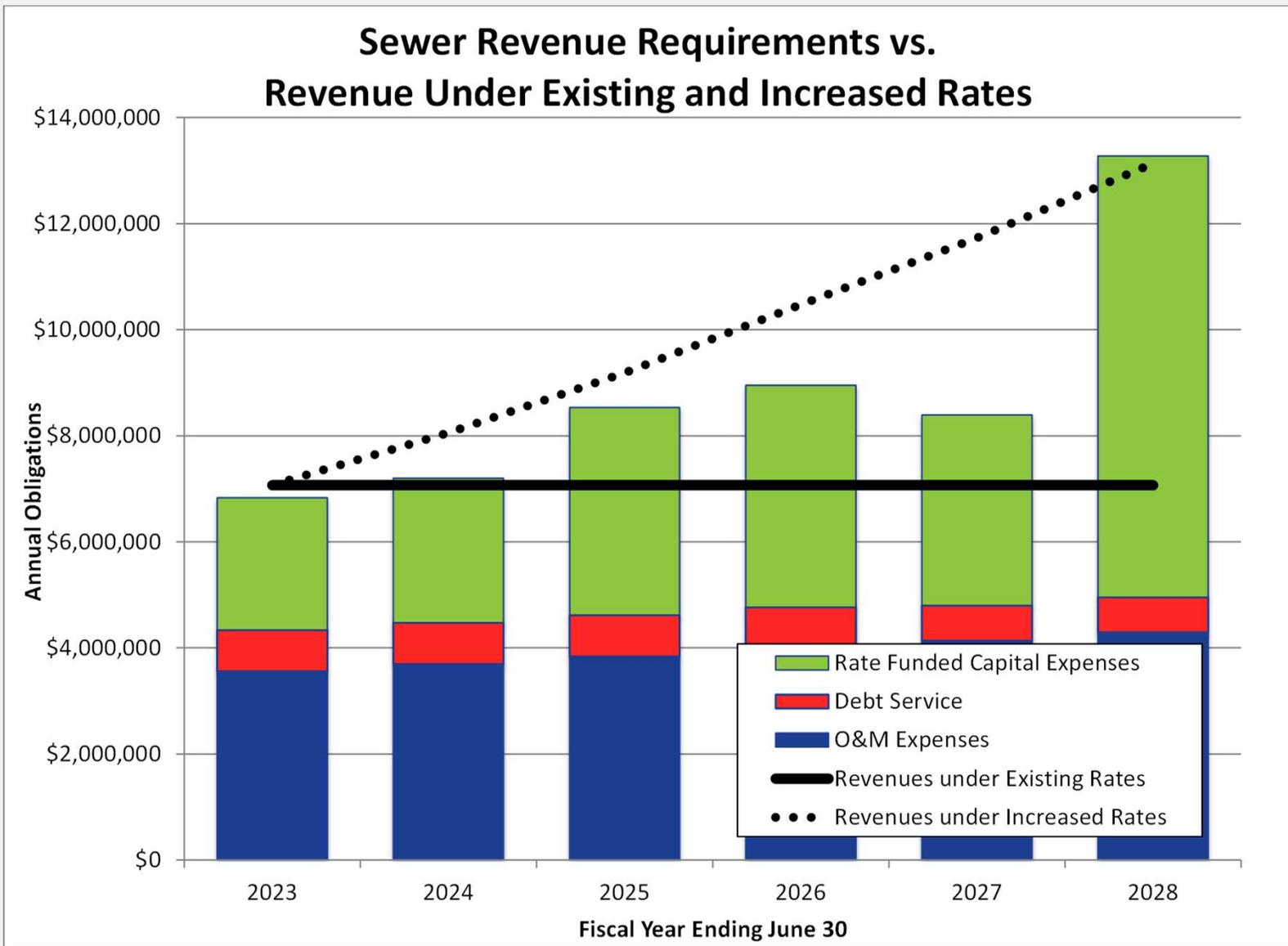
# RATE REVENUE REQUIREMENTS - SEWER

Summary of Sources and Uses of Funds and Net Revenue Requirements	Budget	5-Year Prop 218 Period				
	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<b>Sources of Wastewater Funds</b>						
Rate Revenue Under Prevailing Rates	\$ 5,620,572	\$ 7,068,372	\$ 7,068,372	\$ 7,068,372	\$ 7,068,372	\$ 7,068,372
Sewer Pass Through	\$ 1,447,800	\$ -	\$ -	\$ -	\$ -	\$ -
Non-Rate Revenues	89,576	89,576	89,576	89,576	89,576	89,576
Interest Earnings	64,358	71,657	79,474	94,937	126,899	193,234
<b>Total Sources of Funds</b>	<b>\$ 7,222,306</b>	<b>\$ 7,229,606</b>	<b>\$ 7,237,422</b>	<b>\$ 7,252,886</b>	<b>\$ 7,284,847</b>	<b>\$ 7,351,182</b>
<b>Uses of Wastewater Funds</b>						
Personnel Expenses	\$ 1,421,035	\$ 1,477,877	\$ 1,536,992	\$ 1,598,471	\$ 1,662,410	\$ 1,728,907
Sewage Treatment O&M	1,523,600	1,584,544	1,647,926	1,713,843	1,782,397	1,853,692
Operating Expenses	616,491	634,212	652,464	671,264	690,628	710,573
Debt Service	779,216	780,616	781,616	782,216	662,425	664,613
Rate-Funded Capital Expenses	2,489,510	2,724,391	3,917,426	4,184,642	3,593,750	8,316,563
<b>Total Use of Funds</b>	<b>\$ 6,829,852</b>	<b>\$ 7,201,639</b>	<b>\$ 8,536,424</b>	<b>\$ 8,950,436</b>	<b>\$ 8,391,609</b>	<b>\$ 13,274,348</b>
<b>Net Revenue Requirement<sup>1</sup></b>	<b>\$ 6,675,919</b>	<b>\$ 7,040,406</b>	<b>\$ 8,367,374</b>	<b>\$ 8,765,923</b>	<b>\$ 8,175,134</b>	<b>\$ 12,991,538</b>
<b>Surplus (Deficiency) before Rate Increase</b>	<b>\$ 392,454</b>	<b>\$ 27,966</b>	<b>\$ (1,299,002)</b>	<b>\$ (1,697,550)</b>	<b>\$ (1,106,762)</b>	<b>\$ (5,923,166)</b>
Additional Revenue from Rate Increases <sup>2</sup>	-	989,572	2,117,684	3,403,732	4,660,385	6,067,836
<b>Surplus (Deficiency) after Rate Increase</b>	<b>\$ 392,000</b>	<b>\$ 1,018,000</b>	<b>\$ 819,000</b>	<b>\$ 1,706,000</b>	<b>\$ 3,554,000</b>	<b>\$ 145,000</b>
<b>Total Rate Revenue after Rate Increase</b>	<b>\$ 7,068,372</b>	<b>\$ 8,057,945</b>	<b>\$ 9,186,057</b>	<b>\$ 10,472,105</b>	<b>\$ 11,728,757</b>	<b>\$ 13,136,208</b>
<b>Projected Annual Rate Increase</b>	<b>0.00%</b>	<b>14.00%</b>	<b>14.00%</b>	<b>14.00%</b>	<b>12.00%</b>	<b>12.00%</b>

1. Total Use of Funds less non-rate revenues. This is the annual amount needed from wastewater rates.

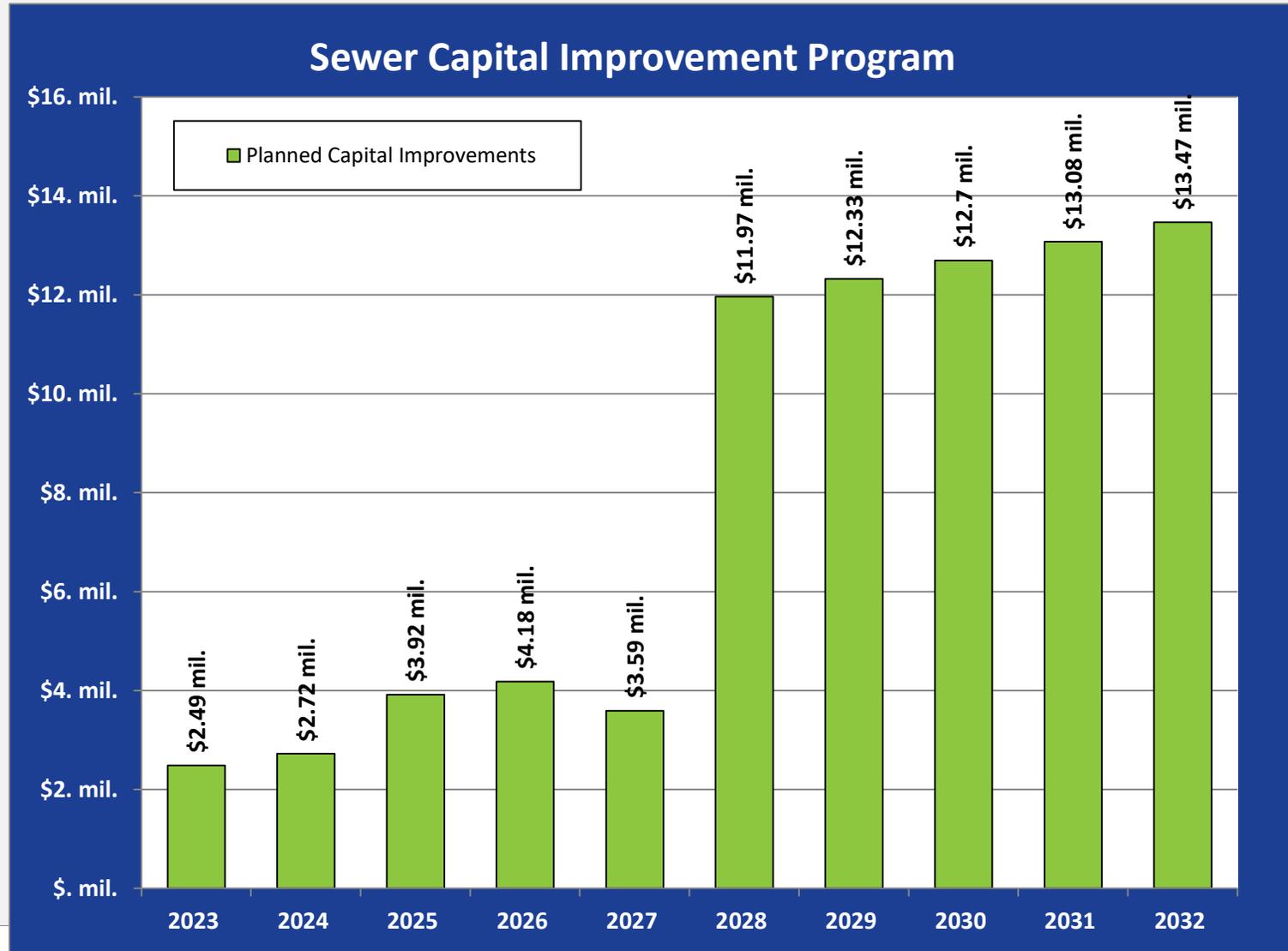
2. Assumes new rates are implemented July of each year of rate period.

# RATE REVENUE REQUIREMENTS - SEWER



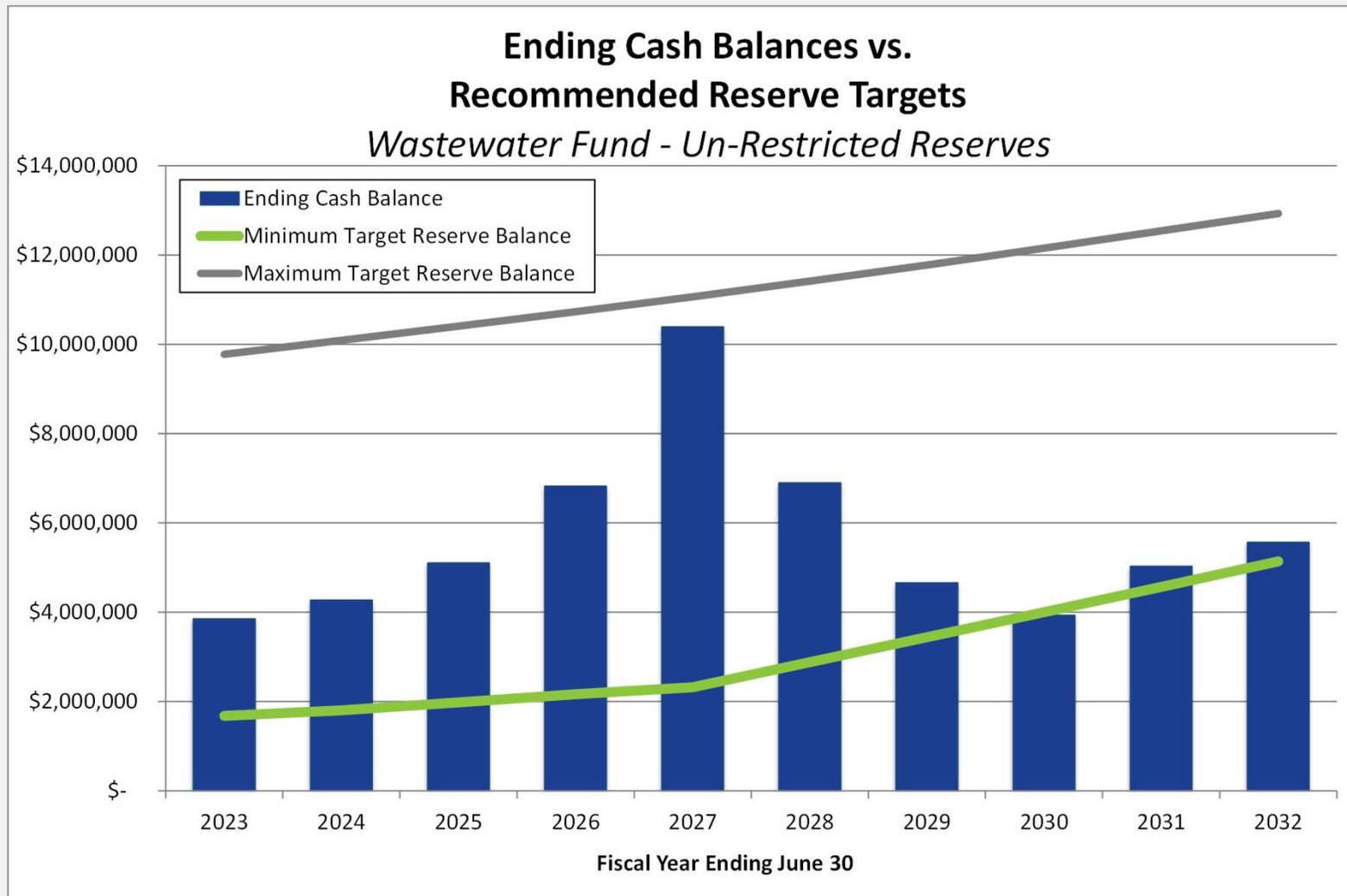
# CAPITAL COSTS ARE ALSO DRIVING SEWER RATES

## 10-Year Sewer CIP:



# RESERVE FUND BALANCES – SEWER

## 10-Year Sewer Reserves:



# COST-OF-SERVICE ALLOCATION FACTORS

- **Commodity/Variable costs:** Allocated based on estimated effluent flows
- **Capacity-Related/Fixed costs:** Allocated based on Treatment factors (i.e., effluent strength (BOD/TSS) and quantities)
- **Customer-Related costs:** Allocated based on Number of accounts.

# SEWER COST-OF-SERVICE RESULTS

Customer Class	Cost Classification Components				Cost-of-Service Net Revenue Reqs.	% of COS Net Rev. Reqs. (2023/24)
	Volume	Treatment/Strength		Customer Related		
		BOD	TSS			
<b>Net Revenue Requirements<sup>1</sup></b>	<b>\$ 4,587,608</b>	<b>\$ 1,584,886</b>	<b>\$ 1,584,886</b>	<b>\$ 300,565</b>	<b>\$ 8,057,945</b>	--
	56.9%	19.7%	19.7%	3.7%	100.0%	--
Residential	\$ 3,458,102	\$ 1,125,593	\$ 1,125,593	\$ 269,062	\$ 5,978,350	74.2%
Multi-Family Residential	410,108	133,488	133,488	19,113	696,197	8.6%
Mobile Home Park/Trailer Park	207,017	67,383	67,383	461	342,244	4.2%
Commercial Light	371,822	121,026	121,026	10,823	624,697	7.8%
Commercial Medium	21,181	14,995	14,995	138	51,309	0.6%
Commercial Heavy	119,379	122,401	122,401	967	365,147	4.5%
	<b>\$ 4,587,608</b>	<b>\$ 1,584,886</b>	<b>\$ 1,584,886</b>	<b>\$ 300,565</b>	<b>\$ 8,057,945</b>	<b>100%</b>

1. Revenue requirement for each customer class is determined by multiplying the revenue requirement from each cost classification by the allocation factors for each customer class.

# PROPOSED RATES - SEWER

Sewer Rate Schedule	Current Rates	Recommended Monthly Fixed Sewer Rates				
		FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
<i>Projected Increase in Rate Revenue per Financial Plan:</i>		14.00%	14.00%	14.00%	14.00%	14.00%
<b>Monthly Fixed Service Charge</b>						
Customer Service Charge Per Account	\$4.28	\$3.84	\$4.38	\$5.00	\$5.70	\$6.50
<b>Monthly Fixed Service Charge Per Living Unit (LU)</b>						
<b>Residential:</b>						
Single Family Residential (1-3)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
Multi-Family (4 or more)	\$15.27	\$22.42	\$25.56	\$29.14	\$33.22	\$37.88
Mobile Homes	\$16.61	\$18.26	\$20.82	\$23.74	\$27.07	\$30.86
Trailer Parks	\$16.61	\$18.26	\$20.82	\$23.74	\$27.07	\$30.86
<b>Commercial:</b>						
Commercial - Light Strength (< 370 mg/liter)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
Commercial - Medium Strength (370-500 mg/liter)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
Commercial - Heavy Strength (>500 mg/liter)	\$19.09	\$30.43	\$34.70	\$39.56	\$45.10	\$51.42
<b>Volumetric Charge (\$/HCF)<sup>1,2</sup></b>						
	<i>(Includes Passthrough)<sup>4</sup></i>					
<b>Residential<sup>3</sup></b>						
Single Family Residential (1-3)	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
Multi-Family (4 or more)	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
Mobile Homes	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
Trailer Parks	\$9.02	\$10.09	\$11.51	\$13.13	\$14.97	\$17.07
<b>Commercial<sup>3</sup></b>						
Commercial - Light Strength (< 370 mg/liter)	\$10.79	\$10.10	\$11.52	\$13.14	\$14.98	\$17.08
Commercial - Medium Strength (370-500 mg/liter)	\$11.97	\$17.63	\$20.10	\$22.92	\$26.13	\$29.79
Commercial - Heavy Strength (>500 mg/liter)	\$13.26	\$22.50	\$25.65	\$29.25	\$33.35	\$38.02

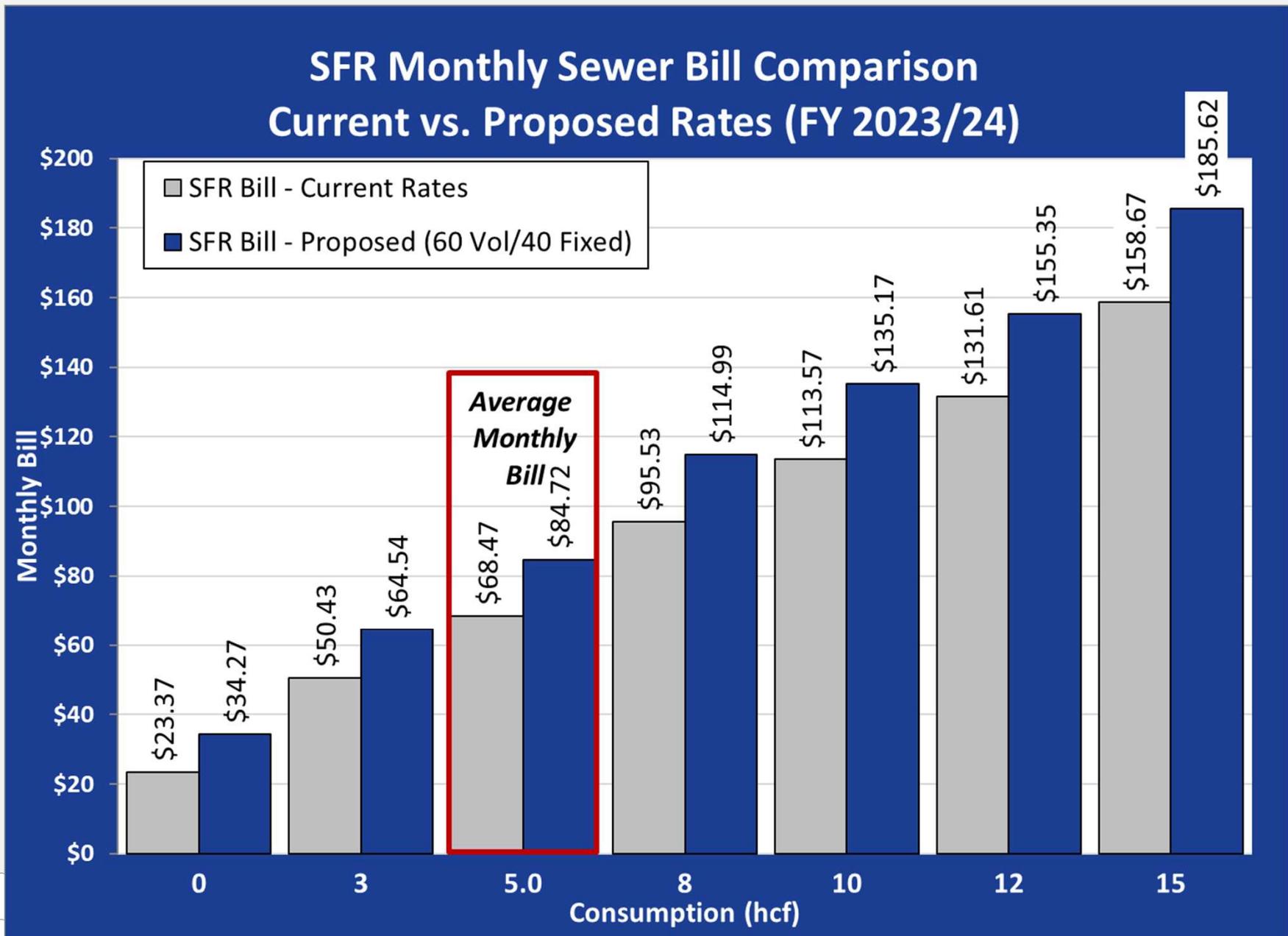
1. One Unit is equal to one HCF (Hundred Cubic Feet) or 748 gallons.

2. Rate is charged based on the monthly average winter water use of the previous calendar year (December - March) for each account.

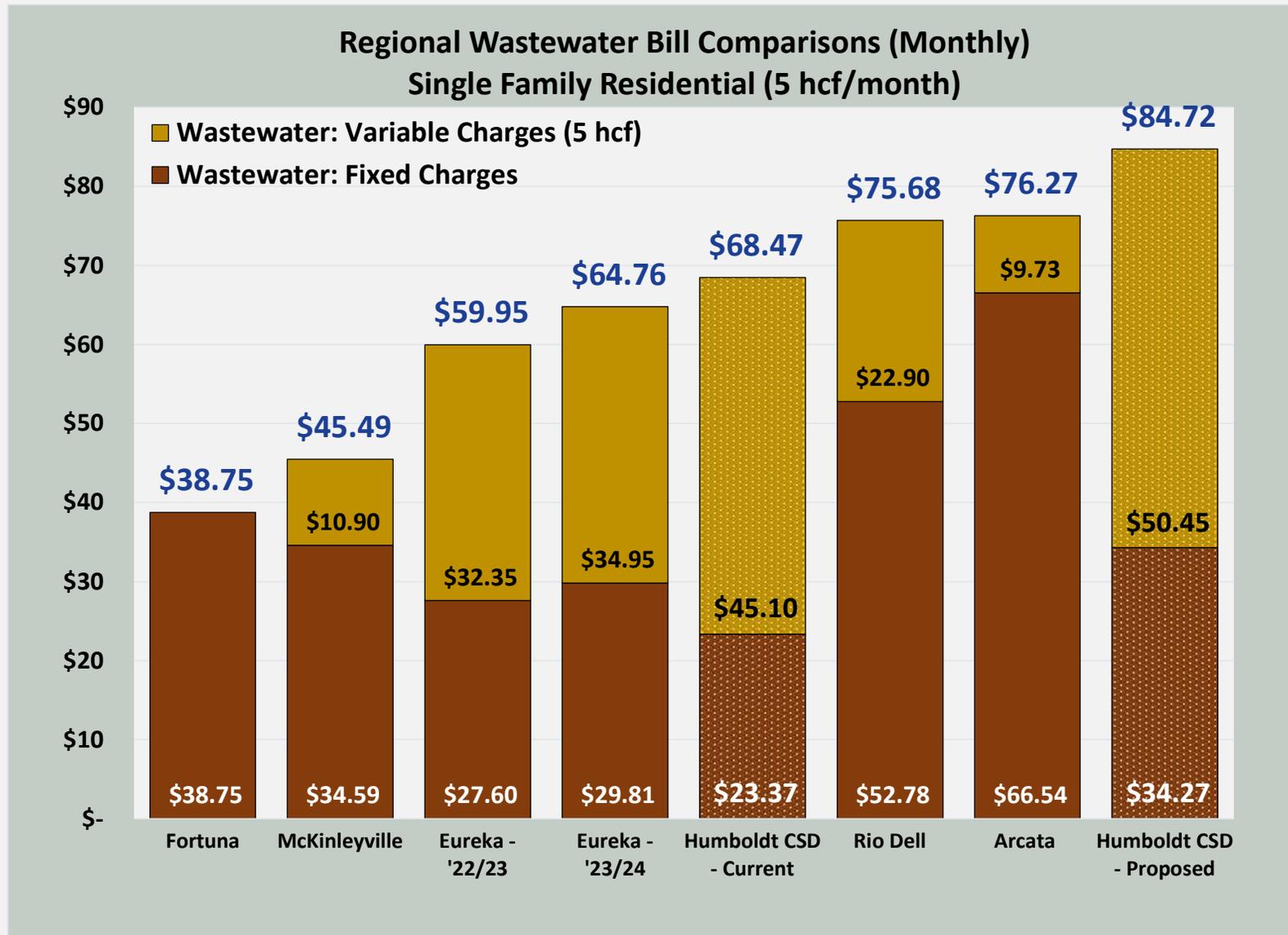
3. Volumetric Charges apply to each unit (hcf) billed to all customer classes.

4. Current Volumetric Charges include passthrough adjustments; that additional revenue has been incorporated into both fixed and volumetric charges going forward.

# SINGLE-FAMILY SEWER BILL COMPARISON



# REGIONAL SEWER BILL COMPARISON



# Why Are HCSD Bills Higher than City Sewer Bills?

- 1. City Costs Are Spread Over More Customers** – The City has about 13,332 “housing equivalent units” (HEUs) vs. 8,004 for HCSD.
- 2. District Capital Costs are Higher** – Rate-funded capital costs-per-HEU for the 5-year rate period are 80 percent higher than the City’s:
  - District Costs: \$22.7 M = \$4.55 M/year
  - City Costs: \$20.6 M = \$4.11 M/year
  - District Costs: \$4.55 M/year ÷ 8,004 HEUs = \$568/HEU/year
  - City Costs: \$4.11 M/year ÷ 13,332 HEUs = \$308/HEU/year

$$\frac{\$568/\text{HEU}}{\$308/\text{HEU}} = 1.84 \text{ (84\% Difference)}$$

# CAPACITY FEES

# CAPACITY FEE METHODOLOGY

## Combined Buy-In/Incremental Approach

- (A) = Current water utility assets (**Buy-in**)
- (B) = Planned capital costs (**Incremental**)
- (C) = Outstanding debt principal
- (D) = Expected new connections (Equiv. Meters or Equiv. Dwelling Units)

$$\frac{(A + B) - C}{D} = \$/EM \text{ or EDU}$$

# ALLOCATING COSTS TO GROWTH

- Historical customer growth (0.33%/Yr.) used to estimate future growth in through 2032

Demographic Statistics <sup>1,2</sup>	2020 Existing Total	Projected Service Total (2032)	Change (EMUs)	Allocation Factors	
			Number of Units	Existing Services	Future Services
SFR Meter Equivalent Units (EMUs) <sup>3</sup>	8,616	8,875	259	97.1%	2.9%

- Demands for potable water (current and projected) from the District's 2020 UWPM.
- Customer growth in meter equivalents is proportionate to the demands for potable water projections.
- Per District utility billing data, as of the September 2016 billing period. Excludes Fire meters and Construction meters.

Future customers allocated 2.9% of costs

# RESULTS – WATER CAPACITY FEES

<b>System Asset Values Allocated to Future Development</b>	
<i>System Asset Values Allocated to New Development</i>	
Existing System Buy-In <sup>2</sup>	\$ 392,688
Future System Expansion <sup>3</sup>	<u>1,072,207</u>
Total: Existing & Future System Costs	\$ 1,464,895
<i>Adjustments to Cost Basis:</i>	
Outstanding Long-Term Debt (Principal) Allocated to Future Users	<u>(15,190)</u>
Total: Adjustments to Cost Basis	\$ (15,190)
<b>Total Adjusted Cost Basis for New Development</b>	<b>\$ 1,449,705</b>

1. Refer to Exhibit 1 (Demographics) for growth projections.
2. Refer to Exhibits 2 and 3 for detail of existing assets.
3. Refer to Exhibit 5 for detail related to planned assets.

# WATER CAPACITY FEES

Summary of Costs Allocated to Capacity Fees	Adjusted System Cost Basis	Planned Additional EDU's (thru 2032)	Maximum Capacity Fee
Current Water Capacity Fee Per 5/8-Inch Meter <sup>1</sup>			<b>\$3,045</b>
Maximum Water Capacity Per Equivalent Meter <sup>2</sup>	\$ 1,449,705	259	<b>\$5,597</b>

1. Current Capacity Fees differentiate between 5/8-, 3/4- and 1-inch meters.
2. Equivalent Meters now include 5/8-, 3/4- and 1-inch meters for single-family only. All others are by meter size.

Meter Size	Current Capacity Fees	Updated Maximum Capacity Fee Per Meter Size <sup>1</sup>
Residential (5/8, 3/4, and 1-inch)	\$3,045	<b>\$5,597</b>
Non-Residential		
5/8 Inch	\$3,045	<b>\$5,597</b>
3/4 Inch	\$4,263	<b>\$8,396</b>
1 Inch	\$6,699	<b>\$13,993</b>
1 1/2 Inch	\$12,180	<b>\$27,985</b>
2 Inch	\$19,488	<b>\$44,776</b>
3 Inch	\$38,976	<b>\$89,552</b>
4 Inch	\$60,900	<b>\$139,925</b>
6 Inch	\$121,800	<b>\$279,850</b>

1. Source: AWWA M1, Table B-2.. Assumes displacement meters for 5/8" through 2", Compound Class I for 3" through 8", and Turbine Class II for 10" through 12" meters.

# SEWER CAPACITY FEES

- Historical customer growth (0.33%/Yr.) used to estimate future growth through 2032

Demographic Statistics	Existing Total <sup>1</sup>	Projected Service Total <sup>2</sup> (FY 2031/32)	Number of Add'l. Units	Allocation Factors	
				Existing Services	Future Services
Equivalent Living Units	8,004	8,245	241	97.1%	2.9%

1. Consumption-based EDUs per District utility billing data, as of the June 2021 billing period.

2. Customer growth is preliminarily estimated at 0.33% per year.

Future customers allocated 2.9% of costs

# RESULTS – SEWER CAPACITY FEES

<b>System Asset Values Allocated to Future Development</b>	
<i>System Asset Values Allocated to New Development</i>	
Existing System Buy-In <sup>2</sup>	\$ 664,234
Future System Expansion <sup>3</sup>	<u>1,974,152</u>
Total: Existing & Future System Costs	\$ 2,638,385
<i>Adjustments to Cost Basis:</i>	
Outstanding Long-Term Debt (Principal) Allocated to Future Users	<u>(235,653)</u>
Total: Adjustments to Cost Basis	\$ (235,653)
<b>Total Adjusted Cost Basis for New Development</b>	<b>\$ 2,402,732</b>

1. Refer to Exhibit 1 (Demographics) for growth projections.
2. Refer to Exhibits 2 and 3 for detail of existing assets.
3. Refer to Exhibit 5 for detail related to planned assets.

# SEWER CAPACITY FEES

Summary of Costs Allocated to Connection Fees	Adjusted System Cost Basis	Planned Additional EDU's (thru 2032)	Maximum Connection Fee
Current Sewer Connection Fee Per EDU <sup>1</sup>			\$2,958
Maximum Sewer Connection Per EDU	\$ 2,402,732	241	\$9,974

1. EDU = Equivalent Dwelling Unit or typical single family residential customer.

# NEXT STEPS

# PROPOSITION 218 PROCESS

## Procedural Requirements for the Prop. 218 Protest Ballot Procedure:

- ✓ 1. Mail Prop 218 Protest Instructions to all customers/property owners
- ✓ 2. Hold Public Hearing no sooner than 45-days after mailing instructions
3. If no majority protest (50% + 1), new rates can be adopted in the Public Hearing

## NEXT STEPS – CAPACITY FEES

- ✓ • Hold a Public Hearing
- Adopt Nexus Study and Updated Fees

# QUESTIONS AND ANSWERS



# 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:** June 13, 2023

**AGENDA ITEM:** F.2. (New Business)

**TITLE:** Consideration of Employee Association Requests for Adjustments to the Memorandum of Understanding (MOU) for Fiscal Year 2023/24

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

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### Recommendation:

Consider the Employee Association Requests and Employee Negotiation Ad Hoc Committee Recommendations for Adjustments to the Memorandum of Understanding for Fiscal Year 2023/24. Motion and roll call vote.

### Summary:

The Employee Association (EA) representatives, Will Paddock President and Jacob Mitchell Past President, met with the Employee Negotiation Ad Hoc Committee on Friday June 2. A second meeting occurred on Wednesday, June 7 with EA President Will Paddock and Vice-President Hunter Rice.. The EA brought several requests to the meetings including:

- 1) A Cost-of-Living Adjustment (COLA) of 8.0% which is consistent with the Western States Consumer Price Index (CPI) for calendar year 2022.
- 2) Escalation of the stipend for On-Call from \$30/weekday and \$50/weekend day to \$45/weekday and \$75/weekend day. This escalation is consistent with the cumulative CPI since the current stipend rates were established.
- 3) An increase in the cap for converting overtime to comp time from 80 hours to 184 hours

In 2022, the EA requested and were awarded an 8.5% COLA despite the fact that the 2021 calendar year Western States CPI was 4.5% because the Western States CPI for January February and March of 2022 was very high. The award was provided out of concern that the CPI would continue to accelerate. The two-year combined CPI for calendar years 2021 and 2022 was 12.5% (summing 4.5% and 8%). Considering that the EA was awarded 8.5% in 2022, the true-up COLA would be 4%. The Employee Negotiation Ad Hoc suggested a compromise of 6% which is halfway between the request and the true-up COLA. After some consideration, the EA accepted the proposed 6% and asked that the Ad Hoc make that recommendation to the full Board for consideration.

There were no objections to escalating the On-Call stipend.

Supervisory staff expressed concerns about the request to increase the conversion cap from 80 hours to 184 hours because of the difficulty planning and executing work with significant absenteeism. The EA was asked about their motivation for requesting the increase. The response was that staff really likes the ability to bank their overtime and to be paid out in a lump sum at the end of the calendar year (just in time for the holidays). A different benefit was suggested. Instead of increasing the comp cap, staff recommended that an optional lump-sum bank would effectively provide the same (or similar) outcome to the employee. Rather than allowing the employee to accumulate up to 184 hours of comp time, the employee would maintain the ability to accumulate up to 80 hours of comp time and also to accumulate up to 100 hours of overtime pay that will be paid out as a lump sum at the end of the year. The EA accepted this proposal and asked that the Ad Hoc make that recommendation to the full Board for consideration.

The Ad Hoc committee determined to make the following recommendations:

- 1) A Cost-of-Living Adjustment (COLA) of 6.0%.
- 2) Escalation of the stipend for On-Call from \$30/weekday and \$50/weekend day to \$45/weekday and \$75/weekend day.
- 3) A new optional 100-hour "Lump Sum Bank" for overtime, that allows hourly employees to bank up to 100 hours of overtime to be paid out as a lump sum at the end of the year, similar to the way the existing "Comp-Time" accrual and annual payout works.

Please consider awarding the Employee Association Ad Hoc Committee's recommended adjustments to the employees that are represented by the Employee Association.

**Fiscal Impact:**

The six percent Cost of Living Adjustment results in \$60,000 annual expense increase  
The escalated stipend will cost the District \$6,600 annually  
The lump-sum bank will not affect District finances

# Humboldt Community Services District

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## AGENDA REPORT

**For HCSD Board of Directors Regular Meeting of:** June 13, 2023

**AGENDA ITEM:** F.3. (New Business)

**TITLE:** Review, Consider Fiscal Year 2023/24 Draft Capital Improvement Program (CIP) Tables

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

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### **Recommendation:**

Review and consider fiscal year 2023/24 draft Capital Improvement Program (CIP) tables. Motion and roll call vote to accept and bring back for adoption with full CIP report at subsequent meeting.

### **Summary:**

The tables presented with this agenda report represent the current status and updated programmatic plan for the District's capital expenditures over the next twenty years. Adjustments have been made to bring the values up to 2023 dollars considering inflation and other cost increases. The timing for some projects have been adjusted to help to smooth the expenses over time in an attempt to avoid years with very high capital expenses followed by years with low capital expenses. Capital projects that were planned for FY 2022/23 that were not completed have been rolled over to FY 2023/24

### **Fiscal Impact:**

The total proposed capital spending for FY 2023/24 is \$4,549,889.00

WATER	Current FY 22-23	Scheduled FY 23-24	Projected FY 24-25	Projected FY 25-26	Projected FY 26-27	Projected FY 27-28	Projected Years 6 to 10*	Projected Years 11 to 20**	Comments
<b>WATER SYSTEM IMPROVEMENTS</b>									
<b>C=Contract</b>									
<b>PUMPING FACILITY UPGRADES</b>									
South Bay well	\$22,700								
AMR Program	\$25,000	\$155,100	\$155,100	\$155,100	\$155,100	\$155,100	\$775,500	\$1,551,000	Building 7,500 every ten years @ \$258.5/ea
SCADA Upgrade	\$25,000	\$110,000	\$110,000	\$110,000	\$110,000				Engineering 22/23 Rehabilitation 23/24 DOHS required
Brier Lane 0.5 MG Tank	\$42,000	\$726,000							Tank Rehab Upsize pump/ mod system
Donna Drive Hydro-tank	\$100,000	\$60,500							Engineering and Temp System 23/24 Rehab 24/25
Ridgewood Tank	\$12,000	\$50,000							
Hubbard 3rd Pump	\$10,000	\$36,300							
Donna Drive 0.5 MG Tank	\$32,000	\$51,000	\$726,000						
South Bay School Backflow Device		\$16,500							
Spruce Point Well		\$33,000							Well Cleaning and New Column Pipe/Pump
Ridgewood Water Booster Station		\$33,000							Third Pump Assembly
18th & Quaker PSV		\$33,000							Resolves Fireflow Issues
Hubboldt County ADA Access		\$5,500							
Truesdale WBS		\$30,250	\$30,250	\$30,250	\$30,250	\$30,250			New pumps/Upgrade
Walnut Drive 0.5 MG Tank		\$44,000	\$44,000	\$726,000	\$726,000				Engineering 24/25 Rehabilitation 25/26
Cummings Road Tank				\$44,000	\$726,000				Engineering 25/26 Rehabilitation 26/27
Pigeon Point WBS					\$17,000				Rehab/roofing/siding
Donna Drive WBS					\$71,500				Siding, roofing and drainage
Dana Lane Tank					\$44,000	\$726,000			
Hubbard MCC and Pumps Update						\$100,000			
Princeton Well							\$825,000		Reestablish a well on District owned property
Meyers Well								\$825,000	Replace failed well on District owned property
Water Resiliency at Little CA St.							\$3,850,000		Booster Station and Well
Rehabilitate Remaining Tanks								\$3,850,000	
<b>Water Pumping Facilities Totals</b>	\$268,700	\$1,340,150	\$1,080,850	\$1,065,350	\$1,153,850	\$1,011,350	\$5,450,500	\$7,326,000	\$18,696,750

\*column represents the cumulative expenses for the 5 years between year 6 and year 10

\*\*column represents the cumulative expenses for the 10 years between year 11 and year 20

<b>WATER</b>		Current	Scheduled	Projected	Projected	Projected	Projected	Projected	Projected	Comments
<b>CAPITAL IMPROVEMENTS - WATER</b>		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Years 6 to 10*	Years 11 to 20**	
<b>WATER MAIN REPLACEMENTS</b>										
<b>C=Contract</b>										
<b>SMR=STEEL MAIN REPLACEMENT</b>										
<b>ACMR=ASBESTOS CEMENT MAIN REPLACEMENT</b>										
<b>LF</b>										
New Connections	SMR	\$20,000	\$15,000	\$15,000	\$15,000	\$15,000	\$15,000	\$75,000	\$150,000	
Tower Lane	SMR	\$140,000								
Park Street Pavement Repair	SMR	\$39,000								
Christian Lane	SMR	\$42,900								
18th Street	SMR	\$5,000	\$133,650							
Walnut EQ Repair	SMR	\$3,000	\$500,000							
Stanford Court	SMR		\$29,700							
Temple Circle	SMR		\$38,610							
Crane Street	SMR		\$74,250							
Vista Tie In Phase 1	C			\$207,900						
Shady Lane	SMR			\$118,800						
Vista Tie In Phase 2	C				\$207,900					
Meadowood	SMR				\$118,800					
Mitchell Road	C					\$1,309,000				
Beechwood Dr.	SMR					\$109,890				
Austin Court	SMR					\$77,220				
College Streets Upgrade	ACMR						\$1,110,000			
AC Water Main Replacement Program	ACMR							\$20,000,000	\$40,000,000	
								\$20,075,000	\$40,150,000	
<b>Water Main Replacement Totals</b>		\$249,900	\$791,210	\$341,700	\$341,700	\$1,511,110	\$1,125,000	\$20,075,000	\$40,150,000	

\*column represents the cumulative expenses for the 5 years between year 6 and year 10  
 \*\*column represents the cumulative expenses for the 10 years between year 11 and year 20





REVENUE FUNDED		Current	Scheduled	Projected	Projected	Projected	Projected	Projected	Projected	Comments
CAPITAL PROGRAM PROJECTIONS		FY 22-23	FY 23-24	FY 24-25	FY 25-26	FY 26-27	FY 27-28	Years 6 to 10*	Years 11 to 20**	
BUILDING, YARD & PAVING IMPROVEMENTS			1	2	3	4	5			
Office Building Exterior phase 1		\$50,000								
Office ADA		\$35,400	\$7,000	\$22,000						Front of Office
Vehicle Storage Upgrades			\$15,500							20% of building remodel cost
Yard Paving Repairs			\$35,000							VacCon Storage
Office Building and Breakroom Roof	C		\$35,000							Roof Replacement/Age
Office Building Exterior phase 2	C			\$110,000						North and back of Office
Small Truck Garage	C			\$110,000						Rehabilitation
Seal Coat Parking Lot	C				\$22,000					Front parking lot
Drying Bed Cover						\$33,000				Replacement
Yard Expansion	C						\$110,000	\$250,000		
Office and Yard Facility Upgrades									\$300,000	
<b>Building and Yard</b>		<b>\$85,400</b>	<b>\$92,500</b>	<b>\$242,000</b>	<b>\$22,000</b>	<b>\$33,000</b>	<b>\$110,000</b>	<b>\$250,000</b>	<b>\$300,000</b>	

\* column represents the cumulative expenses for the 5 years between year 6 and year 10

\*\* column represents the cumulative expenses for the 10 years between year 11 and year 20



	Current FY 22-23	Scheduled					Projected FY 24-25	Projected FY 25-26	Projected FY 26-27	Projected FY 27-28	Projected Years 6 to 10*	Projected Years 11 to 20**
		1	2	3	4	5						
Sewer Facilities	\$1,455,000	\$543,029	\$1,908,500	\$1,936,000	\$2,200,000	\$2,473,500	\$11,602,500	\$22,018,000				
Sewer Mains	\$23,000	\$1,333,000	\$2,387,000	\$2,132,900	\$1,695,100	\$2,055,500	\$27,735,506	\$55,529,013				
Water Facilities	\$268,700	\$1,340,150	\$1,080,850	\$1,065,350	\$1,153,850	\$1,011,350	\$5,450,500	\$7,326,000				
Water Mains	\$249,900	\$791,210	\$341,700	\$341,700	\$1,511,110	\$1,125,000	\$20,075,000	\$40,150,000				
Building and Yard	\$85,400	\$92,500	\$242,000	\$22,000	\$33,000	\$110,000	\$250,000	\$300,000				
Vehicles and Equipment	\$405,000	\$450,000	\$70,000	\$0	\$70,000	\$70,000	\$1,650,000	\$3,300,000				
Sewer Total	\$1,723,200.0	\$2,372,279.0	\$4,451,500.0	\$4,079,900.0	\$3,946,600.0	\$4,619,000.0	\$40,288,006.0	\$79,347,013.0				
Water Total	\$763,800.0	\$2,177,610.0	\$1,578,550.0	\$1,418,050.0	\$2,716,460.0	\$2,226,350.0	\$26,475,500.0	\$49,276,000.0				
<b>Total</b>	<b>\$2,487,000</b>	<b>\$4,549,889</b>	<b>\$6,030,050</b>	<b>\$5,497,950</b>	<b>\$6,663,060</b>	<b>\$6,845,350</b>	<b>\$66,763,506</b>	<b>\$128,623,013</b>				
							Annual averages for 10 and 20 year projections	\$13,352,701	\$12,862,301			
							20 Year Projected Grand Total	\$227,459,818				

\*column represents the cumulative expenses for the 5 years between year 6 and year 10

\*\*column represents the cumulative expenses for the 10 years between year 11 and year 20

# Humboldt Community Services District

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## AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: **June 13, 2023**

**Agenda Item:** F.4 (New Business)

**TITLE:** **FY 2023/24 Budget Presentation**

**Presented by:** Michael Montag, Finance Manager/District Treasurer

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**Recommendation:** Staff recommends the Board of Directors:

1. Review and discuss proposed FY 2023/2024 Budget
2. Provide direction to staff to proceed with the process of finalizing the 2023/2024 budget, or identify desired modifications.

### **Summary:**

Attached for the Board's review and consideration is the initial draft of the FY 2023/2024 District Budget. Notable highlights are listed below.

### **Highlights of significance within the proposed FY 2023/2024 Budget:**

**Water Rate Revenue:** Water rate revenue for 2023/2024 is set with the expectation that rates will be set according to the recently completed rate study.

**Sewer Rate Revenue:** Sewer rate revenue for 2023/2024 is set with the expectation that that rates will be set according to the recently completed rate study.

**Pass-through rates revenue:** No pass-through revenue will occur for 2023-2024. Rates calculated in the recently completed rate study include all expected expenditures, eliminating the need for pass-through revenue. Pass-through revenue will only occur in subsequent years in the event that wholesale costs exceed the amounts used in the rate study.

**Capital Connection/Capacity Charges:** Capital Connection/Capacity charges set according to amounts used in recently completed rate study.

**Wage and Benefit expenses:** District wages are projected to increase significantly compared to 2022/2023 due to an expected Cost of Living increase, the hiring of permanent staff in order to bring staffing back to normal levels, and additional payroll expenses associated with expected staff retirements. Associated employee benefit and insurance expenses are projected to increase by a corresponding amount.

**Sewage Treatment Operations and Maintenance:** Sewage treatment Operations and Maintenance is fully comprised of charges billed to the district from the City of Eureka Wastewater treatment plant. Budget amount utilizes data provided to the District by the City.

**Temporary Labor:** With the expected hiring of permanent staff, temporary labor expenses are projected to be reduced.

**Electrical Power and Street Lighting:** Significant Electrical power rate increases are expected, resulting in a 35% increase in projected electricity costs for 2023/2024.

**Other Professional Services (Grant assistance):** In addition to typical professional services expenses, The District is hoping to receive Grant funding assistance from various sources. The Professional services expense budget includes \$100,000 for professional grant writing assistance. If successful, it is expected that such grant funding would offset the expense at 100:1. \$100,000 in grant writing should yield \$10,000,000 in grant funding.

**Long Term Debt:** The 2012 Consolidation Refinance loan payments are reduced for 2023/2024 due to a portion of that loan being paid off in 2022/2023.

**Capital Expenditures:** Capital expenditures will be presented separately by the District General Manager. Capital expenditures listed on the draft budget correspond to the Capital Expenditures being presented.

**Working Capital Reserve Summaries:**

On June 9<sup>th</sup> 2015, the Board adopted resolution 2015-08 establishing minimum reserves of not less than Sixty Days of Operating Expenses and Debt Service. The recommended 2023 Rate Study provides a minimum reserve recommendation of 60 days Operating Expenses, 5% of Net asset values related to Capital Rehabilitation and Replacement, and 1 year of debt service. The rate study also provides a Maximum recommended reserve of 180 days of operating expenses, 1 year of debt service, \$2,000,000 for Water Capital Replacement reserves, and \$8,000,000 for Sewer Capital Replacement Reserves (Capital replacement reserves are in 2023 dollars, subject to annual inflation for future years).

The following chart compares the reserve balances according to these formulas against the projected reserves under the current proposed budget. Under this projection, reserve funds will be between the minimum and maximum amounts recommended in the rate study. Such reserves are necessary for expected capital expenditure in FY 2023 and beyond. Staff recommends the District modify its standing minimum reserves to closer align with the 2023 Rate Study recommendations and will return to the Board at a future date for such consideration.

	Recommended reserves			Projected reserves	
	Res 2015-08 Minimum Reserve amount	2023 Rate Study reserve Min amount	2023 Rate Study reserve Max amount	Projected reserves as of 6/30/2023	Projected reserves as of 6/30/2024
Water Fund	\$867,000	\$1,672,400	\$4,693,000	\$4,817,012	\$3,599,980
Sewer Fund	\$796,700	\$2,477,900	\$10,780,000	\$4,663,238	\$5,823,748
General Fund	\$17,000	\$25,000	\$50,000	\$1,777,868	\$2,107,868
<b>Total</b>	<b>\$1,680,700</b>	<b>\$4,175,300</b>	<b>\$15,523,000</b>	<b>\$11,347,919</b>	<b>\$11,472,097</b>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
 FOR ENTIRE DISTRICT

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
<b>OPERATING REVENUE</b>						
Metered Water Sales	5,321,460	5,449,000	5,182,426	5,876,000	7.84%	13.38%
Water Charges - Pass Through	17,150	-	-	-	0.00%	0.00%
Sewer Service Charges	5,222,976	5,280,000	5,222,468	8,057,944	52.61%	54.29%
Sewer Service Charges - Pass Through	1,524,292	1,500,000	1,561,056	-	-100.00%	-100.00%
Water & Sewer Construction Charges	41,307	47,000	39,750	47,000	0.00%	18.24%
Account Charges	98,858	35,000	32,382	35,000	0.00%	8.08%
Inspection Charges	-	-	150	-	0.00%	-100.00%
Reimbursable Maintenance Charges	761	1,000	1,000	1,000	0.00%	0.00%
Miscellaneous	11,591	2,000	2,000	2,000	0.00%	0.00%
<b>TOTAL OPERATING REVENUE</b>	<b>12,238,395</b>	<b>12,314,000</b>	<b>12,041,232</b>	<b>14,018,944</b>	<b>13.85%</b>	<b>16.42%</b>
<b>NON-OPERATING REVENUE</b>						
Capital Connection/Capacity Charges	131,506	180,000	102,985	384,000	113.33%	272.87%
Interest/General	-	30,000	15,000	30,000	0.00%	100.00%
Discounts Earned	2,113	2,000	1,500	2,000	0.00%	33.33%
Sales:Fixed Assets/Scrap Metal	1,017	15,700	50	15,700	0.00%	31300.00%
Bad Debt Recovery	3,612	10,000	1,000	2,000	-80.00%	99.98%
Property Taxes & Assessments	554,880	490,000	490,000	430,000	-12.24%	-12.24%
Insurance Rebate	7,207	20,000	-	-	-100.00%	0.00%
Other Non-Operating Revenue	-	-	300	-	0.00%	-100.00%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>700,335</b>	<b>747,700</b>	<b>610,835</b>	<b>863,700</b>	<b>15.51%</b>	<b>41.40%</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>12,938,730</b>	<b>13,061,700</b>	<b>12,652,067</b>	<b>14,882,644</b>	<b>13.94%</b>	<b>17.63%</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	1,437,803	1,635,000	1,650,000	1,925,000	17.74%	16.67%
Benefits: PERS	450,934	503,000	572,592	510,000	1.39%	-10.93%
Group Ins	1,065,462	1,235,000	1,051,640	1,250,000	1.21%	18.86%
Workers Comp Ins	19,527	23,500	27,301	26,500	12.77%	-2.93%
FICA/Medicare	110,533	117,000	127,869	150,000	28.21%	17.31%
Misc Benefits	480	500	613	500	0.00%	-18.43%
<b>Total Wages and Benefits</b>	<b>3,084,739</b>	<b>3,514,000</b>	<b>3,430,015</b>	<b>3,862,000</b>	<b>9.90%</b>	<b>12.59%</b>
Less: wages & ben charged to Capital Proj.	(195,054)	(175,675)	(293,149)	(300,000)	70.77%	2.34%
<b>Total Operating Wages and benefits</b>	<b>2,889,685</b>	<b>3,338,325</b>	<b>3,136,866</b>	<b>3,562,000</b>	<b>6.70%</b>	<b>13.55%</b>
Water Purchase HBMWD	1,068,005	1,075,000	1,058,704	1,108,192	3.09%	4.67%
Water Purchase Eureka	779,801	810,000	823,890	880,000	8.64%	6.81%
Sewage Treatment Operations & Maint.	1,465,248	1,495,000	1,616,796	1,758,385	17.62%	8.76%
Water/Sewer Analysis	8,388	15,000	12,500	15,000	0.00%	20.00%
Supplies/ Construction	180,428	159,500	140,000	154,000	-3.45%	10.00%
Supplies/ Office-Administration	12,717	15,000	14,524	15,000	0.00%	3.28%
Supplies/ Engineering	629	2,500	643	2,500	0.00%	288.68%
Supplies/ Maintenance	99,710	100,000	100,000	100,000	0.00%	0.00%
Invoicing	61,836	57,000	53,914	57,000	0.00%	5.72%
Temporary Labor	25,746	61,200	142,200	64,800	5.88%	-54.43%
Repairs & Maintenance/Trucks	51,543	55,000	55,000	60,500	10.00%	10.00%
Equipment Rental	-	5,000	-	5,000	0.00%	0.00%
Building & Grounds Maintenance	32,921	30,000	30,000	30,000	0.00%	0.00%
Electrical Power	288,070	295,800	369,000	498,150	68.41%	35.00%
Street Lights	60,816	70,000	75,581	100,000	42.86%	32.31%
Telephone	12,463	18,000	14,405	14,000	-22.22%	-2.81%

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
 FOR ENTIRE DISTRICT

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
Postage	341	3,000	3,000	3,000	0.00%	0.00%
Freight	106	500	5,000	500	0.00%	-90.00%
Chemicals	8,204	10,000	12,000	10,000	0.00%	-16.67%
Liability Insurance	58,474	62,000	81,315	85,000	37.10%	4.53%
Legal	4,406	70,000	47,843	70,000	0.00%	46.31%
Accounting	4,114	13,000	20,000	15,000	15.38%	-25.00%
Engineering	526	1,000	631	1,000	0.00%	58.55%
Other Professional Services	27,641	118,000	10,000	130,000	10.17%	1200.00%
Bank Service Charges	25,853	28,000	17,992	20,000	-28.57%	11.16%
Transportation	64,944	75,738	71,413	78,555	3.72%	10.00%
Office Equip. Maintenance	2,883	7,000	4,000	5,000	-28.57%	25.00%
Computer Software Maintenance	31,645	45,000	35,000	45,000	0.00%	28.57%
Memberships & Subscriptions	23,659	24,800	21,500	24,600	-0.81%	14.42%
Bad Debts & Minimum Balance Writeoff	72	50,000	10,000	50,000	0.00%	400.00%
Conference & Continuing Ed	3,077	34,500	16,793	34,500	0.00%	105.44%
Certifications	2,032	3,500	4,119	3,500	0.00%	-15.03%
State/County & LAFCO Charges and Charges	51,805	40,000	35,000	40,000	0.00%	14.29%
Hydraulic Water Model Maintenance	-	6,000	1,802	2,000	-66.67%	10.99%
Elections Expense	-	15,000	15,000	-	-100.00%	-100.00%
Human Resources	7,883	21,000	6,784	25,000	19.05%	268.51%
Miscellaneous	10,244	12,000	12,000	12,000	0.00%	0.00%
Earthquake Response	-	-	40,000	-	0.00%	-100.00%
Director's Charges	11,600	16,000	12,000	16,000	0.00%	33.33%
<b>TOTAL OPERATING EXPENSES</b>	<b>7,377,515</b>	<b>8,258,363</b>	<b>8,127,213</b>	<b>9,095,182</b>	<b>10.13%</b>	<b>11.91%</b>
<b>LONG TERM DEBT PAYMENTS</b>						
Safe Drinking Water Bond	177,429	177,429	177,429	177,429	0.00%	0.00%
2012 CIP & Refi.	227,100	203,766	203,766	177,600	-12.84%	-12.84%
Davis-Grunsky Loan	6,051	6,049	6,051	6,050	0.02%	-0.02%
VacCon Truck Loan(2021)	117,441	117,441	117,441	117,441	0.00%	0.00%
2014 Wastewater Revenue Bonds	487,574	484,175	484,175	485,575	0.29%	0.29%
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>1,015,595</b>	<b>988,860</b>	<b>988,862</b>	<b>964,095</b>	<b>-2.50%</b>	<b>-2.50%</b>
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles, Rolling Stock & Equipment	688	340,000	446,156	450,000	32.35%	0.86%
Building, Yard & Paving Improvements	40,542	94,000	85,920	92,500	-1.60%	7.66%
Capital Improvements Water	984,998	1,517,700	471,304	2,021,360	33.19%	328.89%
Capital Improvements Sewer	133,447	865,000	147,000	1,443,000	66.82%	881.63%
Engineering & Studies	40,465	200,000	123,110	110,000	-45.00%	-10.65%
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>1,200,141</b>	<b>3,016,700</b>	<b>1,273,490</b>	<b>4,116,860</b>	<b>36.47%</b>	<b>223.27%</b>
City of Eureka Projects:						
CoE WWTP CIP	858,034	1,135,000	1,135,000	433,029	-61.85%	-61.85%
<b>TOTAL City of Eureka Projects</b>	<b>858,034</b>	<b>1,135,000</b>	<b>1,135,000</b>	<b>433,029</b>	<b>-61.85%</b>	<b>-61.85%</b>
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>2,487,445</b>	<b>(337,223)</b>	<b>1,127,502</b>	<b>273,478</b>	<b>-181.10%</b>	<b>-75.74%</b>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
FOR ENTIRE DISTRICT

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
<b>OPERATING REVENUE &amp; EXPENSES</b>						
TOTAL OPERATING REVENUE	12,238,395	12,314,000	12,041,232	14,018,944	13.85%	16.42%
TOTAL OPERATING EXPENSES	(7,377,515)	(8,258,363)	(8,127,213)	(9,095,182)	10.13%	11.91%
NET SURPLUS/(DEFICIT) FROM OPERATIONS	4,860,880	4,055,637	3,914,019	4,923,762	21.41%	25.80%
<b>NON-OPERATING REVENUE &amp; EXPENSES</b>						
TOTAL NON-OPERATING REVENUE	700,335	747,700	610,835	863,700	15.51%	41.40%
TOTAL LONG TERM DEBT SERVICE	(1,015,595)	(988,860)	(988,862)	(964,095)	-2.50%	-2.50%
SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES	4,545,620	3,814,477	3,535,992	4,823,367	26.45%	36.41%
HCSD CAPITAL IMPROVEMENT EXPENDITURES	(1,200,141)	(3,016,700)	(1,273,490)	(4,116,860)	36.47%	223.27%
CITY of EUREKA PROJECT REIMBURSEMENT	(858,034)	(1,135,000)	(1,135,000)	(433,029)	-61.85%	-61.85%
BUDGET SURPLUS (DEFICIT)	<u>2,487,445</u>	<u>(337,223)</u>	<u>1,127,502</u>	<u>273,478</u>	<u>-181.10%</u>	<u>-75.74%</u>
<b>Working Capital Reserve Summary</b>						
BUDGET SURPLUS or (DEFICIT)	2,487,445	(337,223)	1,127,502	273,478	-181.10%	-75.74%
Beginning Working Capital Reserves	7,603,171	10,090,616	10,090,616	11,218,119	11.17%	11.17%
Working Capital Reserve Balance, End of Year	10,090,616	9,753,393	11,218,119	11,491,597	17.82%	2.44%

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
**Water Fund**

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
<b>OPERATING REVENUE</b>						
Metered Water Sales	5,321,460	5,449,000	5,182,426	5,876,000	7.84%	13.38%
Water Pass Through	17,150	-	-	-	0.00%	0.00%
Water Construction Charges	33,607	35,000	31,050	35,000	0.00%	12.72%
Account Charges	56,349	19,950	18,458	19,950	0.00%	8.08%
Inspection Charges	-	-	65	-	0.00%	-100.00%
Reimbursable Maintenance Charges	761	800	800	800	0.00%	0.00%
Miscellaneous	6,607	1,000	1,000	1,000	0.00%	0.00%
<b>TOTAL OPERATING REVENUE</b>	<b>5,435,934</b>	<b>5,505,750</b>	<b>5,233,798</b>	<b>5,932,750</b>	<b>7.76%</b>	<b>13.35%</b>
<b>NON-OPERATING REVENUE</b>						
Water Capital Connection/Capacity Charges	70,975	90,000	75,272	145,000	61.11%	92.63%
Interest/General	-	23,547	11,774	23,547	0.00%	100.00%
Discounts Earned	1,204	1,280	907	1,280	0.00%	41.14%
Sales:Fixed Assets/Scrap Metal	737	8,844	21	8,844	0.00%	42014.29%
Bad Debt Recovery	2,059	5,700	570	1,140	-80.00%	99.96%
FW/MR Assessment	133,877	140,000	-	-	-100.00%	0.00%
Other Non-Operating Revenue	-	-	-	-	0.00%	0.00%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>208,852</b>	<b>269,371</b>	<b>88,544</b>	<b>179,811</b>	<b>-33.25%</b>	<b>103.08%</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>5,644,786</b>	<b>5,775,121</b>	<b>5,322,342</b>	<b>6,112,561</b>	<b>5.84%</b>	<b>14.85%</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	683,771	768,450	775,500	904,750	17.74%	16.67%
Wages & Benefits: Allocated	552,319	623,298	555,077	642,273	3.04%	15.71%
Benefits: PERS	99,098	181,080	206,133	183,600	1.39%	-10.93%
Group Ins	340,336	382,850	326,008	387,500	1.21%	18.86%
Workers Comp Ins	9,731	12,690	14,743	14,310	12.77%	-2.93%
FICA/Medicare	52,135	54,990	60,098	70,500	28.21%	17.31%
Misc Benefits	-	-	-	-	-	-
<b>Total Wages and Benefits</b>	<b>1,737,390</b>	<b>2,023,358</b>	<b>1,937,560</b>	<b>2,202,933</b>	<b>8.88%</b>	<b>13.70%</b>
Less: wages & ben charged to Capital Proj.	(141,161)	(130,000)	(157,730)	(185,000)	42.31%	17.29%
<b>Total Operating Wages and benefits</b>	<b>1,596,229</b>	<b>1,893,358</b>	<b>1,779,829</b>	<b>2,017,933</b>	<b>6.58%</b>	<b>13.38%</b>
Water Purchase HBMWD	1,068,005	1,075,000	1,058,704	1,108,192	3.09%	4.67%
Water Purchase Eureka	779,801	810,000	823,890	880,000	8.64%	6.81%
Water Analysis	8,388	7,500	12,500	15,000	100.00%	20.00%
Supplies/ Construction	142,148	118,030	103,600	113,960	-3.45%	10.00%
Supplies/Office-Administration	4,226	4,500	4,357	4,500	0.00%	3.28%
Supplies/ Engineering	309	1,425	367	1,425	0.00%	288.68%
Supplies/ Maintenance	35,941	50,000	50,000	50,000	0.00%	0.00%
Temporary Labor	12,646	31,744	46,839	29,484	-7.12%	-37.05%
Repairs & Maintenance/Trucks	27,912	30,800	30,800	33,880	10.00%	10.00%
Equipment Rental	-	3,700	-	3,700	0.00%	0.00%
Building & Grounds Maintenance	4,064	1,800	1,800	1,800	0.00%	0.00%
Electrical Power	174,402	162,690	202,950	273,983	68.41%	35.00%
Telephone	-	5,760	4,610	4,480	-22.22%	-2.81%
Postage	187	1,290	1,290	1,290	0.00%	0.00%
Freight	25	285	2,850	285	0.00%	-90.00%
Chemicals	8,204	10,000	12,000	10,000	0.00%	-16.67%
Engineering	526	390	246	390	0.00%	58.55%
Other Professional Services	-	23,600	2,000	34,000	44.07%	1600.00%
Transportation	37,018	43,171	40,705	44,776	3.72%	10.00%
Office Equip. Maintenance	570	1,050	600	750	-28.57%	25.00%
Computer Software Maintenance	16,378	21,600	16,800	21,600	0.00%	28.57%
Memberships & Subscriptions	1,567	1,488	1,290	1,476	-0.81%	14.42%

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
**Water Fund**

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
Bad Debts & Minimum Balance Writeoff	41	28,500	5,700	28,500	0.00%	400.00%
Conference & Continuing Ed	1,401	12,075	5,878	12,075	0.00%	105.44%
Certifications	982	1,050	1,236	1,050	0.00%	-15.03%
State/County & LAFCO Charges and Charges	26,532	13,600	11,900	13,600	0.00%	14.29%
Hydraulic Water Model Maintenance	-	6,000	1,802	2,000	-66.67%	10.99%
Human Resources	459	8,190	2,646	9,750	19.05%	268.51%
Miscellaneous	114	2,640	2,640	2,640	0.00%	0.00%
General & Admin Expense Allocation	181,419	262,094	268,704	286,811	9.43%	6.74%
<b>TOTAL OPERATING EXPENSES</b>	<b>4,129,494</b>	<b>4,633,330</b>	<b>4,498,532</b>	<b>5,009,329</b>	<b>8.12%</b>	<b>11.35%</b>
<b>LONG TERM DEBT PAYMENTS</b>						
Safe Drinking Water Bond	177,429	177,429	177,429	177,429	0.00%	0.00%
2012 CIP & Refi.	49,500	26,166	26,166	-	-100.00%	-100.00%
Davis-Grunsky Loan	6,051	6,049	6,051	6,050	0.02%	-0.02%
VacCon Truck Loan	-	-	-	-	0.00%	0.00%
Debt Service: Allocated	-	-	-	-	0.00%	0.00%
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>232,980</b>	<b>209,644</b>	<b>209,646</b>	<b>183,479</b>	<b>-12.48%</b>	<b>-12.48%</b>
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles/Rolling Stock/Capital Equipment	-	-	-	-	0.00%	0.00%
Building & Yard Improvements	-	-	-	-	0.00%	0.00%
Capital Improvements Water	984,998	1,517,700	471,304	2,021,360	33.19%	328.89%
Engineering & Studies	-	-	-	-	0.00%	0.00%
General Fund Allocation	46,074	361,380	373,393	115,425	-68.06%	-69.09%
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>1,031,073</b>	<b>1,879,080</b>	<b>844,697</b>	<b>2,136,785</b>	<b>13.71%</b>	<b>152.96%</b>
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>251,239</b>	<b>(946,933)</b>	<b>(230,534)</b>	<b>(1,217,032)</b>	<b>28.52%</b>	<b>427.92%</b>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
Water Fund

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget
<b>OPERATING REVENUE &amp; EXPENSES</b>					
TOTAL OPERATING REVENUE	5,435,934	5,505,750	5,233,798	5,932,750	7.76%
TOTAL OPERATING EXPENSES	(4,129,494)	(4,633,330)	(4,498,532)	(5,009,329)	8.12%
NET SURPLUS/(DEFICIT) FROM OPERATIONS	1,306,440	872,420	735,266	923,421	5.85%
<b>NON-OPERATING REVENUE &amp; EXPENSES</b>					
TOTAL NON-OPERATING REVENUE	208,852	269,371	88,544	179,811	-33.25%
TOTAL LONG TERM DEBT SERVICE	(232,980)	(209,644)	(209,646)	(183,479)	-12.48%
SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES	1,282,312	932,147	614,164	919,753	-1.33%
HCSD CAPITAL IMPROVEMENT EXPENDITURES	(1,031,073)	(1,879,080)	(844,697)	(2,136,785)	13.71%
BUDGET SURPLUS or (DEFICIT)	<u>251,239</u>	<u>(946,933)</u>	<u>(230,534)</u>	<u>(1,217,032)</u>	<u>28.52%</u>
<b>Working Capital Reserve Summary</b>					
BUDGET SURPLUS or (DEFICIT)	251,239	(946,933)	(230,534)	(1,217,032)	28.52%
Beginning Working Capital Reserves	4,796,306	5,047,545	5,047,545	4,817,012	-4.57%
Working Capital Reserve Balance, End of Year	5,047,545	4,100,613	4,817,012	3,599,980	-12.21%

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
 Sewer Fund

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
<b>OPERATING REVENUE</b>						
Sewer Service Charges	5,222,976	5,280,000	5,222,468	8,057,944	52.61%	54.29%
Sewer Service Charges - Pass Through	1,524,292	1,500,000	1,561,056	-	-100.00%	-100.00%
Sewer Construction Charges	7,700	12,000	8,700	12,000	0.00%	37.93%
Account Charges	42,509	15,050	13,924	15,050	0.00%	8.08%
Inspection Charges	-	-	86	-	0.00%	-100.00%
Reimbursable Maintenance Charges	-	200	200	200	0.00%	0.00%
Miscellaneous	4,984	1,000	1,000	1,000	0.00%	0.00%
<b>TOTAL OPERATING REVENUE</b>	<b>6,802,461</b>	<b>6,808,250</b>	<b>6,807,434</b>	<b>8,086,194</b>	<b>18.77%</b>	<b>18.78%</b>
<b>NON-OPERATING REVENUE</b>						
Sewer Capital Connection/Capacity Charges	60,531	90,000	27,713	239,000	165.56%	762.42%
Interest/General	-	6,453	3,227	6,453	0.00%	100.00%
Discounts Earned	909	720	593	720	0.00%	21.40%
Sales:Fixed Assets/Scrap Metal	280	6,856	29	6,856	0.00%	23541.38%
Bad Debt Recovery	1,553	4,300	430	860	-80.00%	100.00%
Other Non-Operating Revenue	-	-	-	-	0.00%	0.00%
<b>TOTAL NON-OPERATING REVENUE</b>	<b>63,273</b>	<b>108,329</b>	<b>31,991</b>	<b>253,889</b>	<b>134.37%</b>	<b>693.62%</b>
<b>TOTAL DISTRICT REVENUE</b>	<b>6,865,734</b>	<b>6,916,579</b>	<b>6,839,426</b>	<b>8,340,083</b>	<b>20.58%</b>	<b>21.94%</b>
<b>OPERATING EXPENSES</b>						
Wages Direct	430,835	474,150	478,500	558,250	17.74%	16.67%
Wages & Benefits: Allocated	552,319	623,298	555,077	642,273	3.04%	15.71%
Benefits: PERS	62,984	115,690	131,696	117,300	1.39%	-10.93%
Group Ins	222,137	234,650	199,812	237,500	1.21%	18.86%
Workers Comp Ins	7,328	7,755	9,009	8,745	12.77%	-2.93%
FICA/Medicare	32,844	35,100	38,361	45,000	28.21%	17.31%
Misc Benefits	-	-	-	-	0.00%	0.00%
<b>Total Wages and Benefits</b>	<b>1,308,447</b>	<b>1,490,643</b>	<b>1,412,455</b>	<b>1,609,068</b>	<b>7.94%</b>	<b>13.92%</b>
Less: wages & ben charged to Capital Proj.	(14,991)	(45,676)	(55,419)	(65,000)	42.31%	17.29%
<b>Total Operating Wages and benefits</b>	<b>1,293,456</b>	<b>1,444,967</b>	<b>1,357,036</b>	<b>1,544,068</b>	<b>6.86%</b>	<b>13.78%</b>
Sewage Treatment: Operating & Maint.	1,465,248	1,495,000	1,616,796	1,758,385	17.62%	8.76%
Sewer Analysis	-	7,500	-	-	-100.00%	0.00%
Supplies/ Construction	38,280	41,470	36,400	40,040	-3.45%	10.00%
Supplies/ Office-Administration	3,188	4,500	4,357	4,500	0.00%	3.28%
Supplies/ Engineering	270	1,075	277	1,075	0.00%	288.68%
Supplies/ Maintenance	63,769	50,000	50,000	50,000	0.00%	0.00%
Temporary Labor	9,540	19,456	30,361	19,116	-1.75%	-37.04%
Repairs & Maintenance/Trucks	23,631	24,200	24,200	26,620	10.00%	10.00%
Equipment Rental	-	1,300	-	1,300	0.00%	0.00%
Building & Grounds Maintenance	3,066	1,500	1,500	1,500	0.00%	0.00%
Electrical Power	55,339	70,992	88,560	119,556	68.41%	35.00%
Telephone	-	2,880	2,305	2,240	-22.22%	-2.81%
Postage	141	960	960	960	0.00%	0.00%
Freight	19	215	2,150	215	0.00%	-90.00%
Legal	-	-	-	-	0.00%	0.00%
Engineering	-	100	63	100	0.00%	58.55%
Other Professional Services	1,485	23,600	2,000	24,000	1.69%	1100.00%
Transportation	27,926	32,567	30,708	33,779	3.72%	10.00%
Office Equip. Maintenance	430	770	440	550	-28.57%	25.00%
Computer Software Maintenance	11,091	16,200	12,600	16,200	0.00%	28.57%
Memberships & Subscriptions	1,182	992	860	984	-0.81%	14.42%
Bad Debts & Minimum Balance Writeoff	31	21,500	4,300	21,500	0.00%	400.00%

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
 Sewer Fund

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
Conference & Continuing Ed	427	15,180	7,389	15,180	0.00%	105.44%
Certifications	135	805	947	805	0.00%	-15.03%
State/County & LAFCO Charges and Charges	6,701	7,200	6,300	7,200	0.00%	14.29%
Human Resources	346	6,090	1,967	7,250	19.05%	268.51%
Miscellaneous	85	1,920	1,920	1,920	0.00%	0.00%
General & Admin Expense Allocation	181,419	262,094	268,704	286,811	9.43%	6.74%
<b>TOTAL OPERATING EXPENSES</b>	<b>3,187,205</b>	<b>3,555,033</b>	<b>3,553,100</b>	<b>3,985,853</b>	<b>12.12%</b>	<b>12.18%</b>
<b>LONG TERM DEBT PAYMENTS</b>						
2014 Wastewater Revenue Bonds	487,574	484,175	484,175	485,575	0.29%	0.29%
2012 CIP & Refi.	177,600	177,600	177,600	177,600	0.00%	0.00%
VacCon Truck Loan(2021)	117,441	117,441	117,441	117,441	0.00%	0.00%
Debt Service: Allocated	-	-	-	-	0.00%	0.00%
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>782,615</b>	<b>779,216</b>	<b>779,216</b>	<b>780,616</b>	<b>0.18%</b>	<b>0.18%</b>
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles/Rolling Stock/Capital Equipment	-	-	-	450,000	0.00%	0.00%
Building, Yard& Paving Improvements	-	-	-	-	0.00%	0.00%
Capital Improvements Sewer	133,447	865,000	147,000	1,443,000	66.82%	881.63%
Engineering & Studies	863	-	110	-	0.00%	-100.00%
General Fund Allocation	34,758	272,620	281,683	87,075	-68.06%	-69.09%
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>169,068</b>	<b>1,137,620</b>	<b>428,793</b>	<b>1,980,075</b>	<b>74.05%</b>	<b>361.78%</b>
City of Eureka Projects: CoE WWTP CIP	858,034	1,135,000	1,135,000	433,029	-61.85%	-61.85%
<b>TOTAL OTHER</b>	<b>858,034</b>	<b>1,135,000</b>	<b>1,135,000</b>	<b>433,029</b>	<b>-61.85%</b>	<b>-61.85%</b>
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>1,868,812</b>	<b>309,710</b>	<b>943,317</b>	<b>1,160,510</b>	<b>274.71%</b>	<b>23.02%</b>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
Sewer Fund

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget
<b>OPERATING REVENUE &amp; EXPENSES</b>					
TOTAL OPERATING REVENUE	6,802,461	6,808,250	6,807,434	8,086,194	18.77%
TOTAL OPERATING EXPENSES	(3,187,205)	(3,555,033)	(3,553,100)	(3,985,853)	12.12%
NET SURPLUS/(DEFICIT) FROM OPERATIONS	3,615,256	3,253,217	3,254,334	4,100,341	26.04%
<b>NON-OPERATING REVENUE &amp; EXPENSES</b>					
TOTAL NON-OPERATING REVENUE	63,273	108,329	31,991	253,889	134.37%
TOTAL LONG TERM DEBT SERVICE	(782,615)	(779,216)	(779,216)	(780,616)	0.18%
SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES	2,895,914	2,582,330	2,507,109	3,573,614	38.39%
HCSD CAPITAL IMPROVEMENT EXPENDITURES	(169,068)	(1,137,620)	(428,793)	(1,980,075)	74.05%
CITY of EUREKA PROJECT REIMBURSEMENT	(858,034)	(1,135,000)	(1,135,000)	(433,029)	-61.85%
BUDGET SURPLUS or (DEFICIT)	<u>1,868,812</u>	<u>309,710</u>	<u>943,317</u>	<u>1,160,510</u>	<u>274.71%</u>
<b>Working Capital Reserve Summary</b>					
BUDGET SURPLUS or (DEFICIT)	1,868,812	309,710	943,317	1,160,510	274.71%
Beginning Working Capital Reserves	1,851,109	3,719,921	3,719,921	4,663,238	25.36%
Working Capital Reserve Balance, End of Year	3,719,921	4,029,631	4,663,238	5,823,748	44.52%

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
 General Fund

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
<b>OPERATING REVENUE</b>						
Interest (will be allocated to w/s @ y/e)	-	-	-	-	0.00%	0.00%
Miscellaneous	-	-	-	-	0.00%	0.00%
<b>TOTAL OPERATING REVENUE</b>	-	-	-	-	0.00%	0.00%
<b>NON-OPERATING REVENUE</b>						
Property Taxes	421,003	350,000	490,000	430,000	22.86%	-12.24%
Insurance Rebate	7,207	20,000	-	-	-100.00%	0.00%
Other Non-Operating Revenue	-	-	300	-		
<b>TOTAL NON-OPERATING REVENUE</b>	428,210	370,000	490,300	430,000	16.22%	-12.30%
<b>TOTAL DISTRICT REVENUE</b>	428,210	370,000	490,300	430,000	16.22%	-12.30%
<b>OPERATING EXPENSES</b>						
Wages Direct	323,197	392,400	396,000	462,000	17.74%	16.67%
Benefits: PERS	288,852	206,230	234,763	209,100	1.39%	-10.93%
Group Ins	502,989	617,500	525,820	625,000	1.21%	18.86%
Workers Comp Ins	2,468	3,055	3,549	3,445	12.77%	-2.93%
FICA/Medicare	25,554	26,910	29,410	34,500	28.21%	17.31%
Misc Benefits	480	500	613	500	0.00%	-18.43%
Total Wages and Benefits	1,143,540	1,246,595	1,190,155	1,334,545	7.06%	12.13%
Less: wages & ben charged to Capital Proj.	(38,902)	-	(80,000)	(50,000)	0.00%	-37.50%
Less: Allocated to Water and Sewer Funds	(1,104,638)	(1,246,595)	(1,110,155)	(1,284,545)	3.04%	15.71%
Total Unallocated Wages and Benefits	-	-	-	-	0.00%	0.00%
Supplies/ Construction	-	-	-	-	0.00%	0.00%
Supplies/ Administration	5,303	6,000	5,809	6,000	0.00%	3.28%
Supplies/ Engineering	50	-	-	-	0.00%	0.00%
Supplies/ Maintenance	-	-	-	-	0.00%	0.00%
Invoicing	61,836	57,000	53,914	57,000	0.00%	5.72%
Temporary Labor	3,560	10,000	65,000	16,200	62.00%	-75.08%
Repairs & Maintenance/Trucks	-	-	-	-	0.00%	0.00%
Equipment Rental	-	-	-	-	0.00%	0.00%
Building & Grounds Maintenance	25,791	26,700	26,700	26,700	0.00%	0.00%
Electrical Power	58,329	62,118	77,490	104,612	68.41%	35.00%
Street Lights	60,816	70,000	75,581	100,000	42.86%	32.31%
Telephone	12,463	9,360	7,491	7,280	-22.22%	-2.81%
Postage	13	750	750	750	0.00%	0.00%
Freight	62	-	-	-	0.00%	0.00%
Liability Insurance	58,474	62,000	81,315	85,000	37.10%	4.53%
Legal Services	4,406	70,000	47,843	70,000	0.00%	46.31%
Accounting	4,114	13,000	20,000	15,000	15.38%	-25.00%
Engineering	-	510	322	510	0.00%	58.55%
Other Professional Services	26,156	70,800	6,000	72,000	1.69%	1100.00%
Bank Service Charges	25,853	28,000	17,992	20,000	-28.57%	11.16%
Transportation	-	-	-	-	0.00%	0.00%
Office Equip. Maintenance	1,883	5,180	2,960	3,700	-28.57%	25.00%
Computer Software Maintenance	4,176	7,200	5,600	7,200	0.00%	28.57%
Memberships & Subscriptions	20,910	22,320	19,350	22,140	-0.81%	14.42%
Bad Debts & Minimum Balance Writeoff	-	-	-	-	0.00%	0.00%
Conference & Continuing Ed	1,249	7,245	3,527	7,245	0.00%	105.44%
Certifications	915	1,645	1,936	1,645	0.00%	-15.03%
State/County & LAFCO Charges and Charges	18,572	19,200	16,800	19,200	0.00%	14.29%

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
 BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023  
**General Fund**

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget	% Change vs 2023 Actual
Elections Expense	-	15,000	15,000	-	-100.00%	-100.00%
Human Resources	7,078	6,720	2,171	8,000	19.05%	268.49%
Miscellaneous	10,045	7,440	7,440	7,440	0.00%	0.00%
Earthquake Response	-	-	40,000	-	0.00%	-100.00%
Director's Charges	11,600	16,000	12,000	16,000	0.00%	33.33%
General & Admin Expense Allocation	(362,838)	(524,188)	(537,408)	(573,622)	9.43%	6.74%
<b>TOTAL OPERATING EXPENSES</b>	<b>60,816</b>	<b>70,000</b>	<b>35,581</b>	<b>100,000</b>	<b>42.86%</b>	<b>181.05%</b>
<b>LONG TERM DEBT PAYMENTS</b>						
Less: Allocated to Water & Sewer Funds	-	-	-	-	0.00%	0.00%
<b>TOTAL LONG TERM DEBT PAYMENTS</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>CAPITALIZED EXPENDITURES</b>						
Vehicles/Rolling Stock/Capital Equipment	688	340,000	446,156	-	-100.00%	-100.00%
Building, Yard & Paving Improvements	40,542	94,000	85,920	92,500	-1.60%	7.66%
Engineering & Studies	39,602	200,000	123,000	110,000	-45.00%	-10.57%
Less: Allocated to Water & Sewer Funds	(80,832)	(634,000)	(655,076)	(202,500)	-68.06%	-69.09%
<b>TOTAL CAPITAL EXPENDITURES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>		
<b>BUDGET SURPLUS (DEFICIT)</b>	<b>367,394</b>	<b>300,000</b>	<b>454,719</b>	<b>330,000</b>	<b>10.00%</b>	<b>-27.43%</b>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**

## SUMMARY BUDGETARY STATEMENT OF REVENUES AND EXPENSES FOR FISCAL YEAR 2022-2023

## General Fund

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req	% Change vs 2023 Budget
<b>OPERATING REVENUE &amp; EXPENSES</b>					
TOTAL OPERATING REVENUE	-	-	-	-	0.00%
TOTAL OPERATING EXPENSES	(60,816)	(70,000)	(35,581)	(100,000)	42.86%
NET SURPLUS/(DEFICIT) FROM OPERATIONS	(60,816)	(70,000)	(35,581)	(100,000)	42.86%
<b>NON-OPERATING REVENUE &amp; EXPENSES</b>					
TOTAL NON-OPERATING REVENUE	428,210	370,000	490,300	430,000	16.22%
SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES	367,394	300,000	454,719	330,000	10.00%
HCSD CAPITAL IMPROVEMENT EXPENDITURES	-	-	-	-	0.00%
BUDGET SURPLUS or (DEFICIT)	<u>367,394</u>	<u>300,000</u>	<u>454,719</u>	<u>330,000</u>	<u>10.00%</u>
<b>Working Capital Reserve Summary</b>					
BUDGET SURPLUS or (DEFICIT)	367,394	300,000	454,719	330,000	10.00%
Beginning Working Capital Reserves	955,755	1,323,149	1,323,149	1,777,868	34.37%
Working Capital Reserve Balance, End of Year	<u>1,323,149</u>	<u>1,623,149</u>	<u>1,777,868</u>	<u>2,107,868</u>	<u>29.86%</u>

**HUMBOLDT COMMUNITY SERVICES DISTRICT**  
**BUDGETARY STATEMENT OF REVENUES AND EXPENSES**  
**Capital Expenditures**

	2021-22 Actual	2022-23 Budget	2022-23 Est Actual	2023-24 Budget req
<b>VEHICLES, ROLLING STOCK &amp; EQUIPMENT</b>				
New Computers & Laptops Scheduled Replacements			5,000	-
Unit #9 Replacement - Van	338		36,156	-
Unit #13 Replacement (Unit 20)	350		-	-
Unit #4 2010 Ford F-450 w/crane		140,000	225,000	-
Unit 10 (Peterbilt Dump Truck)		200,000	180,000	-
Sewer Camera Van (Sewer)	-	-	-	450,000
<b>Total Vehicles, Rolling Stock &amp; Equipment</b>	<b>688</b>	<b>340,000</b>	<b>446,156</b>	<b>450,000</b>
<b>BUILDING, YARD &amp; PAVING IMPROVEMENTS</b>				
Office Building - (Siding, Windows, Front, Roof) (GF)	40,287	70,000	50,000	-
Office ADA (GF)		14,000	35,404	7,000
Office Building and Breakroom Roof (GF)		-	-	35,000
Yard Paving Repairs		-	-	35,000
Vehicle Storage Upgrades (GF)		10,000	516	15,500
<b>Total Building, Yard &amp; Paving Improvements</b>	<b>40,287</b>	<b>94,000</b>	<b>85,920</b>	<b>92,500</b>
<b>WATER SYSTEM IMPROVEMENTS (Water)</b>				
New Connections	12,110	7,500	20,000	15,000
18th Street SMR		243,000	5,000	133,650
Park Street SMR	83,639			-
Park Street Paving			38,000	-
Truesdale WBS		25,000	-	30,250
Water Storage Tank Cleaning/Maintenance	9,280		-	-
Replace South Bay Well			2,000	-
Spruce Pt well pump	3,490	30,000	-	33,000
South Bay School Backflow		15,000	-	16,500
Donna Drive Hydro-Tank Replacement	8,300	55,000	100,000	60,500
Donna Drive .5MG Tank		40,000	32,000	51,000
Ridgewood Tank	616,305	54,200	12,000	50,000
Harris St Water Line	(269)		-	-
Pine Hill Water Line	1,400		5,500	-
Tower Lane SMR	1,484	162,000	100,000	-
Walnut Drive 1.0MG Tank Rehab	43,365		-	-
Christian Ln SMR	28,358	35,000	42,900	-
Christiansen Way SMR	-	-	104	-
Water Sampling Stations			11,000	-
AMR Program	177,537	141,000	25,000	155,100
Humboldt County ADA Access		5,000	100	5,500
South Bay Well		10,000	22,700	-
Ridgewood WBS			-	33,000
Hubbard Pump		35,000	10,000	36,300
Brier Lane 0.5MG Tank		660,000	42,000	726,000
18th & Quakler PSV	-	-	-	33,000
Stanford Court	-	-	-	29,700
Temple Circle	-	-	-	38,610
Crane Street	-	-	-	74,250

Walnut EQ Repair	-	-	3,000	500,000
Total Water System Improvements	984,998	1,517,700	471,304	2,021,360
SEWER SYSTEM IMPROVEMENTS (Sewer)				
Sea Ave SLS/FM	40,739	20,000	7,000	22,000
Sequoia Lift Station	1,028	-	11,000	-
New Connections	4,894	5,000	4,000	5,500
Burns Drive			-	-
Hidden Meadows SLS	206		11,000	-
Hemlock	2,658	250,000	5,500	275,000
Dr. Office Lane		148,000	3,000	165,000
South Broadway SLS/FM			-	110,000
Perch SLS Panel Enclosure	1,639		-	-
Hartman Ln		65,000	6,000	71,500
Noe St		162,000	1,500	162,000
Blackberry SLS	41,581	40,000	40,000	-
Bailey SLS	34,544	100,000	-	-
Artino SLS		75,000	-	-
Elk River Estuary Prep	6,157	-	55,000	-
Allard Access Vault	-	-	-	11,000
Roth Court SLS	-	-	-	77,000
Mesa /Bell Terrace	-	-	-	44,000
Walnut EQ Repair	-	-	3,000	500,000
Total Sewer System Improvements	133,447	865,000	147,000	1,443,000
ENGINEERING, STUDIES & CAPITAL OUTLAY				
District Design Standards (GF)	1,715	-	2,000	-
Annexations (GF)	255	-	-	-
Grant Writing (GF)	1,351	-	6,000	-
SCADA upgrades (GF)	19,771	100,000	15,000	110,000
Water Sewer Rate Study (GF)	16,765	100,000	100,000	-
So. Broadway FM Test & Design (Sewer)	863	-	110	-
Total Engineering & Studies	40,720	200,000	123,110	110,000
CITY OF EUREKA CIPS (Sewer)				
CoE WWTP CIP	858,034	1,135,000	1,135,000	433,029
Total City of Eureka CIPs	858,034	1,135,000	1,135,000	433,029