



Mission statement of McKinleyville Community Services District:
“Provide McKinleyville with safe and reliable water, wastewater, lighting, open space, parks and recreation, library services, and other appropriate services for an urban community in an environmentally and fiscally responsible manner.”

**NOTICE IS HEREBY GIVEN THAT A REGULAR MEETING OF THE
MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS
WILL BE HELD
WEDNESDAY, FEBRUARY 2, 2022 AT 6:30/7:00pm**

**LOCATION: AZALEA HALL
1620 Pickett Road
McKinleyville, California**

Or

**TELECONFERENCE Via ZOOM & TELEPHONE:
Use ZOOM MEETING ID: 859 4543 6653 (<https://us02web.zoom.us/j/85945436653>) or DIAL
IN TOLL FREE: 1-888-788-0099 (No Password Required!)**

To participate in person, please come to Azalea Hall. Masks will be required

To participate by teleconference, please use the toll free number listed above, or join through the internet at the Zoom App with weblink and ID number listed above, or the public may submit written comments to the Board Secretary at: comments@mckinleyvillecsd.com up until 4:30 p.m. on Tuesday, February 1, 2022.

All Public Comment received before the above deadline will be provided to the Board at 9 a.m. on Wednesday, February 2, 2022 in a supplemental packet information that will also be posted on the website for public viewing.

Please note that, due to potential technical difficulties, the quality of the Zoom meeting cannot be guaranteed. **If you have public input to provide on an agenda item, it is recommended you attend in person at Azalea Hall or submit written comments as outlined above.**

CLOSED SESSION AGENDA
6:30 p.m.

A. CALL TO ORDER

A.1 Roll Call

A.2 PUBLIC COMMENT AND WRITTEN COMMUNICATIONS

Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the McKinleyville Community Services District; however, any matter that requires action will be referred to staff for a report of action at a subsequent Committee or Board meeting. As to matters on the

agenda, an opportunity will be given to address the Board when the matter is considered. Comments are limited to 3 minutes. Letters should be used for complex issues.

A.3 Closed Session Discussion

At any time during the regular session, the Board may adjourn to closed session to consider existing or anticipated litigation, liability claims, real property negotiations, license and permit determinations, threats to security, public employee appointments, personnel matters, evaluations and discipline, labor negotiations, or to discuss with legal counsel matters within the attorney-client privilege.

CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION (Gov. Code section 54956.9(d)(2).): (One (1) Case).

REGULAR AGENDA

7:00 p.m.

A. CALL TO ORDER

A.1 Report out from Closed Session

A.2 Roll Call

A.3 Pledge of Allegiance

A.4 Additions to the Agenda

Items may be added to the Agenda in accordance with Section 54954.2(b)(2) of the Government Code (Brown Act), upon a determination by two-thirds vote of the members of the legislative body present at the time of the meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action and that the need for action came to the attention of the McKinleyville Community Services District after the Agenda was posted.

A.5 Approval of the Agenda

B. PUBLIC HEARINGS

These are items of a Quasi-Judicial or Legislative nature. Public comments relevant to these proceedings are invited.

NO PUBLIC HEARING SCHEDULED

C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS

Any person may address the Board at this time upon any subject not identified on this Agenda but within the jurisdiction of the McKinleyville Community Services District; however, any matter that requires action will be referred to staff for a report of action at a subsequent Committee or Board meeting. As to matters on the agenda, an opportunity will be given to address the Board when the matter is considered. Comments are limited to 3 minutes. Letters should be used for complex issues.

D. CONSENT CALENDAR

Consent Calendar items are expected to be routine and non-controversial, to be acted upon by the Board of Directors at one time without discussion. If any Board member, staff member, or interested person requests

that an item be removed from the Consent Calendar, it shall be removed so that it may be acted upon separately.

D.1	Consider Approval of the Minutes of the Board of Directors Regular Meeting on January 5, 2022	Pg. 7
	Attachment 1 – Draft Minutes from January 5, 2022	Pg. 8
D.2	Consider Approval of December 2021 Treasurer’s Report	Pg. 13
D.3	Compliance with State Double Check Valve (DCV) Law	Pg. 35
D.4	Reaffirm Resolution 2021-27 Making Findings Pursuant to Government Code Section 5493, as Amended by Assembly Bill 361, and Authorizing the Continued Use of Virtual Meetings	Pg. 37
	Attachment 1 – Resolution 2021-27	Pg. 39
D.5	Review and Approve the Amendments to the County Leases for the Library and Sheriff’s Facilities	Pg. 41
	Attachment 1 – Current Library Lease and Previous Amendments	Pg. 43
	Attachment 2 – Second Amendment to Library Lease	Pg. 64
	Attachment 3 – Original Lease and Previous Amendments for Law Enforcement Facility	Pg. 66
	Attachment 4 – Third Amendment to LEF Lease	Pg. 89
D.6	Consider Approval of Hiller Sports complex Facility Use Agreement Contract with Fee Increases, between MCSD and the Following Youth Sport Organizations: McKinleyville Little League; and Mad River Girls Fastpitch Softball (Humboldt ASA)	Pg. 91
	Attachment 1 – HSC Agreement between MCSD and McKinleyville Little League	Pg. 93
	Attachment 1a – Supplemental Maintenance Agreement between McKinleyville Little League and MCSD	Pg.129
	Attachment 2 – HSC Agreement between MCSD and Mad River Girls Fastpitch Softball (Humboldt ASA)	Pg.140
D.7	Consider Approval of Resolution 2022-04 Authorizing the General Manager to Execute Hazard Mitigation Grant Letters of Commitment for Grant Match and Maintenance for the Fischer Lift Station Seismic Retrofit Project (Action)	Pg.175
	Attachment 1 – Resolution 2022-04	Pg.177
	Attachment 2 – Draft Match Commitment Letter	Pg.179
	Attachment 3 – Draft Maintenance Commitment Letter	Pg.180
D.8	Consider Approval of Proclamation for January 2022 as National Mentoring Month	Pg.181
	Attachment 1 - Proclamation	Pg.182
D.9	Review Quarterly Report of Humboldt Skatepark Collective for the McKinleyville Skate Park	Pg.183
	Attachment 1 – HSC Quarterly Report Feb. 2022	Pg.184

E. CONTINUED AND NEW BUSINESS

E.1	Consider Adoption of Resolution 2022-01 Recognizing, Honoring, and Commending David Baldosser for Twenty-Five (25) Years of Service	Pg.185
	Attachment 1 – Resolution 2022-01	Pg.186
E.2	Consider Appointment of Applicant, Jennifer Ortega to Vacant Seat on the Park and Recreation Committee (PARC)	Pg.187
	Attachment 1—Jennifer Ortega PARC application and resume	Pg.188
E.3	Water & Sewer Main Line Replacement & Rehabilitation Master Plan Presentation & Acceptance	Pg.193
	Attachment 1 – Sanitary Sewer Main Line Replacement & Rehabilitation Master Plan, Executive Summary and TOC	Pg.195
	Attachment 2 - Water Main Line Replacement & Rehabilitation Master Plan, Executive Summary and TOC	Pg.245
	Attachment 3 – Main Line Replacement & Rehabilitation Presentation	Pg.295
E.4	Discuss and Consider Approval of Resolution 2022-05 Adopting the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the 4.5 MG Water Storage Tank Project and Approving the Project	Pg.303
	Attachment 1 – A portion of 4.5 Million Gallon Water Storage Tank Initial Study and Mitigated Negative Declaration; see State Clearinghouse Link to Full Document and comments: https://ceqanet.opr.ca.gov/2021120195	Pg.306
	Attachment 2 – Proof of Publication	Pg.501
	Attachment 3 – Notice of Completion & Environmental Document Transmittal	Pg.502
	Attachment 4 – Comment Letters Received	Pg.504
	Attachment 5 – Response to Comments	Pg.506
	Attachment 6 – Resolution 2022-05	Pg.511
	Attachment 7 – Mitigated Monitoring Report	Pg.514
	Attachment 8 – Notice of Determination	Pg.520
E.5	Consider Approval of Resolution 2022-02 Supporting Single Payer Bills for Health Care Reform	Pg.521
	Attachment 1 – Resolution 2022-02	Pg.524
	Attachment 2 – Legislative Information on AB1400	Pg.526
	Attachment 3 – Text of H.R. 1976	Pg.564
E.6	Consider Approval of Resolution 2022-03 Reviewing and Approving, with Amendments, Board Policies and Procedures related to Governance, Ethics, and Board Conduct	Pg.695
	Attachment 1 – Resolution 2022-03	Pg.697
	Attachment 2 – Redlined Revision of Board Policy Manual	Pg.698

E.7	Review Information for the Draft Capital Improvement Plan for the Parks and General Fund, FY 2022-23	Pg.733
	Attachment 1 – Draft Capital Improvement Plan for the Fiscal Years ending June 30, 2022-2031 for the Parks and General Fund	Pg.734
	Attachment 2 – Draft Capital Improvement Plan Narrative for Fiscal Year 2022-23	Pg.740
E.8	Consider Granting Authorization to the General Manager to work with Green Diamond Resource Company to Develop Grant Applications for Joint Fuel Break Projects at the Community Forest/Private Property Interface	Pg.743
	Attachment 1 – Sample Fuel Break Project Maps	Pg.745

F. REPORTS

No specific action is required on these items, but the Board may discuss any particular item as required.

F.1 ACTIVE COMMITTEE REPORTS

- a. Parks and Recreation Committee (Binder/Clark-Peterson)
- b. Area Fund (John Kulstad/Clark-Peterson)
- c. Redwood Region Economic Development Commission (Clark-Peterson/Binder)
- d. McKinleyville Senior Center Board Liaison (Binder/Clark-Peterson)
- e. Audit (Orsini/Couch)
- f. Employee Negotiations (Couch)
- g. McKinleyville Municipal Advisory Committee (Orsini)
- h. Humboldt Local Agency Formation Commission (Couch)
- i. Environmental Matters Committee (Couch/Clark-Peterson)
- j. AdHoc Committee – Community Forest (Mayo/Orsini)
- k. AdHoc Committee – Latent Powers (Couch/Orsini)

F.2 LEGISLATIVE AND REGULATORY REPORTS

F.3 STAFF REPORTS

- | | |
|-----------------------------------------------------|---------------|
| a. Support Services Department (Colleen M.R. Trask) | Pg.747 |
| b. Operations Department (James Henry) | Pg.749 |
| c. Parks & Recreation Department (Lesley Frisbee) | Pg.755 |
| d. General Manager (Pat Kaspari) | Pg.761 |
| Attachment 1 – WWMF Monthly Self-Monitoring Report | Pg.767 |

F.4 PRESIDENT’S REPORT

F.5 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEMS REQUESTS

G. ADJOURNMENT

Posted 5:00 pm on January 28, 2021

Pursuant to California Government Code Section 54957.5, this agenda and complete Board packet are available for public inspection on the web at McKinleyvillecsd.com/minutes or upon request at the MCSD office, 1656 Sutter Road, McKinleyville. A complete packet is also available for viewing at the McKinleyville Library at 1606 Pickett Road, McKinleyville. If you would like to receive the complete packet via email, free of charge, contact the Board Secretary at (707)839-3251 to be added to the mailing list.

McKinleyville Community Services District will, on request, make agendas available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact the Board Secretary at (707) 839-3251. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements for accommodations.

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: D.1 **Consider Approval of the Minutes of the Board of Directors**

PRESENTED BY: **April Sousa, Board Secretary**

TYPE OF ACTION: **Roll Call Vote – Consent Calendar**

Recommendation:

Staff recommends the approval of the Minutes of the Board of Directors for the January 5, 2022 Regular Board Meeting.

Discussion:

The Draft minutes are attached for the above listed meetings. A reminder that the minutes are approved by the legislative body that is the Board of Directors, not individual members of the Board who were present at a meeting.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Draft Minutes from January 5, 2022 Regular Board Meeting

MINUTES OF THE REGULAR MEETING OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT HELD ON WEDNESDAY, JANUARY 5, 2022 AT 7:00 P.M. IN PERSON AT AZALEA HALL – 1620 PICKETT ROAD, MCKINLEYVILLE, CALIFORNIA and TELECONFERENCE Via ZOOM & TELEPHONE: ZOOM MEETING ID: 859 4543 6653 (<https://us02web.zoom.us/j/85945436653>) and TOLL FREE: 1-888-788-0099

AGENDA ITEM A. CALL TO ORDER:

A.1 Roll Call: The regular session of the Board of Directors of McKinleyville Community Services District convened at 7:00 p.m. with the following Directors and staff in attendance in person at Azalea Hall:

David Couch, President	Pat Kaspari, General Manager
Joellen Clark-Peterson, Vice President	April Sousa, Board Secretary
Scott Binder, Director	Joseph Blaine, IT Specialist
Greg Orsini, Director	Colleen Trask, Finance Director
Dennis Mayo, Director	Lesley Frisbee, Parks & Recreation Director
	James Henry, Operations Director

A.2 Pledge of Allegiance: The Pledge of Allegiance was led by Director Mayo.

A.3 Additions to the Agenda: There were no additions to the agenda.

A.4 Approval of the Agenda:

Motion: It was moved to approve the agenda as delivered.

Motion by: Director Mayo; **Second:** Director Orsini

There were no comments from the Board or public.

Roll Call: Ayes: Binder, Clark-Peterson, Mayo, Orsini, and Couch Nays: None Absent: None

Motion Summary: Motion Passed

A.5 Closed Session Discussion

None.

AGENDA ITEM B. PUBLIC HEARINGS:

None.

AGENDA ITEM C. PUBLIC COMMENT AND WRITTEN COMMUNICATIONS:

None.

AGENDA ITEM D. CONSENT CALENDAR:

D.1 Consider Approval of the Minutes of the Board of Directors Regular Meeting on December 1, 2021

D.2 Consider Approval of November 2021 Treasurer’s Report

D.3 Final Review of LAFCo 2021 Municipal Services Review (MSR)

D.4 Reaffirm Resolution 2021-27 for Virtual meetings

D.5 Review 2021 integrated Pest Management Plan Annual Report

Director Orsini Asked to pull Item D.3 from the Consent Calendar.

Motion: It was moved to approve the remaining Consent Calendar items (D.1, D.2, D.4, D.5).

Motion by: Director Mayo; **Second:** Director Orsini

Roll Call: Ayes: Binder, Clark-Peterson, Mayo, Orsini, and Couch Nays: None Absent: None

Motion Summary: Motion Passed

D.3 Final Review of LAFCo 2021 Municipal Services Review (MSR)

General Manager Kaspari gave a brief overview of the item. Director Orsini expressed his concern that the updated section regarding out of agency service connections did not reflect all of his comments and needed to be further revised. The item was tabled to be brought back at a future meeting after Staff, Directors Orsini and Couch, and LAFCo, has had sufficient time to review the out of agency service agreement mentioned by Director Orsini and revise the section in question.

AGENDA ITEM E. CONTINUED AND NEW BUSINESS:

E.1 Update on Certificates of Participation Sale and Final Pricing for Series 2021A & B COPs

General Manager Kaspari gave a brief overview of this item and asked Municipal Advisor, James Fabian, and underwriter, Rick Brandis, to give a follow-up presentation and answer question. This was an informational only item. No action taken.

E.2 Presentation of the Community Builder Award to Charlie Caldwell

Recreation Director Frisbee gave a short presentation of the Community Builder Award to Charlie Caldwell. The Board, Staff, and public provided comments of congratulations and praise to Mr. Caldwell. This was an informational only item. No action taken.

E.3 MCSD Employee of the Year Presentation to Joseph Blaine

General Manager Kaspari gave a brief presentation of the Employee of the Year award to Joseph Blaine. The Board, Staff, and public provided comments of congratulations and praise to Mr. Blaine. This was an informational only item. No action taken.

E.4 Approve FY20-21 Audited Financial Statements

Finance Director Trask introduced the Auditor, Chris Brown from Fedak & Brown, LLP, who gave a presentation to the Board on the Audited Financial Statements. The Board was given an opportunity to ask clarifying questions.

Motion: Approve the FY 2020-21 Audited Financial Statements.

Motion by: Director Orsini; **Second:** Director Clark-Peterson

Roll Call: Ayes: Binder, Clark-Peterson, Mayo, Orsini, and Couch Nays: None Absent: None

Motion Summary: Motion Passed

E.5 Consider Approval Policy Revision to Accommodate State Water Resources Control Board Reimbursement for Unpaid Water Bills Upon the End of the Governor's Non-lock Order & the Resumption of Regular Non-payment Lock Process

Finance Director Trask gave a brief overview of this item and provided an update on the State monies received to assist those who have been unable to pay their bills from March 2020-June 2021. The time frame of extended amortization was discussed as well as the possibility of utilizing property tax liens.

Motion: Allow extended amortization times and additional notifications for customers of State Water Board's list as the District reinstates the normal locking process for non-payment.

Motion by: Director Orsini; **Second:** Director Mayo

Roll Call: Ayes: Binder, Clark-Peterson, Mayo, Orsini, and Couch Nays: None Absent: None

Motion Summary: Motion Passed

E.6 Discuss Strategic Plan Review Process and Timeline and Consider Possible Board Retreat

General Manager Kaspari began the discussion with the Board of a possible Board retreat. Facilitation and topics were discussed. A date was not agreed upon, but late spring was suggested. The Board asked if

Recreation Director Frisbee would be willing to facilitate, which she agreed to. Direction was given to Staff to review the Strategic Plan to present to the Board of Directors prior to the retreat, and the topics could come from that discussion. This was an information only item. No action taken.

E.7 Discuss and Consider Committee Assignments and Appointments of Committee Chairs by the Board President for the 2022 Calendar Year

Board Secretary Sousa read the staff report to begin this discussion. President Couch asked for input from the Board on Committee Assignments. It was noted that Director Binder has been fulfilling the primary role for the Senior Center Liaison, and that the roles should be switched so that Director Clark-Peterson was secondary/alternate. Director Mayo stated he was happy to fill a position on the Environmental Matters Committee, specifically regarding groundwater issues, if the need arises. The status of the Ad Hoc Community Forest Committee was discussed but was decided to continue as Ad Hoc for now. The status of the Ad Hoc Latent Powers Committee was discussed and was decided to disband after the last item had been reviewed by the committee, which was planned for the next Board meeting after Legal Counsel had the opportunity to review. The Audit Committee was discussed and a change in the name and duties of the committee was suggested. Staff was directed to bring this back for approval at a future Board meeting. It was also mentioned that the Senior Center Liaison description may need updating. Staff will review with the Senior Center Bylaws. President Couch did not change any appointments with the exception of the clarified Senior Center Liaison roles.

E.8 Consider Approval of Professional Services Agreement with Willdan Financial to Perform the Annual Measure B Renewal as well as an Assessment Study

General Manager Kaspari gave an overview of this item. It was clarified that the draft agreement was for a Measure B Assessment and not a Water/Wastewater Analysis.

Motion: Authorize the General Manager to execute the Professional Services Agreement with Willdan Financial to provide services to perform the Measure B Renewal for 2022 and an Assessment Study for an amount not to exceed \$46,620.

Motion by: Director Mayo; **Second:** Director Orsini

Roll Call: Ayes: Binder, Clark-Peterson, Mayo, Orsini, and Couch Nays: None Absent: None

Motion Summary: Motion Passed

AGENDA ITEM F. REPORTS

F.1 ACTIVE COMMITTEE REPORTS

- a. **Parks and Recreation Committee (Binder/Clark-Peterson):** Did not meet.
- b. **Area Fund (John Kulstad/Clark-Peterson):** Did not meet.
- c. **Redwood Region Economic Development Commission (Clark-Peterson/Binder):** Did not meet.
- d. **McKinleyville Senior Center Advisory Council (Clark-Peterson/Binder):** Did not meet.
- e. **Audit (Orsini/Couch):** Had nothing further to add to the report given at the meeting.
- f. **Employee Negotiations (Couch/Mayo):** Did not meet.
- g. **McKinleyville Municipal Advisory Committee (Orsini/Binder):** Director Orsini gave a brief overview of the most recent meeting.
- h. **Local Agency Formation Commission (Couch):** President Couch reported on the most recent meeting of LAFCo.

- i. **Environmental Matters Committee (Couch/Clark-Peterson):** Did not meet.
- j. **Ad Hoc Community Forest Committee (Mayo/Orsini):** Directors Orsini and Mayo both gave a report on the most recent meetings.
- k. **Ad Hoc Latent Powers Committee (Orsini/Couch):** Did not meet.

F.2 LEGISLATIVE AND REGULATORY REPORTS

Director Mayo mentioned a few items that are coming up from ACWA (Association of California Water Agencies) and Director Orsini mentioned his work on the Legislative Committee for CSDA (California Special Districts Association).

F.3 STAFF REPORTS

- a. **Support Services Department (Colleen M.R. Trask):** Finance Director Colleen Trask had nothing further to add to her written report.
- b. **Operations Department (James Henry):** Operations Director James Henry had nothing further to add to his written report. The Board asked questions regarding the facilities and how they are holding up to the weather.
- c. **Parks & Recreation Department (Lesley Frisbee):** Recreation Director Lesley Frisbee had nothing further to add to her written report.
- d. **General Manager (Patrick Kaspari):** General Manager Kaspari had nothing further to add to his written report.
- e. .

F.4 PRESIDENT'S REPORT: Nothing to report.

F.4 BOARD MEMBER COMMENTS, ANNOUNCEMENTS, REPORTS AND AGENDA ITEM REQUESTS:

Director Orsini mentioned an upcoming meeting for his work on the CSDA Board. Director Mayo noted there would be a regional meeting for ACWA in February that he would be attending.

G. ADJOURNMENT:

Meeting Adjourned at 9:36 p.m.

April Sousa, MMC, Board Secretary

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**McKinleyville Community Services District
Treasurer's Report
Dec 2021**

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Page 12	Summary of Long-Term Debt Report
Page 13	Cash Disbursement Report

Ratios

as of December 31, 2021

- Utility Accounts Receivable Turnover Days	15
- YTD Breakeven Revenue, Water Fund:	\$ 1,380,407
- YTD Actual Water Sales:	\$ 2,078,279
- Days of Cash on Hand-Operations Checking/MM	201

**McKinleyville Community Services District
Investments & Cash Flow Report
as of December 31, 2021**

Petty Cash & Change Funds		9,197.46
<u>Cash</u>		
Operating & Money Market - Beginning Balance		3,478,457.52
Cash Receipts:		
Utility Billings & Other Receipts	834,364.63	
Money Market Account Interest	19.10	
Transfers from County Funds #2560, #4240, CalTRUST, Meas. B	-	
Other Cash Receipts (Grants/Other Receivables)	-	
Total Cash Receipts	<u>834,383.73</u>	834,383.73
Cash Disbursements:		
Transfers to County Funds #2560, #4240, CalTRUST	-	
Payroll Related Expenditures (incl. CalPERS UAL pmt)	(232,529.80)	
Debt Service	(143,078.87)	
Capital & Other Expenditures	(259,510.28)	
Total Cash Disbursements	<u>(635,118.95)</u>	(635,118.95)
Operating & Money Market - Ending Balance		<u>3,677,722.30</u>
Total Cash		<u>3,686,919.76</u>
<u>Investments</u>	<i>(Interest and Market Valuation will be re-calculated as part of the year-end close, if material)</i>	
LAIF - Beginning Balance	139,000.57	
Interest Income	-	
LAIF - Ending Balance	<u>139,000.57</u>	139,000.57
Humboldt Co. #2560 - Beginning Balance	2,008,377.60	
Property Taxes and Assessments	486,877.20	
Transfer to/from Operating Cash	-	
Interest Income (net of adjustments)	2,577.41	
Humboldt Co. #2560 - Ending Balance	<u>2,497,832.21</u>	2,497,832.21
Humboldt Co. #4240 - Beginning Balance	3,426,939.75	
Transfer to/from Operating Cash	-	
Transfer to/from Biosolids Reserve	-	
Interest Income	3,595.01	
Humboldt Co. #4240 - Ending Balance	<u>3,430,534.76</u>	3,430,534.76
Humboldt Co. #9390 - Beginning Balance	663,032.08	
Reserves Recovery Deposits/Other Bal Withdrawals	-	
Humboldt Co. #9390 - Ending Balance	<u>663,032.08</u>	663,032.08
USDA Bond Reserve Fund - Beginning Balance	115,343.73	
Bond Reserve Payment/Transfer to Service Fund	5,687.50	
Debt Service Payment, Principal/Interest (Net)	-	
Interest Adjustment	0.46	
USDA Bond Reserve Fund - Ending Balance	<u>121,031.69</u>	121,031.69
Market Valuation Account		20,433.34
BNY COPS Series A & B - Beginning Balance	-	
Bond Principal Total (Series A & B)	7,895,000.00	
Bond Draws for Capital Projects	-	
Bond Reserve Payment/Transfer to Service Fund	-	
Debt Service Payment, Principal/Interest (Net)	-	
Bond Premium and Issuance Costs	770,906.72	
BNY COPS Series A & B - Ending Balance	<u>8,665,906.72</u>	8,665,906.72
CalTRUST - Beginning Balance	10,583,193.48	
Net Transfer to/from Designated Reserves: PERS/OPEB	-	
Net Transfer to/from Capacity Fees/Catastrophe/Other Reserves	-	
Net: Interest Income/Unrealized Gain/Loss	(16,854.38)	
CalTRUST - Ending Balance	<u>10,566,339.10</u>	10,566,339.10
Total Investments		<u>26,104,110.47</u>
Total Cash & Investments - Current Month		29,791,030.23
Total Cash & Investments - Prior Month		<u>20,429,559.67</u>
Net Change to Cash & Investments This Month		<u>9,361,470.56</u>
<u>Cash & Investment Summary</u>		
Cash & Cash Equivalents		29,044,359.60
Davis-Grunsky Loan Reserve		625,638.94
USDA Bond Reserve		<u>121,031.69</u>
Total Cash & Investments		<u>29,791,030.23</u>

McKinleyville Community Services District
Consolidated Balance Sheet by Fund
as of December 31, 2021

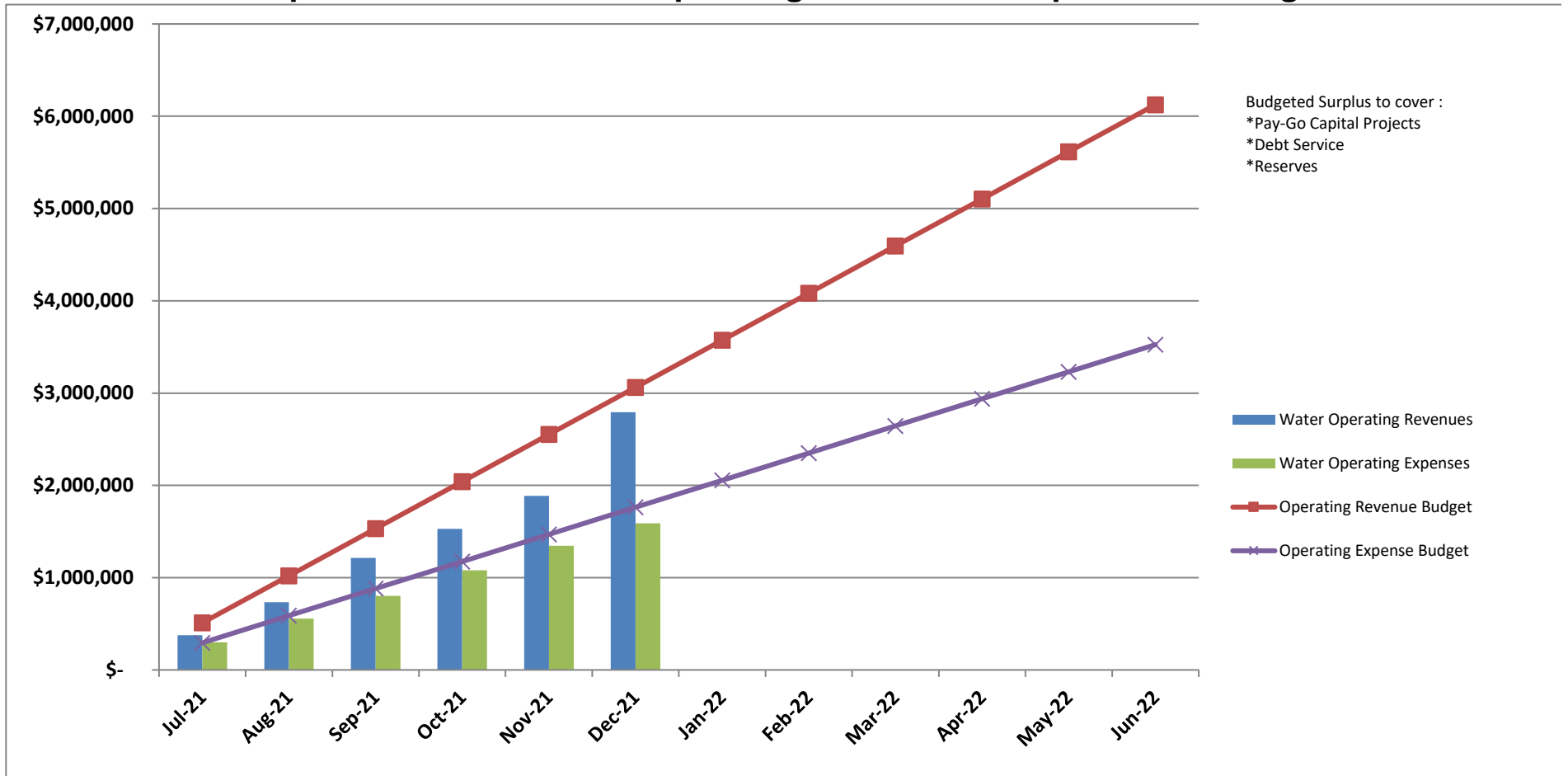
	Governmental Funds			Proprietary Funds		Total (Memorandum Only)
	Parks & General	Measure B	Streetlights	Water	Wastewater	
ASSETS						
Current Assets						
Unrestricted cash & cash equivalents	\$ 1,200,687.74	\$ (509,291.12)	\$ 92,910.53	\$ 8,671,636.18	\$ 11,031,068.83	\$ 20,487,012.16
Accounts receivable	4,949.11	-	5,158.39	848,853.56	1,846,939.07	2,705,900.13
Prepaid expenses & other current assets	25,799.62	2,206.61	2,527.03	117,122.00	58,140.20	205,795.46
Total Current Assets	1,231,436.47	(507,084.51)	100,595.95	9,637,611.74	12,936,148.10	23,398,707.75
Noncurrent Assets						
Restricted cash & cash equivalents	210,368.26	-	-	5,396,581.01	4,015,996.34	9,622,945.61
Other noncurrent assets	-	-	-	5,705,354.60	4,852,475.25	10,557,829.85
Capital assets (net)	11,482.00	-	-	8,201,530.61	29,297,136.20	37,510,148.81
Total Noncurrent Assets	221,850.26	-	-	14,532,524.15	34,270,643.14	57,690,924.27
TOTAL ASSETS	\$ 1,453,286.73	\$ (507,084.51)	\$ 100,595.95	\$ 24,170,135.89	\$ 47,206,791.24	\$ 81,089,632.02
LIABILITIES & FUND BALANCE/NET ASSETS						
Current Liabilities						
Accounts payable & other current liabilities	\$ 92,433.86	\$ 1,267.40	\$ 2,350.56	\$ 239,710.51	\$ 347,118.23	\$ 682,880.56
Accrued payroll & related liabilities	97,071.92	-	-	65,954.97	66,361.19	229,388.08
Total Current Liabilities	189,505.78	1,267.40	2,350.56	305,665.48	413,479.42	912,268.64
Noncurrent Liabilities						
Long-term debt	-	-	-	6,292,735.70	19,504,141.75	25,796,877.45
Other noncurrent liabilities	-	-	-	4,827,516.42	4,933,821.19	9,761,337.61
Total Noncurrent Liabilities	-	-	-	11,120,252.12	24,437,962.94	35,558,215.06
TOTAL LIABILITIES	189,505.78	1,267.40	2,350.56	11,425,917.60	24,851,442.36	36,470,483.70
Fund Balance/Net Assets						
Fund balance	(2,819,768.39)	(508,351.91)	98,245.39	-	-	(3,229,874.91)
Net assets	4,083,549.34	-	-	10,835,423.38	12,562,354.43	27,481,327.15
Investment in capital assets, net of related debt	-	-	-	1,908,794.91	9,792,994.45	11,701,789.36
Total Fund Balance/Net Assets	1,263,780.95	(508,351.91)	98,245.39	12,744,218.29	22,355,348.88	35,953,241.60
TOTAL LIABILITIES & FUND BALANCE/NET ASSETS	\$ 1,453,286.73	\$ (507,084.51)	\$ 100,595.95	\$ 24,170,135.89	\$ 47,206,791.24	\$ 72,423,725.30
Difference in Reclass from Cap Assets to Net Assets:						
Investment in General Capital Assets	\$ 3,669,993.87					
General Long-term Liabilities						
Meas. B Loan: Teen/Community Center	872,053.00			Non-debt Long-term Liabilities (included in Other Non-current Liabilities above)		
OPEB Liability	3,291,932.47			OPEB Liability	3,352,060.07	3,366,092.45
CalPERS Pension Liability/Deferred Inflows-Outflows	719,001.05			CalPERS Pension Liability	754,383.21	825,924.74
Accrued Compensated Absences	66,454.84					2,299,309.00
TOTAL GENERAL LONG-TERM LIABILITIES	\$ 4,949,441.36					

McKinleyville Community Services District
Activity Summary by Fund, Approved Budget
Dec 2021

Department Summaries	December	% of Year 50.00% YTD	Approved YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
Water						
Water Sales	326,600	2,078,279	2,095,275	(16,996)	-0.81%	
Other Revenues	578,189	713,066	967,359	(254,293)	-26.29%	Includes YTD Capacity Fees \$181,698 Contrib.Construction \$0, Grants \$0 Includes CalTRUST unrealized gain/(loss), & 2021A COPs issue premium
Total Operating Revenues	904,789	2,791,344	3,062,634	(271,290)	-8.86%	
Salaries & Benefits	70,980	504,087	563,576	(59,489)	-10.56%	
Water Purchased	96,004	618,989	577,238	41,751	7.23%	
Other Expenses	42,409	268,268	421,598	(153,330)	-36.37%	Budget spread evenly across 12 months, but actuals vary by project & expenditure
Depreciation	33,333	196,915	200,000	(3,085)	-1.54%	
Total Operating Expenses	242,726	1,588,259	1,762,412	(174,153)	-9.88%	
Net Operating Income	662,063	1,203,086	1,300,222	(445,443)		
Interest Income	2,333	12,645	25,000	(12,355)	-49.42%	Interest rates lower than anticipated.
Interest & 2021A COPs Issuance Exp	(53,654)	(77,542)	(50,557)	26,985	53.37%	Budget is spread evenly across 12 months, but actuals vary by loan pmt schedule Includes 2021A COPs issuance expense
Net Income (Loss)	610,743	1,138,188	1,274,665	(136,477)		
Wastewater						
Wastewater Service Charges	335,662	2,025,601	2,090,875	(65,274)	-3.12%	
Other Revenues	524,495	740,742	1,115,059	(374,317)	-33.57%	Includes YTD Capacity Fees \$181,083 Contrib.Construction \$0, Grants \$0 Includes CalTRUST unrealized gain/(loss), & 2021B COPs issue premium
Total Operating Revenues	860,157	2,766,343	3,205,934	(439,591)	-13.71%	
Salaries & Benefits	94,690	622,173	592,577	29,596	4.99%	
Other Expenses	55,607	318,906	552,402	(233,496)	-42.27%	Budget spread evenly across 12 months, but actuals vary by project & expenditure
Depreciation	102,083	607,082	612,500	(5,418)	-0.88%	
Total Operating Expenses	252,380	1,548,161	1,757,479	(209,318)	-11.91%	
Net Operating Income	607,778	1,218,181	1,448,455	(230,274)		
Interest Income	4,153	23,371	37,500	(14,129)	-37.68%	Interest rates lower than anticipated.
Interest Expense	(62,174)	(189,578)	(131,504)	58,074	44.16%	Budget is spread evenly across 12 months, but actuals vary by loan pmt schedule Includes 2021B COPs issuance expense
Net Income (Loss)	549,757	1,051,975	1,354,451	(302,476)		
Enterprise Funds Net Income (Loss)	1,160,500	2,190,164	2,629,116	(438,952)		

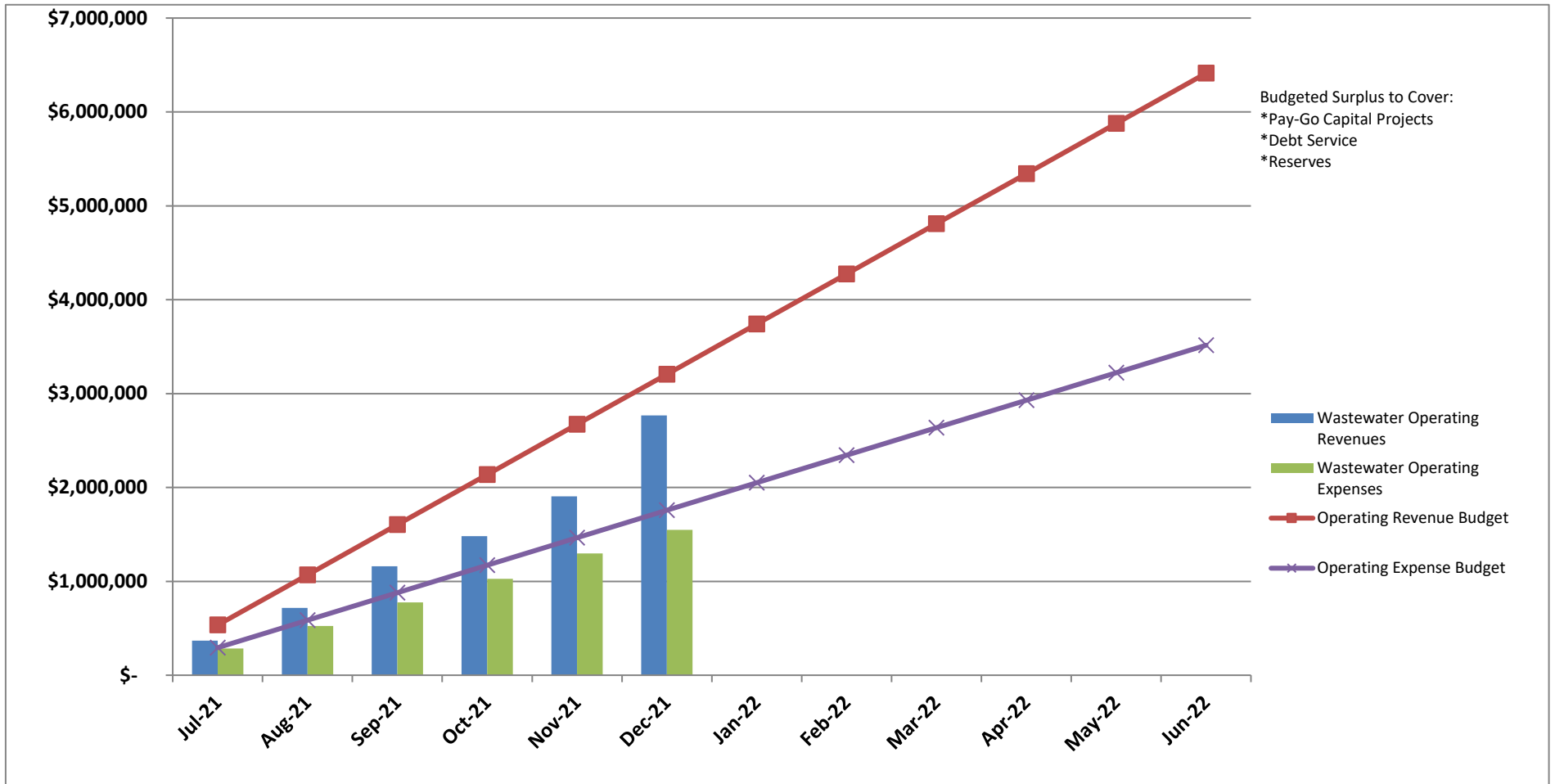
McKinleyville Community Services District Dec 2021

Comparison of Water Fund Operating Revenues & Expenses to Budget



McKinleyville Community Services District Dec 2021

Comparison of Wastewater Fund Operating Revenues & Expenses to Budget

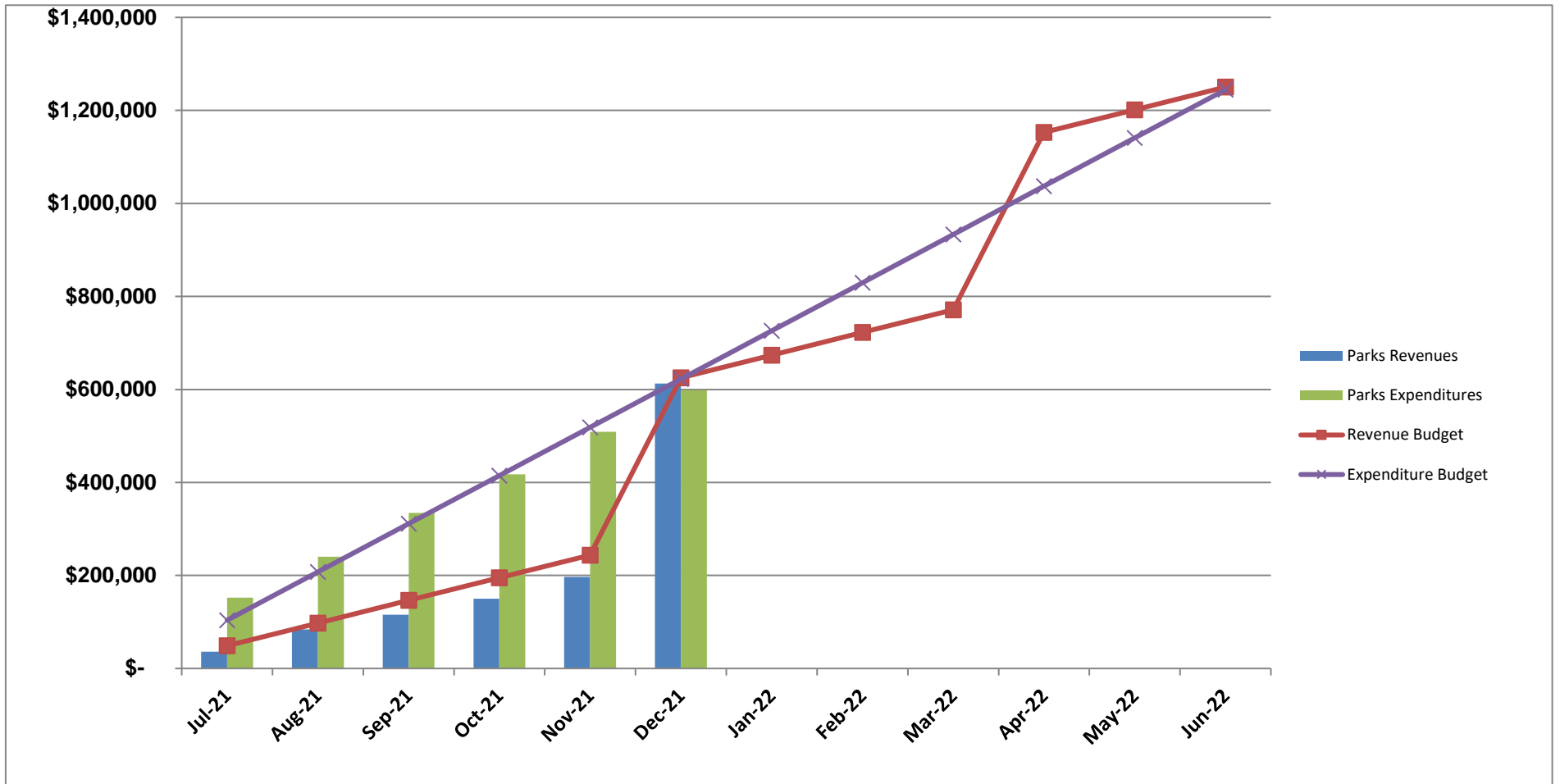


McKinleyville Community Services District
Activity Summary by Fund, Approved Budget
Dec 2021

	December	% of Year 50.00% YTD	Approved YTD Budget	Over (Under) YTD Budget	Over (Under) YTD Budget %	Notes
Department Summaries						
*Parks & Recreation						
Program Fees	7,479	94,595	121,140	(26,545)	-21.91%	Budget spread evenly across 12 months, but actuals vary by schedule
Rents & Facility Related Fees	22,070	44,364	25,361	19,003	74.93%	
Property Taxes	373,914	373,914	332,412	41,502	12.49%	County Tax remittance: December, April, and June; per Auditor-Controller's office
Other Revenues	8,176	82,753	128,695	(45,942)	-35.70%	Budget spread evenly across 12 months, but actuals vary by schedule
Interest Income	4,178	16,862	17,500	(638)	-3.65%	
Total Revenues	415,818	612,488	625,108	(12,620)	-2.02%	
Salaries & Benefits	75,748	491,118	438,178	52,940	12.08%	CalPERS UAL pmt in July, not spread over 12 months
Other Expenditures	13,738	107,303	123,060	(15,757)	-12.80%	Budget spread evenly across 12 months, but actuals vary by purchasing schedule
Capital Expenditures	-	-	61,000	(61,000)	-100.00%	Budget spread evenly across 12 months, but actuals vary by project schedule
Total Expenditures	89,487	598,421	622,238	(23,817)	-3.83%	
Excess (Deficit)	326,331	14,067	2,870	11,197		
*Measure B Assessment						
Total Revenues	113,230	116,154	112,502	3,652	3.25%	Interest & unrealized gains/losses; County Tax remittance December/April/June FY21-22 Tax Receipts are estimated based on MCSD Budget
Salaries & Benefits	4,622	35,951	29,378	6,573	22.37%	Budget spread evenly across 12 months; actuals vary by maintenance schedule
Other Expenditures	6,954	16,588	36,034	(19,446)	-53.97%	Budget spread evenly across 12 months, but actuals vary seasonally
Capital Expenditures/Loan Repayment	-	63,147	46,837	16,310	34.82%	Budget is spread evenly across 12 months. Loan pmts are October & April
Total Expenditures	11,577	115,686	112,249	3,437	3.06%	
Excess (Deficit)	101,653	468	253	215		
*Street Lights						
Total Revenues	10,007	60,036	59,718	318	0.53%	
Salaries & Benefits	3,119	20,513	25,201	(4,688)	-18.60%	Budget spread evenly across 12 months; actuals vary by maintenance schedule
Other Expenditures	3,513	19,925	19,637	288	1.47%	
Capital Expenditures/Loan Repayment	-	-	23,500	(23,500)	-100.00%	Budget spread evenly across 12 months, but actuals vary by project
Total Expenditures	6,632	40,438	68,338	(27,900)	-40.83%	
Excess (Deficit)	3,375	19,598	(8,620)	(28,218)		
Governmental Funds Excess (Deficit)	431,359	34,133	(5,497)	39,630		

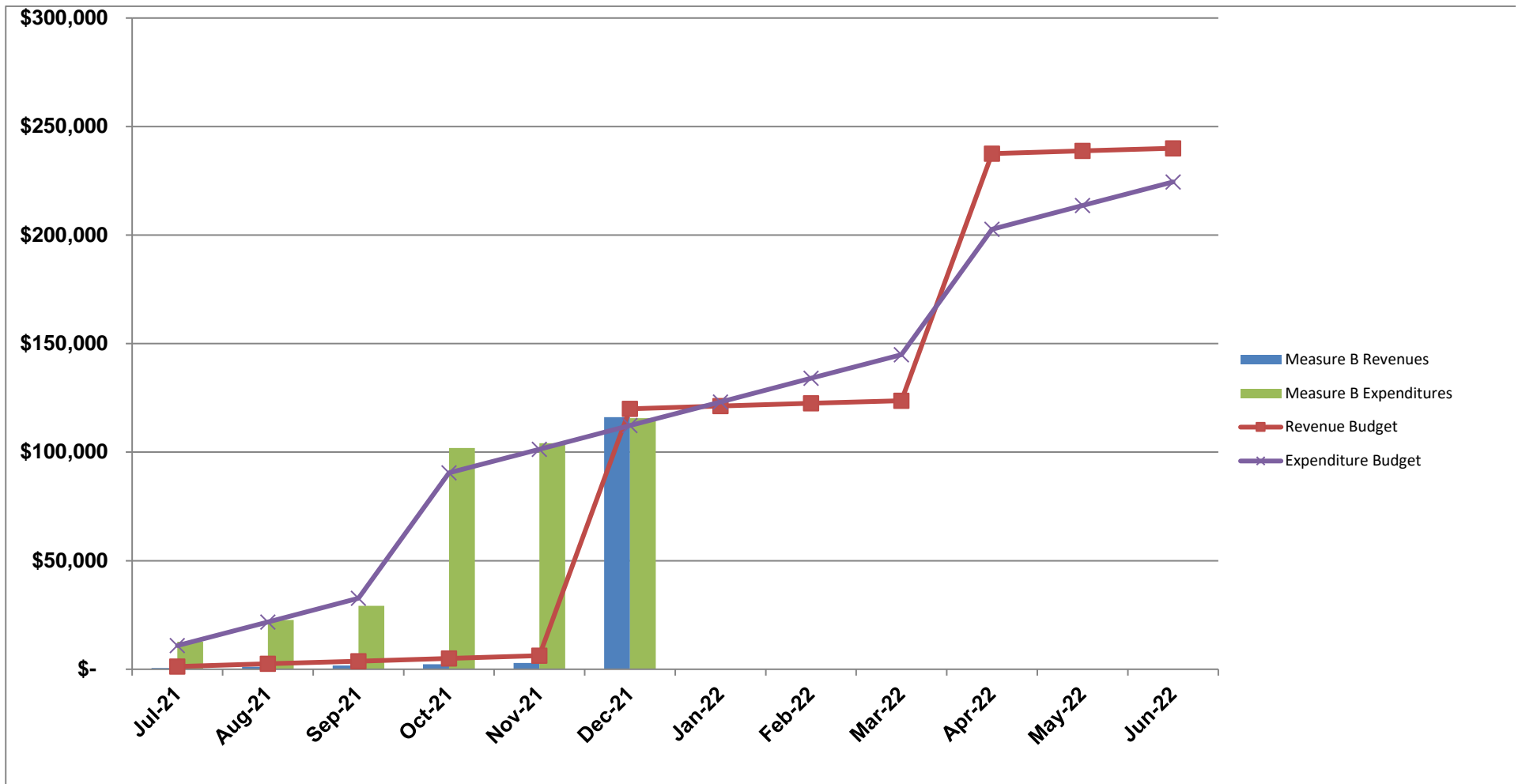
McKinleyville Community Services District Dec 2021

Comparison of Parks & Recreation Total Revenues & Expenditures to Budget



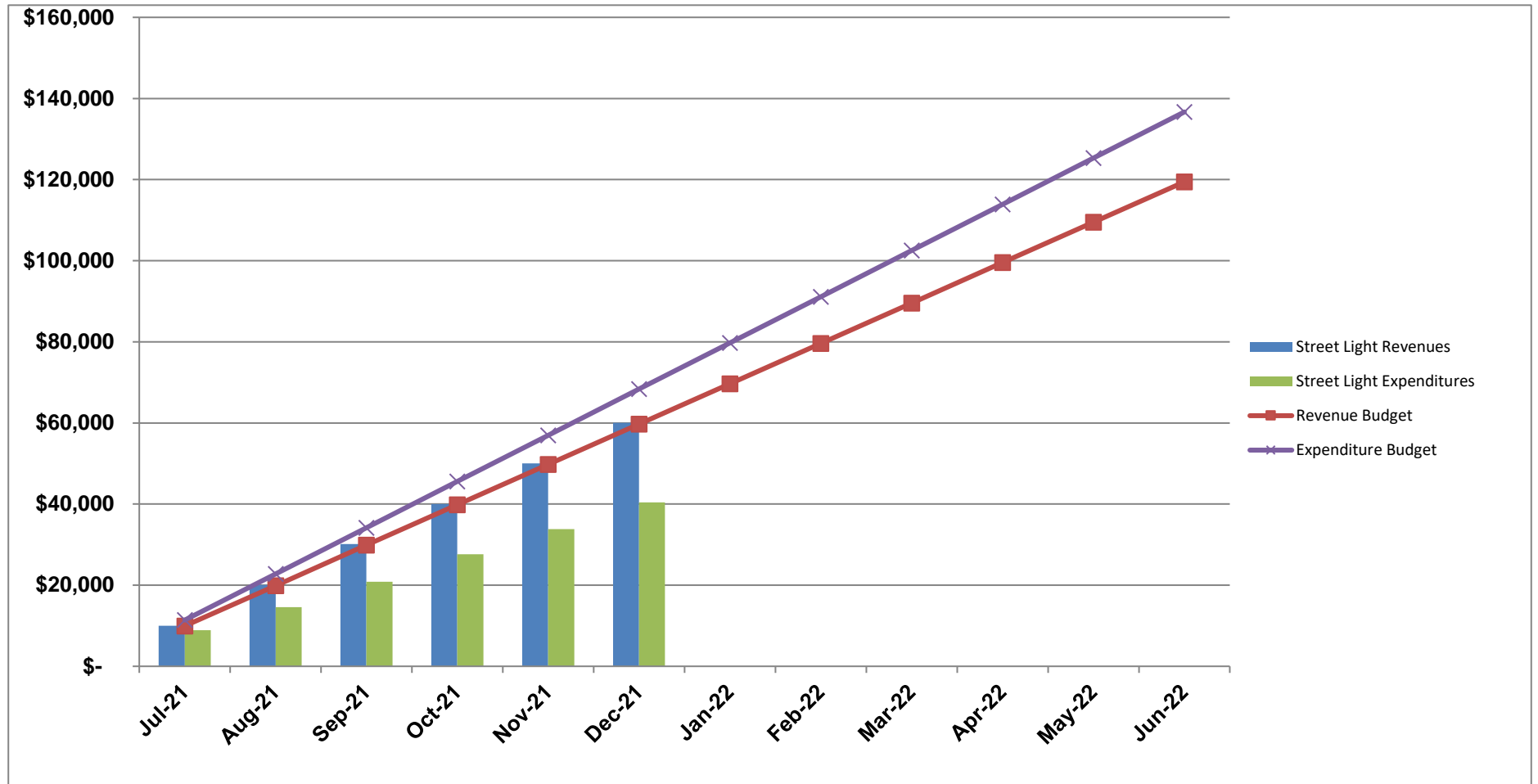
McKinleyville Community Services District Dec 2021

Comparison of Measure B Fund Total Revenues & Expenditures to Budget



McKinleyville Community Services District Dec 2021

Comparison of Street Light Fund Total Revenues & Expenditures to Budget



**McKinleyville Community Services District
Capital Expenditure Report
as of December 31, 2021**

	December	YTD Total	FY 21-22 Budget	Remaining		Notes
				Budget \$	Budget %	
Water Department						
Ramey Pump Upgrades	-	-	-	-	#DIV/0!	
Water Tank Painting	-	-	500,000	500,000	100%	Water Tank Painting & Cathodic
4.5m New Water Tank	5,631	15,291	4,132,000	4,116,709	100%	Drilling, LACO Assoc.
Production Meter Replacements	-	-	8,000	8,000	100%	Production Meter Replacement
McCluski Tank3 Replace Roof Vents	-	-	6,000	6,000	100%	McCluski Tank3 Replace Roof Vents
Emergency Generator-Cochran	-	-	50,000	50,000	100%	CochranEmergency Generator
Fire Hydrant System Upgrade	-	-	7,000	7,000	100%	Fire Hydrant System Upgrade
Blake Station Upgrades	-	6,619	8,000	1,381	17%	Blake Station Upgrades
Digital Control & Radio Telemetry Upgrade	-	-	10,000	10,000	100%	Radio Telemetry upgrade
Water Main Rehab & Replacement	-	10,040	1,000,000	989,960	99%	Water Main Rehab
Property Purchase- Tank Site	-	-	-	-	#DIV/0!	Property Purch/Imprv.Tank Site
Subtotal	5,631	31,949	5,721,000	5,689,051	99%	
Wastewater Department						
Sewer Main Rehab & Replacement	-	6,869	1,000,000	993,131	99%	Sewer Main Rehab
WWMF Sludge Disposal - next	-	434	240,000	239,566	100%	Sludge handling/disposal
WWMF Recirculation Valve Replacement	-	-	15,000	15,000	100%	Recirculation Valve replacem
WWMF Pond Armoring	-	-	51,000	51,000	100%	WWMF Pond Armoring
WWMF Secondary Effluent Motor	-	-	6,000	6,000	100%	WWMF Secondary Effluent Motor
Collection Upgrades-UndercrossingsProj	-	10,807	1,149,000	1,138,193	99%	Collection System upgrades
Fischer Lift Station Generator	-	-	40,000	40,000	100%	Fischer Lift Stn Generator
Solar Project - CWSRF Grant/Loan	229,679	1,557,152	3,500,000	1,942,848	56%	WWMF Solar Project
WWMF - CEQA/ NPDES Permit	-	-	55,000	55,000	100%	NPDES Permit Project
Underground pipe locator & camera	-	-	5,000	5,000	100%	Underground pipe locator & camer
WWMF Lab Cabinets	-	-	10,000	10,000	100%	WWMF Lab Cabinets
Subtotal	229,679	1,575,262	6,071,000	4,495,738	74%	
Water & Wastewater Operations						
Heavy Equipment	-	38,734	150,000	111,266	74%	backhoe, aircompressor
Utility Vehicles	-	43,184	42,000	(1,184)	-3%	CCTV truck, 3/4 or 1-ton Pickup
Office, Corporate Yard & Shops	-	-	75,000	75,000	100%	Facilities upgrade/sealcoat
Computers & Software	-	5,019	19,000	13,981	74%	Server, PCs, GIS/SEMS/CADD
Fischer Ranch - Reclamation Site Upgrade (tree far	-	34,820	100,000	65,180	65%	Match to 3rd party grant funding
Fischer Ranch - Barn & Fence upgrades, Irrig	11,482	11,731	80,000	68,269	85%	Barn/ house/ fence, Irrig. pipe, Unc
Property behind main office - purchase	-	-	400,000	400,000	100%	Purch property behind main offc
Small Equipment & Other	-	-	40,000	40,000	100%	Misc,response, & GPS surveying
Subtotal	-	133,488	906,000	772,512	85%	
Enterprise Funds Total	246,791	1,740,699	12,698,000	10,957,301	86%	
Parks & Recreation Department						
Pierson Park - Landscaping & signage	-	-	8,000	8,000	100%	Pierson Pk-Landscape & signage
Azalea Hall Projects	-	-	6,000	6,000	100%	Major appliance replacem
McKinleyville Activity Center Upgrades	-	-	85,000	85,000	100%	Flooring replacement
Law Enforcement Facility Improvements	-	-	10,000	10,000	100%	LEF flooring/Library Carpet
Projects Funded by Quimby/Grants/ Other	-	-	505,000	505,000	100%	CommForest,SkatePk,LandAcq
Other Parks Projects & Equipment	-	-	8,000	8,000	100%	Utility truck from Ops?
Subtotal	-	-	622,000	622,000	100%	
Streetlights						
LED Repairs	-	-	7,000	7,000	100%	
Pole Inspection	-	-	40,000	40,000	100%	Pole Inspection/Replacement
Subtotal	-	-	47,000	47,000	100%	
Governmental Funds Total	-	-	669,000	669,000	100%	
All Funds Total	246,791	1,740,699	13,367,000	11,626,301	87%	

**McKinleyville Community Services District
Summary of Long-Term Debt Report
as of December 31, 2021**

**Principal Maturities and
Scheduled Interest**

				Maturity	Balance- Nov	Balance- Dec		
	%	Date			30, 2021	31, 2021	FY-22	Thereafter
Water Fund:								
I-Bank		8/1/30	P		527,704.77	527,704.77	-	527,704.79
Interest	3.37%		I				8,891.83	83,950.11
State of CA Energy Commission (ARRA)		12/22/26	P		66,467.41	66,467.41	11,815.54	54,651.66
Interest	1.0%		I				635.30	1,376.83
State of CA (Davis Grunsky)		1/1/33	P		1,274,456.41	1,274,456.41	92,381.69	1,182,074.72
State of CA (Davis Grunsky) Deferred Interest		1/1/33	P		204,416.09	204,416.09	17,035.12	187,380.97
Interest	2.5%		I				31,861.41	184,599.31
COPS - Series 2021A, Water Fund		8/1/51	P		-	4,335,000.00	-	4,335,000.00
Interest	2.93%	8/1/51	I		-	-	-	2,724,548.61
Total Water Fund-Principal					2,073,044.68	6,408,044.68	121,232.35	6,286,812.14
Total Water Fund-Interest							41,388.54	2,994,474.86
Total Water Fund					2,073,044.68	6,408,044.68	162,620.89	9,281,287.00
Wastewater Fund:								
WWMF SRF Loan		7/31/47	P		14,012,514.71	14,012,514.71	-	14,473,509.30
Interest	1.6%		I				-	3,226,319.37
Chase Bank (Pialorsi Property)		3/8/35	P		1,380,100.00	1,380,100.00	45,100.00	1,335,000.00
Interest	2.9%		I		-	-	13,106.28	177,948.30
USDA (Sewer Bond)		8/1/22	P		65,000.00	65,000.00	-	65,000.00
Interest	5.0%		I				1,625.00	1,625.00
COPS - Series 2021B, Wastewater Fund		9/15/51	P		-	3,560,000.00	-	3,560,000.00
Interest	2.93%	9/15/51	I		-	-	27,830.83	2,174,325.00
Total Wastewater Fund-Principal					15,457,614.71	19,017,614.71	45,100.00	15,873,509.30
Total Wastewater Fund-Interest							14,731.28	3,405,892.67
Total Sewer Fund					15,457,614.71	19,017,614.71	59,831.28	19,279,401.97
Meas. B Fund: Teen/Comm Center Loan		11/1/29	P		872,053.00	872,053.00	48,514.00	832,319.00
	3.55%		I				15,634.79	123,030.36
Total Principal					18,402,712.39	26,297,712.39	214,846.35	22,992,640.44
Total Interest							71,754.61	6,523,397.89
Total					18,402,712.39	26,297,712.39	286,600.96	29,516,038.33

Non-debt Long Term Liabilities, District-wide

OPEB Liability
CalPERS Pension Liability

10,010,084.99
2,299,309.00

**McKinleyville Community Services District
 Summary of Grants
 as of December 31, 2021**

District Grants	Total Grant Amount	Required District Match	Estimated District Asset Value
CalOES Hazard Mitigation Grant - 4.5 mg Tank	\$ 5,418,735	\$ 1,806,245	\$ 4,675,000
CalOES Hazard Mitigation Grant - Sewer Undercrossings	\$ 2,538,300	\$ 846,100	\$ 2,137,000
SWRCB Energy Efficiency Grant/Loan	\$ 2,500,000	\$2,500,000 Loan	\$ 4,100,000
CA State Dept of Parks & Rec - Habitat Conservation Fund	\$ 56,600	\$ -	\$ 56,600

Non-District Grants	Total Grant Amount	Required District Match	Estimated District Asset Value
CalTrout US Fish & Wildlife - Mad River Restoration	\$ 20,000	\$ -	\$ 20,000
CalTrout NOAA - Mad River Restoration	\$ 490,167	\$ 48,000	\$ 300,000

**McKinleyville Community Services District
Cash Disbursement Report
For the Period December 1 through December 31, 2021**

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
Accounts Payable Disbursements						
39086	1/6/2022	FED02	FEDAK & BROWN LLP	(13,417.00)	C11112u	Ck# 039086 Reversed
39141	12/1/2021	*0035	SECURITY DEPOSIT REFUND JG	100.00	C11130	SECURITY DEPOSIT REFUND JG
39142	12/1/2021	*0036	PARKS & REC LIVESCAN REIMB	35.00	C11130	PARKS & REC LIVESCAN REIMB
39143	12/1/2021	ACC04	ACCURATE DRUG TESTING SERVICE	180.00	3616-17	RESP. FIT FOR JR, JJ, GL
				90.00	3632-33	RESP. FIT FOR JT & CL
			Check Total:	<u>270.00</u>		
39144	12/1/2021	COA01	COASTAL BUSINESS SYSTEMS	1,235.53	30480531	COPIER MONTHLY PAYMENT
39145	12/1/2021	COM04	COMPLIANCE ASSOCIATES	2,700.00	C11201	ENROLLMENT FEES
39146	12/1/2021	COR01	CORBIN WILLITS SYSTEMS, INC	963.05	C111151	MOMs MONTHLY MAINT.
39147	12/1/2021	FRI05	LESLEY FRISBEE	185.45	C11201	OFFICE SUPPLIES REIMB. LF
39148	12/1/2021	HAR13	The Hartford - Priority A	443.70	C11130	GROUP LIFE INSURANCE
39149	12/1/2021	HUM48	HUMBOLDT SMOKEHOUSE	936.74	C11201	HOLIDAY PARTY DINNER
39150	12/1/2021	MCK11	MCKINLEYVILLE SENIOR CENTER	21.40	C11130	PARKS SHARE OF INTERNET
39151	12/1/2021	MUN02	MUNICIPAL MAINTENANCE	1,170.94	164693	VEHICHL E REPAIRS
39152	12/1/2021	PGE06	PG&E-STREETLIGHTS	17.19	C11130	GAS & ELECTRIC S.L.- ZONE
39153	12/1/2021	PGE08	PG&E-STREETLIGHTS	16.50	C11130	GAS & ELECTRIC S.L.- ZONE
39154	12/1/2021	PGE09	PG&E-STREETLIGHTS	83.56	C11130	GAS & ELECTRIC S.L.- ZONE

Check Number	Check Date	Vendor Number	Name	Net Amount	Invoice #	Description
39155	12/1/2021	PGE10	PG&E-STREETLIGHTS	3.55	C11130	GAS & ELECTRIC S.L.- ZONE
39156	12/1/2021	S&P01	S&P GLOBAL RATINGS	21,250.00	11426604	ISSUANCE EXP.
39157	12/1/2021	SEC03	SECURITY LOCK & ALARM	176.25	210001706	PROFESSIONAL SERVICES
39158	12/1/2021	STR01	STREAMLINE	300.00	13	WEBSITE MONTHLY FEE
39159	12/1/2021	SUD01	SUDDENLINK	233.40	2	INTERNET SERVICES
				166.32	C11130	TEEN CENTER INTERNET
			Check Total:	<u>399.72</u>		
39160	12/1/2021	TPX01	TPx COMMUNICATIONS	1,805.17	167097	INTERNET SERVICES
39161	12/1/2021	USA01	USA BLUEBOOK	2,163.49	795162	LAB TESTING SUPPLIES
39162	12/1/2021	USB01	U.S. BANK TRUST N.A.	5,687.50	DEC21	SEWER BOND PAYMENT - DEC.
				5,687.50	NOV21	SEWER BOND PAYMENT - NOV.
			Check Total:	<u>11,375.00</u>		
39163	12/1/2021	VER01	VERIZON WIRELESS	76.99	C11130	CELL PHONES/TABLET
39164	12/1/2021	\A002	MQ CUSTOMER REFUND FOR AL	95.61	000C11201	MQ CUSTOMER REFUND FOR AL
39165	12/1/2021	\C004	MQ CUSTOMER REFUND FOR CH	50.52	000C11201	MQ CUSTOMER REFUND FOR CH
39166	12/1/2021	\C008	MQ CUSTOMER REFUND FOR CO	101.08	000C11201	MQ CUSTOMER REFUND FOR CO
39167	12/1/2021	\H007	MQ CUSTOMER REFUND FOR HA	34.84	000C11201	MQ CUSTOMER REFUND FOR HA
39168	12/1/2021	\J006	MQ CUSTOMER REFUND FOR JL	111.49	000C11201	MQ CUSTOMER REFUND FOR JL
39169	12/1/2021	\L003	MQ CUSTOMER REFUND FOR LO	45.95	000C11201	MQ CUSTOMER REFUND FOR LO
39170	12/1/2021	\V001	MQ CUSTOMER REFUND FOR VO	81.23	000C11201	MQ CUSTOMER REFUND FOR VO
39171	12/1/2021	\W001	MQ CUSTOMER REFUND FOR WI	58.58	000C11201	MQ CUSTOMER REFUND FOR WI
39172	12/1/2021	\W004	MQ CUSTOMER REFUND FOR WI	43.97	000C11201	MQ CUSTOMER REFUND FOR WI

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
39173	12/6/2021	BAD01	BADGER METER, Inc.	358.68	80086992	BEACON MBL HOSTING
39174	12/6/2021	FED01	FedEx Office	363.22	64658	LAB TESTS TREATMENT
39175	12/6/2021	GHD01	GHD	12,443.88	5377	MICROGRID
				1,361.13	5612	WATER & SEWER MAINLINE RE
			Check Total:	<u>13,805.01</u>		
39176	12/6/2021	HUM01	HUMBOLDT BAY MUNICIPAL WATER DISTRICT	103,284.02	C11202	WTR PURCHASED
39177	12/6/2021	INF02	INFOSEND	3,056.14	202931	OFFICE SUPPLIES/POSTAGE
39178	12/6/2021	INF03	INFINITE CONSULTING SERVICE	4,030.00	9441	SUBSCRIPTIONS
39179	12/6/2021	MAY02	DENNIS MAYO	-	C11130u	Ck# 039179 Reversed
39180	12/6/2021	MCK04	MCK ACE HARDWARE	415.73	C11202	REPAIRS/SUPPLY
39181	12/6/2021	MEN01	MENDES SUPPLY CO.	299.51	C11202	REPAIRS/SUPPLY
39182	12/6/2021	MIL01	Miller Farms Nursery	232.11	C11202	REPAIRS/SUPPLY
39183	12/6/2021	MIL03	THE MILL YARD	279.86	326030	REPAIRS/SUPPLIES
39184	12/6/2021	PRO01	PROFESSIONAL CREDIT SERVICES	28.49	20614	REC. BAD DEBTS
39185	12/6/2021	THR01	THRIFTY SUPPLY COMPANY	474.42	1000486	REPAIRS/SUPPLIES
39186	12/6/2021	UMP01	UMPQUA BANK	68.95	1221DS	OFFICE SUPPLIES
				507.00	1221JH	REPAIRS/SUPPLIES
				87.99	1221LF	REPAIRS/SUPPLIES
				171.75	1221BOARD	SUBSCRIPTIONS
				152.05	1221PARKS	OFFICE & PROGRAM SUPPLIES
				2.03	1221ROUND	ROUND UP ON ACCT.
			Check Total:	<u>989.77</u>		
39187	12/6/2021	VAL01	VALLEY PACIFIC PETROLEUM	703.11	443512	GAS/OIL/LUBE
39188	12/6/2021	VAL02	VALLEY PACIFIC	2,886.62	442729	GAS/OIL/LUBE

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
				768.04	486607	GAS/OIL/LUBE
			Check Total:	<u>3,654.66</u>		
39189	12/13/2021	70701	707 PEST SOLUTIONS	120.00	43861	PROFESSIONAL SERVICES
39190	12/13/2021	ADV01	ADVANCED SECURITY SYSTEM	164.05	588180	PROFESSIONAL SERVICES
39191	12/13/2021	BOR01	BORGES & MAHONEY CO.	2,140.20	24290	REPAIRS/SUPPLY TREATMENT
39192	12/13/2021	CPR01	CALIFORNIA PARK & RECREATION	555.00	C11202	MEMBERSHIP RENEWAL ID 020
39193	12/13/2021	EUR05	Eureka Oxygen Co	94.50	655874	PROFESSIONAL SERVICES
39194	12/13/2021	EUR06	EUREKA READY MIX	1,383.51	75041	REPAIRS/SUPPLY
39195	12/13/2021	FED01	FedEx Office	724.38	2938	LAB TESTS TREATMENT
39196	12/13/2021	FED02	FEDAK & BROWN LLP	2,093.00	C11210	ACCT. / AUDIT
39197	12/13/2021	GAN01	GAN CONFERENCING	33.05	50088	PROFESSIONAL SERVICES
39198	12/13/2021	GHD01	GHD	16,143.60	5650	WATER RECYCLING PROGRAM
39199	12/13/2021	GRA02	GRAINGER	144.36	993626	SAFETY SUPPLIES
39200	12/13/2021	HAR03	HARPER MOTORS CO.	446.52	C11206	VEHICLE REPAIRS
39201	12/13/2021	HUM08	HUMBOLDT SANITATION	598.70	1BX02686	TRASH SERVICE
				568.70	1BX02687	TRASH SERVICE
				283.75	1BX02688	TRASH SERVICE
				568.70	1BX02787	TRASH SERVICE
			Check Total:	<u>2,019.85</u>		
39202	12/13/2021	IMA01	IMAGE RIGHTS INTERNATIONAL	-	111290u	Ck# 039202 Reversed
39203	12/13/2021	INF03	INFINITE CONSULTING SERVICES	134.69	9491	OFFICE SUPPLIES
39204	12/13/2021	KAI01	FINGERPRINT REIMB YOUTH BB	30.00	C11210	FINGERPRINT REIMB YOUTH BB
39205	12/13/2021	MCK02	MCKINLEYVILLE GLASS CO.	150.85	48805	REPAIRS/SUPPLIES

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
39206	12/13/2021	MCK03	MCKINLEYVILLE OFFICE SUPPLY	34.93	53929	PROFESSIONAL SERVICES
39207	12/13/2021	MIT01	MITCHELL LAW FIRM	425.50	49075	LEGAL
				185.00	49076	LEGAL
				1,239.50	49077	LEGAL
			Check Total:	<u>1,850.00</u>		
39208	12/13/2021	MIT02	MITEL	736.10	38327478	TELEPHONE
39209	12/13/2021	MUD01	MUDDY WATERS COFFEE CO.,INC	80.00	81445063	OFFICE SUPPLIES
39210	12/13/2021	NAP02	NAPA AUTO PARTS	47.70	C11210	GAS/OIL/LUBE
39211	12/13/2021	NEW01	NEW DIRECTIONS	750.00	2864	PROFESSIONAL SERVICES HIL
39212	12/13/2021	NOR01	NORTH COAST LABORATORIES	4,010.00	C11215	LAB TESTS
39213	12/13/2021	NOR35	NORTHERN HUMBOLDT EMPLOYMENT SVCS	753.86	ES22-066	OPEN SPACE MAINTENANCE
				662.42	ES22-067	OPEN SPACE MAINTENANCE
			Check Total:	<u>1,416.28</u>		
39214	12/13/2021	ORE01	O'REILLY AUTOMOTIVE, INC.	215.70	C11215	GAS/OIL/LUBE
39215	12/13/2021	PGE05	PG&E STREETLIGHTS	375.48	C11215	STREETLIGHTS
39216	12/13/2021	PGE07	PG&E STREETLIGHTS	1,067.01	C11215	STREETLIGHTS - ACCT 0908
39217	12/13/2021	PGE11	PG&E STREETLIGHTS	24.29	C11215	GAS & ELECTRIC ACCT 6945
39218	12/13/2021	PGE12	PG&E	60.54	C11215	GAS & ELECTRIC
39219	12/13/2021	PGE13	PG&E	2.10	C11215	GAS & ELECTRIC OPEN SPACE
39220	12/13/2021	STA02	STATE OF CALIFORNIA ENERGY COMM	6,225.42	11256	ARRA LOAN PAYMENT
39221	12/13/2021	STA03	STATE OF CALIFORNIA	125,478.45	2201D5001	DAVIS-GRUNSKY LOAN PMT
39222	12/13/2021	STA09	S.W.R.C.B.	60.00	67915	CERT RENEWAL FOR J. JOHNS

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
39223	12/13/2021	STA11	STAPLES CREDIT PLAN	39.99	C11215	OFFICE SUPPLIES
39224	12/13/2021	THO02	Thomas Home Center	223.72	C11215	REPAIRS/SUPPLY
39225	12/13/2021	TPT01	TP TIRE SERVICE	1,133.41	31121	VEHICLE REPAIRS
39226	12/16/2021	MAY02	DENNIS MAYO	125.00	C11216P	BOARD MEETING NOVEMBER 3R
39227	12/16/2021	MAY02	DENNIS MAYO	125.00	C112162P	BOARD MEETING NOVEMBER 18
39228	12/20/2021	*0037	WILLOW ROBERTS	100.00	C11217	AH DEPOSIT REFUND
39229	12/20/2021	*0038	TEA HIGGINS	100.00	C11217	AH DEPOSIT REFUND
39230	12/20/2021	ACW01	CB&T/ACWA-JPIA	9,133.71	678310	GRP. HEALTH INS
39231	12/20/2021	ATT01	AT&T	1,283.02	C11220	TELEPHONE/INTERNET
39232	12/20/2021	ATT06	AT&T	-	C11217u	Ck# 039232 Reversed
39233	12/20/2021	BAB02	BABCOCK LABS INC.	1,100.00	CJ12251	LAB TESTS TREATMENT
39234	12/20/2021	BER05	LIVE SCAN FEE REIMB. CB	25.00	C11217	LIVE SCAN FEE REIMB. CB
39235	12/20/2021	DEP05	DEPARTMENT OF JUSTICE	64.00	548979	FINGERPRINTING
39236	12/20/2021	FED01	FedEx Office	409.28	72716	LAB TESTS TREATMENT
				424.10	94681	LAB TESTS TREATMENT
			Check Total:	<u>833.38</u>		
39237	12/20/2021	HUM18	HUMBOLDT AREA CHAPTER CSD	50.00	C11221	ANNUAL DUES 2022
39238	12/20/2021	INF03	INFINITE CONSULTING SERVICES	1,353.00	9506	OFFICE SUPPLIES
39239	12/20/2021	MAD02	MAD RIVER UNION	36.00	48959	LEGAL AD
39240	12/20/2021	MCK11	MCKINLEYVILLE SENIOR CENTER	21.40	C11221	PARKS SHARE OF SR. CTR INTERNET
39241	12/20/2021	NOR13	NORTHERN CALIFORNIA SAFETY CONSORTIUM	120.00	27843	SAFETY TRAINING SUBSCRIPTION

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
39242	12/20/2021	POI01	POINTS WEST SURVEYING CO.	-	12373u	Ck# 039242 Reversed
39243	12/20/2021	SUD01	SUDDENLINK	136.37	C11221	INTERNET SERVICES
39244	12/20/2021	SWR02	SWRCB FEES	3,326.00	WD0190810	ANNUAL PERMIT FEES
39245	12/27/2021	ATT04	AT&T	920.95	C11227	SWITCHED ETHERNET SERVICE
39246	12/27/2021	ATT06	AT&T	274.48	C11227	AH TELEPHONE
39247	12/27/2021	BAS01	PACE ANALYTICAL SERVICES	536.00	2112272	LAB TESTS TREATMENT
39248	12/27/2021	BOR01	BORGES & MAHONEY CO.	1,309.78	143232	REPAIRS/SUPPLY TREATMENT
39249	12/27/2021	COA01	COASTAL BUSINESS SYSTEMS	1,235.53	30672552	COPIER MONTHLY PAYMENT
39250	12/27/2021	FAS01	FASTENAL COMPANY	129.36	C11228	REPAIRS/SUPPLY
39251	12/27/2021	FED02	FEDAK & BROWN LLP	4,337.00	C11228	ACCT. / AUDIT
39252	12/27/2021	GRA02	GRAINGER	324.55	403681	REPAIRS/SUPPLY
				129.51	415927	REPAIRS/SUPPLY
				179.19	534799	REPAIRS/SUPPLY
			Check Total:	<u>633.25</u>		
39253	12/27/2021	PAC05	PACIFIC ECORISK	984.47	17838	LAB TESTS TREATMENT
39254	12/27/2021	PGE01	PG & E (Office & Field)	22,969.44	C11229	GAS & ELECTRIC
39255	12/27/2021	PGE06	PG&E-STREETLIGHTS	17.27	C11229	GAS & ELECTRIC S.L.- ZONE
39256	12/27/2021	PGE08	PG&E-STREETLIGHTS	16.58	C11229	STREETLIGHTS
39257	12/27/2021	PGE09	PG&E-STREETLIGHTS	83.86	C11228	STREETLIGHTS-ACCT 7040
39258	12/27/2021	PGE10	PG&E-STREETLIGHTS	3.57	C11228	STREETLIGHTS
39259	12/27/2021	POI01	POINTS WEST SURVEYING CO.	3,656.25	12373R	4.5 MG TANK PROJECT
39268	1/12/2022	GRA02	GRAINGER	(93.14)	694425u	Ck# 039268 Reversed

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
				(91.51)	753405u	Ck# 039268 Reversed
			Check Total:	<u>(184.65)</u>		
D00066	12/6/2021	BIN01	BINDER, SCOTT	250.00	C11130	BOARD MEETINGS NOV 3 & 18
D00066	12/6/2021	COU09	COUCH, DAVID	250.00	C11130	BOARD MEETINGS NOV 3 & 18
D00066	12/6/2021	ORS01	ORSINI, GREGORY	250.00	C11130	BOARD MEETINGS NOV 3 & 18
D00066	12/6/2021	PET01	CLARK-PETERSON, JOELLEN	250.00	C11130	BOARD MEETINGS NOV 3 & 18
			Check Total:	<u>1,000.00</u>		
				390,973.93		
			Total Disbursements, Accounts Payable:	<u>390,973.93</u>		

Payroll Related Disbursements

17884-17897	12/9/2021		Various Employees	8,774.20		Payroll Checks
17898	12/9/2021	CAL12	CalPERS 457 Plan	7,910.36	C11209	RETIREMENT
				700.62	1C11209	PERS 457 LOAN PMT
			Check Total:	<u>8,610.98</u>		
17899	12/9/2021	DIR01	DIRECT DEPOSIT VENDOR- US	38,883.68	C11209	Direct Deposit
17900	12/9/2021	EMP01	Employment Development	1,704.02	C11209	STATE INCOME TAX
				769.24	1C11209	SDI
			Check Total:	<u>2,473.26</u>		
17901	12/9/2021	HEA01	HEALTHEQUITY, ATTN: CLINT	175.00	C11209	HSA
17902	12/9/2021	HUM29	UMPQUA BANK--PAYROLL DEP.	5,839.27	C11209	FEDERAL INCOME TAX
				8,705.86	1C11209	FICA
				2,036.04	2C11209	MEDICARE
			Check Total:	<u>16,581.17</u>		
17903	12/9/2021	ACW01	CB&T/ACWA-JPIA	58,979.12	C11130	MED-DENTAL-EAP INSURANCE
17904	12/9/2021	PUB01	Public Employees PERS	20,751.05	C11130	PERS PAYROLL REMITTANCE
17905-17917	12/21/2021		Various Employees	9,948.33		Payroll Checks
17918	12/21/2021	CAL12	CalPERS 457 Plan	7,851.02	C11221	RETIREMENT

Check Number	Check Date	Vendor Number	Vendor Name	Net Amount	Invoice #	Description
				700.62	1C11221	PERS 457 LOAN PMT
			Check Total:	<u>8,551.64</u>		
17919	12/21/2021	DIR01	DIRECT DEPOSIT VENDOR- US	39,279.28	C11221	Direct Deposit
17920	12/21/2021	EMP01	Employment Development	1,762.75	C11221	STATE INCOME TAX
				782.95	1C11221	SDI
			Check Total:	<u>2,545.70</u>		
17921	12/21/2021	HEA01	HEALTHEQUITY, ATTN: CLINT	175.00	C11221	HSA
17922	12/21/2021	HUM29	UMPQUA BANK--PAYROLL DEP.	6,023.99	C11221	FEDERAL INCOME TAX
				8,709.18	1C11221	FICA
				2,068.22	2C11221	MEDICARE
			Check Total:	<u>16,801.39</u>		
			Total Disbursements, Payroll:	<u><u>232,529.80</u></u>		
			Total Check Disbursements:	<u><u>623,503.73</u></u>		

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McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: D.4 **Reaffirm Resolution 2021-27 Making Findings Pursuant to Government Code Section 5493, as Amended by Assembly Bill 361, and Authorizing the continued Use of Virtual Meetings**

PRESENTED BY: **April Sousa, Board Secretary**

TYPE OF ACTION: **Roll Call Vote – Consent Calendar**

Recommendation:

Staff recommends that the Board review the provided material and reaffirm Resolution 2021-27 (**Attachment 1**), authorizing the continued use of virtual meetings.

Discussion:

At the beginning of the pandemic, Governor Newsom issued Executive Orders N-08-21, N-25-20, and N-29-20, which allowed for relaxed provisions of the Ralph M. Brown Act (Brown Act) that allowed legislative bodies to conduct meetings through teleconferencing without having to meet the strict compliance of the Brown Act.

The Governor slated these orders to sunset at the end of September 2021.

On September 17, 2021, Governor Newsom signed into law Assembly Bill 361, which amends the Government Code to provide relief from strict teleconferencing provisions of the Brown Act under certain circumstances. In order to continue in this matter, the legislative body would need to make certain findings that would require the need for the legislative body to conduct meetings in this matter. These findings would include any sort of proclaimed state of emergency.

A state of emergency was proclaimed by the Governor on March 4, 2020, which remains in effect today. Additionally, the Humboldt County Health Officer has imposed recommendations to continue to promote social distancing in his August 6, 2021 order, as well as other prior orders and guidance.

As this state of emergency continues to directly impact the ability for some members of the public to meet in person as well as, at times, members of the Board of Directors to safely meet in person, the continuance of public meetings via teleconference is advisable.

The Board of Directors previously discussed continuing with a teleconference option for all board meetings at the August 2021 Board meeting. With the passing of Resolution 2021-27, any Board member that finds themselves unable to attend in person due to a sudden COVID matter will be able to continue to meet as a member of the Board via a teleconference option without the strict teleconferencing provisions, which includes disclosing the location of each Board Director who is meeting virtually.

Resolution 2021-27 was originally approved on October 6, 2021.

It is recommended by legal counsel that this resolution be reaffirmed in 30 days, and every 30 days after, until such time it is no longer needed.

Alternatives:

Staff analysis consists of the following potential alternative:

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Resolution 2021-27

RESOLUTION NO 2021-27

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT MAKING FINDINGS PURSUANT TO GOVERNMENT CODE SECTION 54953, AS AMENDED BY ASSEMBLY BILL 361, AND AUTHORIZING THE CONTINUED USE OF VIRTUAL MEETINGS

WHEREAS, as a result of the COVID-19 pandemic, the Governor issued Executive Order Nos. N-08-21, N-25-20 and N-29-20, which suspended certain provisions of the Ralph M. Brown Act to allow legislative bodies to conduct public meetings without strict compliance with the teleconferencing provisions of the Brown Act; and

WHEREAS, Assembly Bill 361, which was signed into law on September 17, 2021, amended Government Code section 54953, to provide relief from the teleconferencing provisions of the Brown Act under certain circumstances provided the legislative body makes certain findings; and

WHEREAS, as a result of the COVID-19 pandemic, the Governor proclaimed a state of emergency on March 4, 2020, in accordance with the section 8625 of the California Emergency Services Act, and the state of emergency remains in effect; and

WHEREAS, as a result of the COVID-19 pandemic, the Humboldt County Health Officer has imposed and has recommended measures to promote social distancing as more particularly set forth in his August 6, 2021, Order, among other prior orders and guidance; and

NOW, THEREFORE, the Board of Directors of the McKinleyville Community Services District does hereby find and resolve as follows:

1. That the Board has reconsidered the circumstances of the previously declared and existing state of emergency arising from the COVID-19 pandemic; and
2. That the state of emergency continues to directly impact the ability of the members of the Board to meet safely in person, and further that local officials continue to impose or recommend measures to promote social distancing; and
3. That the Board may continue to conduct public meetings in accordance with Government Code section 54953(e); and
4. That the Board will reconsider the above findings within 30-days of this Resolution.

PASSED AND ADOPTED on the 6th day of October 2021 by the following vote:

AYES: Binder, Clark-Peterson, Couch, Orsini, and Mayo
 NAYS: None
 ABSENT: None
 ABSTAIN: None



 Dennis Mayo, Board President

Attest: 

 April Sousa, MMC, Board Secretary

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February 28, 2022. The Third Amendment to the Lease is included as **Attachment 4** and extends the lease out through February 28, 2023. The Amendment also details the lease amount annual adjustment based on the Consumer Price Index (CPI). All other terms and conditions of the lease remain unchanged from the previous lease, including the provisions that the Sheriff will continue to provide Sheriff Work Alternative Program (SWAP) workers on a weekly basis to perform work at any district, park, facility or open space maintenance zone owned by the MCSD.

Alternatives:

Take No Action

Fiscal Analysis:

The extension of the leases with the Library and Sheriff has no additional fiscal impacts except for a minor increase in monthly income from \$188.55/month to \$201.60/month for the Sheriff's facility.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Current Library Lease and Previous Amendments
- Attachment 2 – Second Amendment to Library Lease
- Attachment 3 – Original Lease and Previous Amendments for Law Enforcement Facility
- Attachment 4 – Third Amendment to LEF Lease

RECEIVED

JUN 20 2016

McK. C.S.D.



COUNTY OF HUMBOLDT
PUBLIC WORKS

Real Property Division
1106 Second Street
Eureka, CA 95501-0579

Thomas K. Mattson, Director
Ronda Kime
Senior Real Property Agent
(707) 268-2667 (707) 445-7409 fax

June 16, 2016

McKinleyville Community Services District
General Manager
P.O. Box 2037
McKinleyville, CA 95519

Re: Lease, 1606 Pickett Road, McKinleyville, CA

Dear Mr. Orsini:

Enclosed is the executed lease with the County of Humboldt for the property located at 1606 Pickett Road, McKinleyville, CA. Should you have any questions or concerns in the future regarding this lease, please feel free to contact me.

Thank you for your continued support and cooperation with the County of Humboldt.

Sincerely,

RONDA KIME
Senior Real Property Agent

LEASE

FILE

Effective this 6th of April 2016, the MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), herein called "Lessor," hereby leases to COUNTY OF HUMBOLDT, herein called "Lessee," the Premises located at 1606 Pickett Road, as described herein, on the following terms and conditions:

ARTICLE 1. LEASED PREMISES

- 1.1 Description of Premises. The leased premises (herein "Premises"), is located in McKinleyville, County of Humboldt, State of California, and constitutes the Library site described on Exhibits A & B, attached hereto, and includes that real property and all improvements thereon. Attached, as Exhibit C is a diagram of the Conference Room (the "Conference Room").

ARTICLE 2. PARKING AREA USE

- 2.1 Non-Exclusive Parking Rights. Lessee shall have the non-exclusive right to use, consistent with the defined use of the Premises, the parking area(s), (herein called "Parking Area") described as Library site on Exhibit B, attached hereto.

ARTICLE 3. TERM OF LEASE

- 3.1 Term. This Lease shall be for a term of five (5) years commencing upon approval of both the Board of Directors of Lessor and the Board of Supervisors for Lessee ("Commencement Date"), and ending at midnight on May 31, 2021, ("Termination Date"). This Lease completely replaces and supersedes the current existing lease agreement dated March 16, 2011, in its entirety.
- 3.2 Hold Over. Should Lessee hold over and continue in possession of said Premises after expiration of the term of this Lease, Lessee's continued occupancy of said Premises shall be considered a month-to-month tenancy subject to all terms and conditions of this Lease.

ARTICLE 4. CONSIDERATION

- 4.1 Consideration. In consideration for use of said Premises Lessee shall provide library services to the public. This Lease is contingent upon Lessee obtaining and maintaining funding. In the event Lessee does not receive sufficient funding to operate the library, Lessee may terminate this Lease upon provision of ninety (90) days written notice to Lessor. Lessee's failure to remain open to the public, for a

continuous period of sixty (60) days, shall be deemed an event of default under this Lease.

ARTICLE 5. USE OF PREMISES

- 5.1 Use. Said Premises shall, during the term of this Lease and any extensions thereof, be used to provide public library services to area residents and for no other purpose without the prior written permission from Lessor, which can be freely withheld in Lessor's discretion. Lessee shall be responsible for staffing the library, providing furniture, office equipment and materials, which shall all remain Lessee property. Ownership of all donated furniture, equipment, fixtures and other personal property shall, at all times, remain vested in the party to whom the donation was made (be it Lessor or Lessee) as designated by the donor.

Lessee shall determine the size of the collection and the hours of services offered in said Library at the Premises. The McKinleyville Library shall be treated in the same manner as the other County Library branches, receiving an equitable share of the County library resources based upon population served, resources available, and local demand for service.

Lessee is responsible to comply with all applicable permit requirements. Conditional use of the Conference Room is further described in Exhibit D.

- 5.2 Waste or Nuisance. Lessee shall not commit or permit the commission by others of any waste on said Premises; Lessee shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined in Section 3479 of the California Civil Code on said Premises; and Lessee shall not use or permit the use of said Premises for any unlawful purpose.
- 5.3 Compliance With Law. Lessee shall comply with all statutes, ordinances, regulations, and requirements of all governmental entities, federal, state, county or municipal, relating to Lessee's use and occupancy of said Premises whether such statutes, ordinances, regulations, and requirements be now in force or hereinafter enacted. Lessee's obligations shall include, without limitation, all alterations and modifications of the Premises required to enable Lessee to continue its use thereof for the purposes provided in the Lease. Costs and expenses necessary for such compliance shall be the responsibility of Lessee except for necessary costs or expenses incurred in major alteration or modification of the primary structure of the Premises' building, including ADA compliance issues, foundation, walls, flooring, HVAC system, plumbing, roof, landscaping, and parking lot, which shall be the responsibility of Lessor, and Lessor shall be fully responsible for making alterations and modifications to the Premises which may be required as a result of changes in the law.

ARTICLE 6. UTILITIES

- 6.1 Payment of Utility Charges. Lessee shall pay, and hold Lessor and the property of Lessor free and harmless from all charges for the furnishing of gas, water, electricity, telephone service, internet, and/or other public utilities to said Premises, and for the removal and disposal of garbage and rubbish from said Premises during the term of this Lease or any extension thereof.

ARTICLE 7. ALTERATIONS AND REPAIRS

- 7.1 Condition of Premises at Commencement; Notice to Lessor. Lessee's taking possession of the Premises shall be conclusive evidence as against the Lessee that the Premises was in good order and satisfactory condition when the Lessee took possession. At all times during the term of this Lease or any extension thereof, Lessee agrees to give Lessor prompt notice of any defective condition in or about the Premises.
- 7.2 Maintenance by Lessor. Lessor shall, at its own cost and expense, maintain in good condition and repair the major structural elements of the Premises which are defined to constitute the foundation, walls, windows, flooring, plumbing, HVAC system, roof, landscaping, and parking lot; provided, however, that Lessee shall pay the cost and expense of any structural repairs required because of the negligence or other fault of Lessee or its employees, agents or sublessee (if any sublessee is later permitted pursuant to the terms of this Lease). Lessor shall be responsible for providing limited janitorial services for the Premises not to exceed four (4) hours per week.
- 7.3 Maintenance by Lessee. Except as otherwise expressly provided in Section 7.2 of this Lease, Lessee shall at its own cost and expense keep and maintain all portions of said Premises as well as improvements of said Premises and all facilities appurtenant to said Premises in good order and repair and in as safe and clean a condition as they were when received by Lessee from Lessor, normal wear and tear excepted.
- 7.4 Alterations and Liens. Lessee shall not make or permit any other person to make any alterations to said Premises or to any improvement thereon or facility appurtenant thereto without first obtaining prior written consent of Lessor. Lessee shall keep the Premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations conducted on said Premises at the instance or request of Lessee. Furthermore, any and all alterations, additions, improvements and fixtures, except furniture and trade fixtures, made or placed in or on said Premises by Lessee or any other person shall on expiration or sooner termination of this Lease become the property of the Lessor and remain in said Premises; provided, however, that Lessor shall have the option on

expiration or sooner termination of this Lease of requiring Lessee, at Lessee's sole cost and expense, to remove any or all such alterations, additions, improvements or fixtures from said Premises.

- 7.5 Inspection by Lessor. Lessee shall permit Lessor or Lessor's agents, representatives, or employees to enter said Premises at all reasonable times which do not interfere with the Lessee's operation of a library, for the purpose of inspecting said Premises, to determine whether Lessee is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect Lessor's interest in said Premises under this Lease or to perform Lessor's duties under this Lease.
- 7.6 Surrender of Premises. On expiration or sooner termination of this Lease, or any extensions or renewals of this Lease, Lessee shall promptly surrender and deliver said Premises to Lessor in as good condition as they were at the commencement of this Lease, reasonable wear and tear and repairs herein required to be made by Lessor excepted.

ARTICLE 8. HOLD HARMLESS/INDEMNIFICATION

- 8.1 Lessor's Hold Harmless/Indemnification. Lessor shall indemnify, defend and hold harmless Lessee and Lessee's officers, officials, employees, and volunteers, from any and all claims, demands, losses, damages, and liabilities of any kind or nature, including attorneys' fees, arising out of the negligent or willful acts of misconduct or omissions of Lessor (either directly or through or by Lessor's officers, agents or employees) in connection with Lessor's duties and obligations under this Lease and any amendments hereto, except such loss or damage which was caused by the negligence or willful misconduct of the Lessee (either directly or through or by Lessee's officers, agents or employees).
- 8.2 Lessee's Hold Harmless/Indemnification. Lessee shall indemnify, defend and hold harmless Lessor and Lessor's officers, officials, employees, and volunteers, from any and all claims, demands, losses, damages, and liabilities of any kind or nature, including attorneys' fees, arising out of the negligent or willful acts of misconduct or omissions of Lessee (either directly or through or by Lessee's officers, agents or employees) in connection with Lessee's duties and obligations under this Lease and any amendments hereto, except such loss or damage which was caused by the negligence or willful misconduct of the Lessor (either directly or through or by Lessee's officers, agents or employees).
- 8.3 Acceptance of insurance, if required by this Lease, does not relieve Lessor or Lessee from liability under this indemnification clause. This indemnification clause shall apply to all damages or claims for damages suffered by the parties' operations regardless if any insurance is applicable or not.

ARTICLE 9. LESSOR'S INSURANCE

- 9.1 Lessor's Insurance. This Lease shall not be executed by Lessee unless certificates of insurances, or other sufficient proof that the following provisions have been complied with, and such certificate(s) are filed with the Clerk of the Humboldt County Board of Supervisors.
- 9.1.1 Without limiting Lessor's indemnification provided for herein, during the course of rendering any repairs to the Premises Lessor shall and shall require any of its subcontractors to take out and maintain, throughout the period of this Lease and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in California and with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of Lessor, its agents, officers, directors, employees, licensees, invitees, assignees or subcontractors.
- 9.1.2 Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$1,000,000 for any one incident, including personal injury, death and property damage. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be twice the required occurrence limit.
- 9.1.3 Lessor is responsible for providing "All-Risk" Property Insurance for this location.
- 9.1.4 If required by California law, and in accordance with the statutory limits set forth therein. Said policy shall contain or be endorsed to contain a waiver of subrogation against Lessee, its officers, agents, and employees.

ARTICLE 10. LESSEE'S INSURANCE

- 10.1 Lessee's Insurance. Without limiting Lessee's indemnification provided herein, Lessee shall and shall require any of its subcontractors to take out and maintain, throughout the period of this Lease and any extended term thereof, the following policies of insurance placed with insurers authorized to do business in California and with a current A.M. Bests rating of no less than A:VII or its equivalent against injury/death to persons or damage to property which may arise from or in connection with the activities hereunder of Lessee, its agents, officers, directors, employees, licensees, invitees, assignees or subcontractors.

- 10.1.1 Comprehensive or Commercial General Liability Insurance at least as broad as Insurance Services Office Commercial General Liability coverage (occurrence form CG 0001), in an amount of \$1,000,000 per occurrence for any one incident, including personal injury, death and property damage. If a general aggregate limit is used, either the general aggregate limit shall apply separately to this project or the general aggregate shall be twice the required occurrence limit.
- 10.1.2 Lessee is responsible for providing an "All-Risk" Property Insurance for the contents of the property at this location.
- 10.1.3 Lessee certifies that Lessee is aware of the provisions of Section 3700 of the California Labor Code and Lessee will comply with such provisions in connection with any work performed on the premises. Any persons providing services with or on behalf of Lessee shall be covered by workers' compensation (or qualified self-insurance).

ARTICLE 11. SPECIAL INSURANCE REQUIREMENTS

Said policies shall unless otherwise specified herein be endorsed with the following provisions:

11.1 Lessor

- 11.1.1 The Comprehensive General Liability Policy shall provide that the Lessee, its officers, officials, employees, and volunteers are covered as additional insured for liability arising out of the operations performed by or on behalf of Lessee. The coverage shall contain no special limitations on the scope of protection afforded to the Lessee, its officers, officials, employees, and volunteers. Said policy shall also contain a provision stating that such coverage:
 - a. Includes contractual liability
 - b. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to "XCU Hazards".
 - c. Is primary insurance as regards to County of Humboldt.
 - d. Does not contain a pro-rata, excess only, and /or escape clause.
 - e. Contains a cross liability, severability of interest or separation of insured's clause.
 - f. Shall not be canceled, non-renewed or materially reduced in coverage without thirty (30) days prior written notice being provided to Lessee and in accordance with the Notice provisions set forth under Section 15.3. It is further understood that Lessor shall not terminate such coverage until it provides Lessee with proof satisfactory to Lessee that equal or better insurance has been secured and is in place.

g. Is primary coverage to Lessee, and insurance or self-insurance programs maintained by Lessee are excess to Lessor's insurance and will not be called upon to contribute with it.

11.1.2 Lessor shall furnish Lessee with certificates and original endorsements affecting the required coverage prior to execution of this Lease by the Lessee's Risk Manager or County Counsel. Any deductible or self-insured retention over \$100,000 shall be disclosed to and approved by Lessee. If Lessor does not keep all required policies in full force and effect, Lessee may, in addition to other remedies under this Lease, take out the necessary insurance, and Lessor agrees to pay the cost of said insurance. Lessee is also hereby authorized with the discretion to deduct the cost thereof from the monies owed to Lessor under this Lease.

11.1.3 Lessee is to be notified immediately if twenty-five (25%) or more of any required insurance aggregate limit is encumbered and Lessor shall be required to purchase additional coverage to meet the aggregate limits set forth above.

11.2 Lessee

11.2.1 The Comprehensive General Liability Policy shall provide that the Lessor, its officers, officials, employees, and volunteers are covered as additional insured for liability arising out of the operations performed by or on behalf of Lessee. The coverage shall contain no special limitations on the scope of protection afforded to the Lessor, its officers, officials, employees, and volunteers. Said policy shall also contain a provision stating that such coverage:

- a. Includes contractual liability
- b. Does not contain exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to "XCU Hazards".
- c. Contains a cross liability, severability of interest or separation of insured's clause.
- d. The policies shall not be canceled, non-renewed or materially reduced in coverage without thirty (30) days prior written notice being provided to Lessor and in accordance with the Notice provisions set forth under Section 15.3. It is further understood that Lessee shall not terminate such coverage until it provides Lessor with proof satisfactory to Lessor that equal or better insurance has been secured and is in place.
- e. Lessee shall furnish Lessor with certificates and original endorsements affecting the required coverage of this Lease by Lessor.

11.3 Lessee and Lessor

11.3.1 The Lessee and Lessor agree that insurance carried or required to be carried by either of them against loss or damage to property by fire, flood,

earthquake, acts of terrorism, acts of war or other casualty shall contain a clause whereby the insurer waives its right to subrogation against the other party, its elected officials, directors, employees, volunteers, and agents and each party shall indemnify the other against any loss or expense, including reasonable attorneys' fees resulting from the failure to obtain such waiver.

11.3.2 The inclusion of more than one insured shall not operate to impair the rights of one insured against another insured, and the coverage afforded shall apply as though separate policies had been issued to each insured, but the inclusion of more than one insured shall not operate to increase the limits of the insurer's liability.

11.3.3 Any failure to comply with reporting or other provisions of the Parties, including breach of warranties, shall not affect coverage provided to Lessor, Lessee, their officers, officials, employees, and volunteers.

ARTICLE 12. SIGNS AND TRADE FIXTURES

- 12.1 Installation and Removal of Trade Fixtures. Lessee shall have the right at any time and from time to time during the term of this Lease and any renewal or extension of such term, at Lessee's sole cost and expense, to install and affix in, to, or on said Premises such items, herein called "trade fixtures" for use by Lessee as Lessee may, in its sole discretion, deem advisable. Any and all such trade fixtures that may cause structural damage upon removal must be approved by Lessor prior to installation. Any and all trade fixtures that cannot be removed without structural damage to said Premises or any building or improvements on said Premises shall, subject to Section 12.2 of this Lease, remain the property of Lessor and may not be removed by Lessee at any time or times prior to the expiration or sooner termination of this Lease.
- 12.2 Un-removed Trade Fixtures. Any trade fixtures described in this Article that are not removed from said Premises by Lessee within thirty (30) days after the expiration or sooner termination, regardless of cause, of this Lease shall be deemed abandoned by Lessee and shall automatically become the property of Lessor as owner of the real property to which they are affixed.
- 12.3 Signs. Lessee may not install, or permit any other person to install, any sign, awning, canopy, marquee, or other advertising on any exterior wall, door, or window of the Premises without Lessor's (General Manager) prior written consent. On the expiration or sooner termination of this Lease, or any extension thereof, Lessor may remove and destroy any items which were permitted to be installed according to the terms of this section unless removed as set forth in Section 12.1.

ARTICLE 13. DESTRUCTION AND CONDEMNATION

- 13.1 Partial Destruction. If, during the term of this Lease or any renewals or extensions thereof, the Premises are totally or partially destroyed from any cause, rendering the Premises totally or partially inaccessible or unusable, Lessor shall, as conditioned herein, restore the Premises to substantially the same condition as they were in immediately before destruction if the restoration can be made under the existing laws and can be completed within two (2) years after the date of the destruction, except that Lessor shall have no obligation to restore any improvements upon the Premises unless such restoration can be accomplished with the use of insurance proceeds or other funding, not involving use of Lessor's funds or other assets. Such destruction shall not terminate this Lease. If the restoration cannot be made in the time stated in this section, then within fifteen (15) days after the parties determine that the restoration cannot be made in the time stated in this paragraph, either party can terminate this Lease immediately by giving written notice to the other party. If either party fails to terminate this Lease and if restoration is permitted under the existing laws, including any laws limiting use of Lessor's funds to restore the Premises, Lessor shall restore the Premises within a reasonable time and this Lease shall continue in full force and effect as provided herein. If the existing laws do not permit the restoration, either party can terminate this Lease immediately by giving notice to the other party.
- 13.2 Insurance Proceeds. Any insurance proceeds received by Lessor because of the total or partial destruction of said Premises or the building on said Premises shall be utilized by Lessor or Lessee, as the case may be, to restore the Premises.
- 13.3 Lessor's Restoration. Should Lessor be required under Section 13.1 of this Lease to repair and restore said Premises to their former condition following partial or full destruction of said Premises:
- 13.1.1 Lessee shall not be entitled to any damages for any loss or inconvenience sustained by Lessee by reason of the making of such repairs and restoration; and
- 13.1.2 Lessor shall have full right to enter said Premises and take possession of so much of said Premises, including the whole of said Premises, as may be reasonably necessary to enable Lessor promptly and efficiently to carry out the work of repair and restoration.
- 13.4 Condemnation. Should, during the term of this Lease or any renewal or extension thereof, title and possession of all of said Premises be taken under the power of eminent domain by any public or quasi-public agency or entity, this Lease shall terminate as of the date actual physical possession of said Premises is taken by the agency or entity exercising the power of eminent domain and both Lessor and Lessee shall thereafter be released from all obligations. If a lesser portion of the Premises is taken, the Lease will terminate as to the part taken, except that if the

remaining portion is not reasonably suitable for Lessee's continuing use, then Lessee shall have the option to terminate the Lease in its entirety.

- 13.5 Condemnation Award. Should, during the term of this Lease or any renewal or extension thereof, title and possession of all or any portion of said Premises be taken under the power or eminent domain by any public or quasi-public agency or entity, the compensation or damages for the taking shall belong to and be the sole property of the Lessor, except that Lessee shall be entitled to that portion of the compensation which represents the value of Lessee's improvements or alterations made to the Premises by Lessee in accordance with this Lease, which improvements or alterations Lessee has the right to remove from the Premises, but elects not to remove.

ARTICLE 14. DEFAULT, ASSIGNMENT AND TERMINATION

- 14.1 Subleasing or Assigning as Breach. Lessee shall not encumber, assign, or otherwise transfer this Lease, any right or interest in this Lease, or any right or interest in said Premises or any of the improvements that may now or hereafter be constructed or installed on said Premises without the prior express written consent of Lessor, which may be withheld in Lessor's complete and absolute discretion. Neither shall Lessee sublet said Premises or any part thereof without the prior written consent of Lessor, which may be withheld in Lessor's complete and absolute discretion. A consent by Lessor to one assignment, one subletting, or occupation of said Premises by another person shall not constitute consent to any such action involving others. Any encumbrance, assignment, subletting, or transfer without the prior written consent of Lessor, whether it be voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of Lessor, terminate this Lease.
- 14.2 Default by Lessee. Should Lessee default in the performance of any of the covenants, conditions, or agreements contained in this Lease, then Lessee shall have breached the Lease and shall be in default unless such default is cured within ten (10) days of written notice from Lessor to Lessee. In the event of any default, not cured by Lessee within the time limits herein set forth, Lessor may, reenter and regain possession of said Premises in the manner provided by the laws of unlawful detainer of the State of California then in effect. In addition, Lessor may, in the event of default by Lessee, elect to exercise any of the remedies described in California Civil Code sections 1951.2 and 1951.4.
- 14.3 Cumulative Remedies. The remedies given to Lessor in this Article shall not be exclusive but shall be cumulative and in addition to all remedies now or hereafter allowed by law or elsewhere provided in this Lease.

- 14.4 Waiver of Breach. The waiver by Lessor of any breach by Lessee of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Lessee either of the same or another provision of this Lease.
- 14.5 Termination by Lessee. Lessee reserves the right to terminate this Lease without cause, upon provision of ninety (90) days written notice to Lessor.

ARTICLE 15. MISCELLANEOUS

- 15.1 Force majeure – Unavoidable Delays. Should the performance of any act required by this Lease to be performed by either Lessor or Lessee be prevented or delayed by reason of an act of God, strike, lockout, labor troubles, inability to secure materials, restrictive governmental laws or regulations, or any other cause except financial inability not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused.
- 15.2 Attorney's Fees. Should any litigation be commenced between the parties to this Lease concerning said Premises, this Lease or the rights and duties of either in relation thereto, the party, Lessor or Lessee, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted in the litigation, to a reasonable sum for attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.
- 15.3 Notice. Except as otherwise expressly provided by law, any and all notices or other communications required by this Lease or by law to be served on or given to either party hereto by the other party hereto shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom they are directed, or in lieu of such personal service, when deposited in the United States mail, first class postage prepaid, addressed as follows:

To Lessee:

County of Humboldt
Real Property Division
1106 Second Street
Eureka, CA 95501

To Lessor:

McKinleyville Community Services District
General Manager
P.O. Box 2037
McKinleyville, CA 95519

Insurance Notices:

County of Humboldt
Attn: Risk Manager
825 Fifth Street, Room 131
Eureka, CA 95501

Either party, Lessee, or Lessor, may change its address for the purpose of this section by giving written notice of such change to the other party in the manner provided in this section.

- 15.4 Binding On Successors. This Lease shall be binding on and shall inure to the benefit of the successors and assigns of the parties hereto, Lessor and Lessee, but nothing in this section contained shall be construed as a consent by Lessor to any assignment of this Lease or any interest therein by Lessee except as provided in Article 14 of this Lease.
- 15.5 Partial Invalidity. Should any provision of this Lease be held by a court of competent jurisdiction to be either invalid, void, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.
- 15.6 Sole and Only Agreement. This instrument constitutes the sole and only agreement between Lessor and Lessee respecting said Premises, the leasing of said Premises to Lessee, or the lease term herein specified, and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting said Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void.
- 15.7 Nuclear Free Contractor. Lessor certifies by its signature below that Lessor is not a Nuclear Weapons contractor, in that Lessor is not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components as defined by the Nuclear Free Humboldt County Ordinance. Lessor agrees to notify Lessee immediately if it becomes a nuclear weapons contractor, as defined above. Lessee may immediately terminate this Lease if it determines that the foregoing certification is false or if Lessor becomes a nuclear weapons contractor.
- 15.8 Smoking. Pursuant to Humboldt County Code Section No. 971-1 et seq., Lessee owned, leased or occupied premises are smoke free. Lessor shall comply with the ordinance.

- 15.9 Time of Essence. Time is expressly declared to be of the essence of this Lease.
- 15.10 Modification. This Lease may not be altered, changed, or amended except by an instrument in writing signed by Lessee and Lessor.
- 15.11 Lessor Not Officer, Employee, Or Agent of County. While engaged in carrying out and complying with the terms and conditions of this Lease, the relationship of the parties shall be that of independent contractor and neither party shall be considered to be an officer, employee, or agent of the other party.
- 15.12 Jurisdiction and Applicable Laws. This Lease shall be construed under the laws of the State of California. Any dispute arising hereunder or relating to this Lease shall be litigated in the State of California and venue shall lie in the County of Humboldt unless transferred by court order pursuant to Code of Civil Procedure §§ 394 and 395.

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Executed on April 6, 2016, at McKinleyville Humboldt County, California.

LESSOR: MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
George Wheeler
George Wheeler, President MCSD Board of Directors

INSURANCE CERTIFICATES REVIEWED AND APPROVED
BY Cott Frask
Finance Director

LESSEE: COUNTY OF HUMBOLDT

(SEAL)
ATTEST:
CLERK OF THE BOARD
BY Amy Stewart

APPROVED AS TO FORM:
COUNTY COUNSEL
BY N/A
DEPUTY

COUNTY OF HUMBOLDT

INSURANCE CERTIFICATES
REVIEWED AND APPROVED
BY K. K. Koggs
RISK MANAGER

BY Mark Lamb
CHAIRPERSON,
BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT
STATE OF CALIFORNIA

LEGAL DESCRIPTION

ALL THAT REAL PROPERTY SITUATED IN THE COUNTY OF HUMBOLDT, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

BEING A PORTION OF THE LANDS DEEDED TO THE COUNTY OF HUMBOLDT AS SHOWN ON THE RECORD OF SURVEY DATED AUGUST, 1992 AS RECORDED MARCH 30, 1993 IN BOOK 54 OF SURVEYS AT PAGE 2, HUMBOLDT COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 'A':

COMMENCING AT THE NORTHEAST CORNER OF SAID LANDS; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LANDS SOUTH 0°09'30" WEST 152.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID EAST LINE SOUTH 0°09'30" WEST 88.00 FEET; THENCE LEAVING SAID EAST LINE NORTH 89°50'30" WEST 68.00 FEET; THENCE NORTHERLY ALONG A LINE LYING WESTERLY OF, PARALLEL WITH AND 68.00 FEET DISTANT MEASURED AT RIGHT ANGLES FROM SAID EASTERLY LINE NORTH 00°09'30" EAST 88.00 FEET; THENCE SOUTH 89°50'30" EAST 68.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 5,984 SQUARE FEET OF LAND, MORE OR LESS

PARCEL 'B'

COMMENCING AT THE AFOREMENTIONED POINT OF BEGINNING OF SAID PARCEL 'A'; THENCE WESTERLY ALONG THE NORTH LINE OF SAID PARCEL 'A' NORTH 89°50'30" WEST 68.00 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE NORTHWEST CORNER OF SAID PARCEL 'A'; THENCE SOUTHERLY ALONG THE WEST LINE OF THE SAID PARCEL 'A' SOUTH 00°09'30" WEST 88.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 'A'; THENCE LEAVING SAID WEST LINE NORTH 89°50'30" WEST 150.82 FEET TO A POINT LYING ON THE WEST LINE OF SAID LANDS DEEDED TO THE COUNTY OF HUMBOLDT; THENCE NORTHERLY ALONG SAID WEST LINE THE FOLLOWING THREE (3) COURSES:

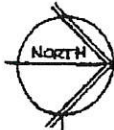
- 1) NORTH 11.63 FEET;
 - 2) THENCE NORTH 89°50'30" WEST 0.96 FEET;
 - 3) THENCE NORTH 00°33'20" WEST 76.35 FEET;
- THENCE LEAVING SAID WEST LINE SOUTH 89°50'30" EAST 152.77 FEET TO THE POINT OF BEGINNING

CONTAINING 13,386 SQUARE FEET OF LAND, MORE OR LESS.

LEGAL DESCRIPTION PREPARED BY:

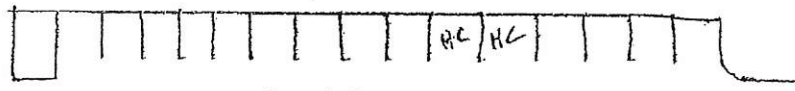
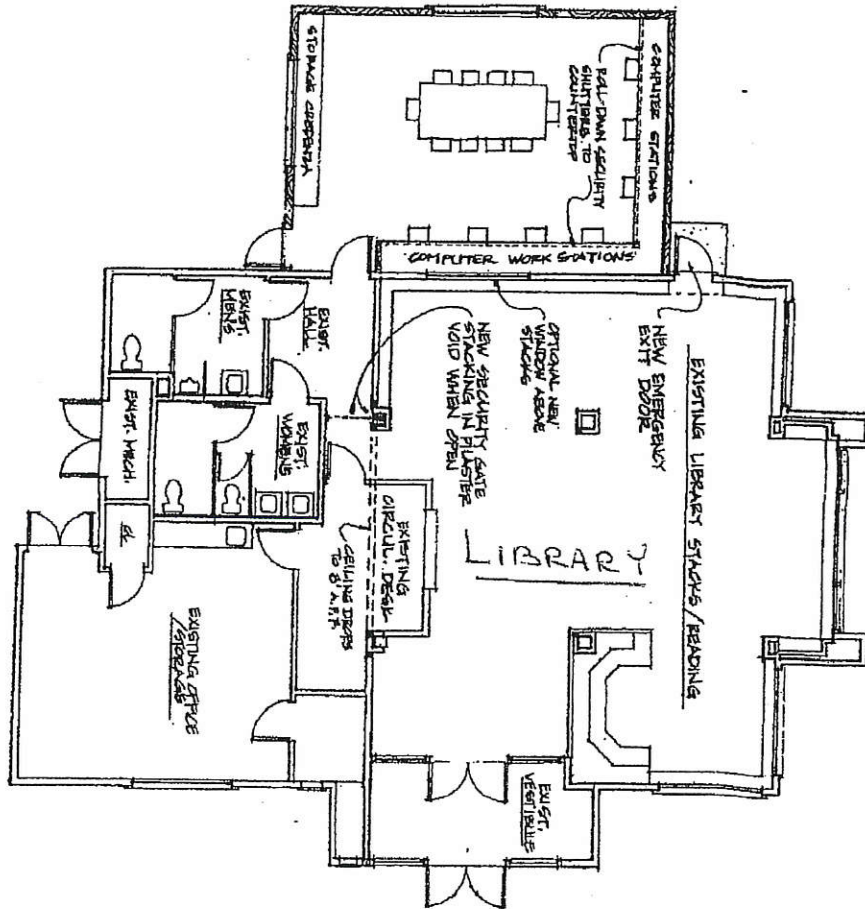
Philip A. Gutierrez Jr.
PHILIP A. GUTIERREZ JR.
L.S. 7245





SCALE: 1/8" = 1'-0"

FLOOR PLAN



Parking

720 square foot Conference Room
Computer stations, WiFi, conference table, projector & screen

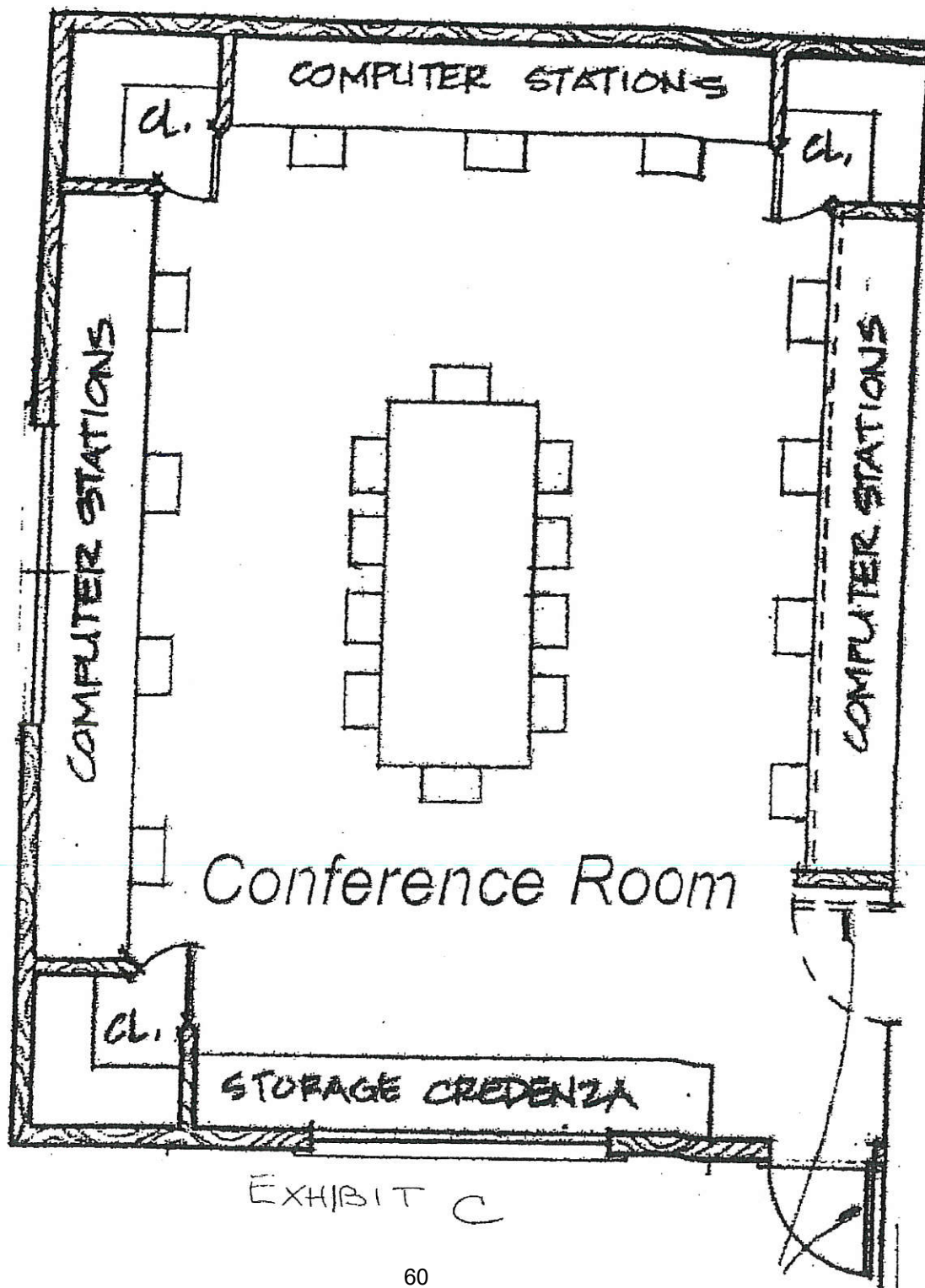


EXHIBIT C

EXHIBIT D

McKINLEYVILLE LIBRARY Schedule for Use of Conference Room

1. The Lessee shall have exclusive use of the Conference Room located in the McKinleyville Library as follows:

Regular Library Hours:

Mondays	No usage		
Tuesdays	12:00 noon	to	5:00 pm
Wednesdays	12:00 noon	to	8:00 pm
Thursdays	10:00 am	to	5:00 pm
Fridays	12:00 noon	to	5:00 pm
Saturdays	10:00 am	to	5:00 pm
Sundays	No usage		

2. Lessor shall have exclusive use during all other times outside of regular library business hours as described in #1 above.
3. Lessor shall be responsible for keeping a schedule in the District Office.
4. Lessee may reserve Conference Room outside of the allotted exclusive use hours as written in #1 above with the following conditions:
 - a. Lessee may not collect fees for use of Conference Room outside of regular business hours. Lessee must gain prior approval from Lessor and agrees to inform Lessor of scheduled or ongoing use so Lessor may include such events on the Conference Room Facility use calendar. However, if Lessor, a Lessor-approved vendor, special event, or recreation program require use of the Conference Room during those times, except times granted to Lessee in #1 above, such use shall have priority over use of the Conference Room. Lessor shall give a minimum of three days notice to Lessee. Furthermore, Lessee agrees to reschedule, move, or make alternative arrangements for any cancellation resulting from such use at no cost to Lessor.
5. Lessor may reserve Conference Room during regular library business hours as written in #1 above with the following conditions:
 - a. Lessor shall give a minimum of three (3) days notice to Lessee
 - b. Lessor's use of Conference Room shall not interfere with Lessee's use of the remainder of the leased premises.
6. Acknowledging that the participants in Lessee's programs are a viable and important part of the community, Lessor shall consider, respect, and adhere to Lessee's scheduled and ongoing use of the Conference Room when scheduling and planning activities for the community. Furthermore, Lessor agrees that all such scheduling of the Conference Room for Lessor's recreation programs shall result in consultation with the McKinleyville Library Branch Manager and District's Parks and Recreation Director.

FIRST AMENDMENT TO LEASE

This First Amendment to the Lease entered into on May 24, 2016, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter referred to as LESSEE, and MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), a special district of the County of Humboldt, State of California, hereinafter called LESSOR, is entered into this _____ day of _____, 2021.

WHEREAS, on May 24, 2016, the parties entered into a Lease for COUNTY use of the premises at 1606 Pickett Road, McKinleyville for the purpose as a public library; and

WHEREAS, LESSEE and LESSOR desire to extend the term of the Lease until May 31, 2022; and

WHEREAS, LESSEE and LESSOR desire to adjust the rent term for the extended term.

NOW, THEREFORE, it is mutually agreed as follows:

1. Section 3.1, Term, of this Lease shall be amended to read as follows:

This Lease shall be for a term of six (6) years commencing upon approval of both the Board of Directors of Lessor and the Board of Supervisors for Lessee ("Commencement Date") and ending at midnight on May 31, 2022 ("Termination Date"). This Lease completely replaces and supersedes the current existing lease agreement dated March 16, 2011, in its entirety.

2. Section 15.13, Counterparts, shall be added to read as follows:

This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement, and any amendments hereto, for all purposes.

3. In all other respects, the Lease between the parties entered into on May 24, 2016 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to the Lease dated May 24, 2016 on the date indicated above.

LESSEE: COUNTY OF HUMBOLDT

**LESSOR: MCKINLEYVILLE
COMMUNITY SERVICES DISTRICT**

BY: _____

FIRST AMENDMENT TO LEASE

NAME: _____

TITLE: CHAIR
BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT

(SEAL)

ATTEST: _____

NAME: RYAN SHARP

TITLE: DEPUTY CLERK OF THE
BOARD OF SUPERVISORS

BY: _____

NAME: Dennis Mayo

TITLE: Board President

BY: _____

NAME: _____

TITLE: _____

SECOND AMENDMENT TO LEASE

This Second Amendment to Lease is entered into on this 15th day of February 2022, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter referred to as LESSEE, and MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), a special district of the County of Humboldt, State of California, hereinafter called LESSOR,

WHEREAS, on April 6, 2016, the parties entered into a Lease for LESSEE's use of the premises at 1606 Pickett Road, McKinleyville as a public library; and

WHEREAS, on February 23, 2021, the parties entered into a First Amendment to Lease for LESSEE's continued use of the premises; and

WHEREAS, LESSEE and LESSOR desire to extend the term of the Lease for another year.

NOW, THEREFORE, it is mutually agreed as follows:

1. Section 3.1 Term, of this Lease shall be repealed and replaced to read as follows:

This Lease shall be for a term of seven (7) years commencing upon approval of both the Board of Directors of LESSOR and the Board of Supervisors for LESSEE ("Commencement Date") and ending at midnight on May 31, 2023 ("Termination Date").

2. In all other respects, the Lease between the parties entered into on April 6, 2016, and its First Amendment to the Lease entered into on February 23, 2021 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to Lease to be effective on the date indicated above.

{SIGNATURE PAGE FOLLOWS}

SECOND AMENDMENT TO LEASE

LESSEE: COUNTY OF HUMBOLDT

**LESSOR: MCKINLEYVILLE
COMMUNITY SERVICES DISTRICT**

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: CHAIR
BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT

TITLE: _____

(SEAL)

BY: _____

ATTEST: _____

NAME: _____

TITLE: DEPUTY CLERK OF THE
BOARD OF SUPERVISORS

TITLE: _____

List of Attachments

- Attachment No. 1 – Lease
- Attachment No. 2 – First Amendment to Lease
- Attachment No. 3 – Second Amendment to Lease

RECEIVED

FEB 23 2015

McK. C.S.D.



COUNTY OF HUMBOLDT
PUBLIC WORKS

Real Property Division
1106 Second Street
Eureka, CA 95501-0579

Thomas K. Mattson, Director
Ronda Kime
Senior Real Property Agent
(707) 268-2667 (707) 445-7409 fax

February 19, 2015

McKinleyville Community Services District
Attn: Jason Sehon
P.O. Box 2037
McKinleyville, CA 95519

Re: 1608 Pickett Road, Lease

Dear Jason:

Enclosed is the executed lease, in duplicate, with the County of Humboldt for the law enforcement facility at 1608 Pickett Road. Please have both originals signed and dated where designated on Page 16. Upon full execution, please return one original to me for County files.

If you have any questions, please contact me.

Sincerely,

RONDA KIME
Senior Real Property Agent

ORIGINAL

LEASE

Effective this 1st day of March 2015, the MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), herein called "Lessor," hereby leases to COUNTY OF HUMBOLDT, herein called "Lessee," the Premises located at 1608 Pickett Road, as described herein, on the following terms and conditions:

ARTICLE 1. LEASED PREMISES

Description of Premises. A description of the leased premises (herein "Premises"), located in the County of Humboldt, State of California, is described as Parcel B on Exhibit A, attached hereto, and includes that Parcel, and all improvements thereon.

ARTICLE 2. PARKING AREA USE

Non-Exclusive Parking Rights. Lessee shall have the non-exclusive right to use, consistent with the defined use of the Premises, the parking area(s), (herein called "Parking Area") described as Parcel A on Exhibit A, attached hereto.

ARTICLE 3. TERM OF LEASE

- 3.1 Term. This Lease shall be for a term of three (3) years commencing on March 1, 2015 ("Commencement Date"), and ending at midnight on February 28, 2018, ("Termination Date").
- 3.2 Renewal. At the conclusion of the term of this Lease or earlier if requested by either Lessor or Lessee, Lessor and Lessee agree to discuss and negotiate terms and conditions of a lease extension or renewal, without any express or implied obligations on the part of either to reach agreement on any such lease extension or renewal.

- 3.3 Hold Over. Should Lessee hold over and continue in possession of said Premises after expiration of the term of this Lease, Lessee's continued occupancy of said Premises shall be considered a month-to-month tenancy subject to all terms and conditions of this Lease except that Lessor may terminate Lessee's hold over tenancy upon 30 days written notice.

ARTICLE 4. RENT

- 4.1 Rent. Lessee shall pay rent to Lessor in the minimum sum of One Hundred Seventy-Three Dollars and Two Cents (\$173.02) per month throughout the term of this Lease. This amount is due and payable on the Tenth (10th) day of each month of occupancy. This monthly rent amount will be re-evaluated by Lessor and may be increased at Lessor's sole discretion annually, but in no event decreased, on February 1 of each year during the term of this Lease based on the percentage increase (if any) in the Consumer Price Index in an amount not to exceed 3% per year for all items (1982-84 =100), U.S. City Average, West Cities B-C, as published by the United States Department of Labor, Bureau of Labor Statistics (called "the index" in this Lease) for the prior calendar year. In calculating this percentage increase, the most current Index available on the date of commencement of the prior term and the most current Index available immediately preceding the date of annual adjustment during the extended term shall be used. In the event the Index is either unavailable, is no longer published, or is calculated on a significantly different basis following the date of this Lease, the most comprehensive official Index published which most closely approximates the rate of inflation shall be substituted in place of the Index. November shall be the base month for this adjustment. On adjustment of the rent in accordance with this section, LESSEE shall execute a letter stating the adjustment. In no event shall the rent be less than One Hundred Seventy Three Dollars and Two Cents (\$173.02) per month. Regardless of the CPI percentage change, the increase shall be no more than three percent (3%) annually.

4.2 Lessee shall provide a minimum of two (2) to a maximum of six (6) Sheriff's Work Alternative Program (SWAP) SWAP crew members to Lessor each week as participant levels allow. Each crew member shall work a minimum of six (6) hours for each day assigned. SWAP participants shall be assigned to Lessor and report to the Lessor's Supervisor on the day they are assigned. Lessor's staff shall maintain written records of each SWAP participant's work record and send copies of the records on a weekly basis to the Humboldt County Sheriff's Office, Custody Services Division, SWAP Supervisor, at 825 Fifth Street, Eureka CA 95501.

ARTICLE 5. USE OF PREMISES

5.1 Use. Said Premises shall, during the term of this Lease and any extensions thereof, be used as a law enforcement facility and for uses normally incident to such purposes, and for no other purpose. Said uses shall comply with all applicable zoning requirements and permit procedures.

5.2 Covenant of Continuing Use. Lessee shall not leave the Premises unoccupied or vacant, and must continuously occupy the Premises during the entire term of this Lease. Lessee shall actively conduct on the Premises the public services described herein. This provision shall not obligate the Lessee to provide 24-hour law enforcement service, but only to provide more or less day-to-day services continuously during the term of the Lease and any renewal or extension thereof, with specific hours of operation to be determined by the Lessee.

5.3 Waste or Nuisance. Lessee shall not commit or permit the commission by others of any waste on said Premises; Lessee shall not maintain, commit, or permit the maintenance or commission of any nuisance as defined in Section 3479 of the California Civil Code on said Premises; and Lessee shall not use or permit the use of said Premises for any unlawful purpose.

5.4 Compliance With Law. Lessee shall comply with all statutes, ordinances, regulations, and requirements of all governmental entities, federal, state, county or municipal, relating to Lessee's use and occupancy of said Premises whether such statutes, ordinances, regulations, and requirements be now in force or hereinafter enacted. Lessee's obligations shall include, without limitation, all alterations and modifications of the Premises required to enable Lessee to continue its use thereof for the purposes provided in the Lease. Costs and expenses necessary for such compliance shall be the responsibility of Lessee except for necessary costs or expenses incurred in major alteration or modification of the primary structure of the Premises' building, including the foundation, walls and roof, which shall be the responsibility of Lessor, and Lessor shall be fully responsible for making alterations and modifications to the Premises which may be required as a result of changes in the law.

ARTICLE 6. UTILITIES

Payment of Utility Charges. Lessee shall pay, and hold Lessor and the property of Lessor free and harmless from all charges for the furnishing of gas, water, electricity, telephone service, other public utilities to said Premises, and for the removal of garbage and rubbish from said Premises during the term of this Lease or any extension thereof.

ARTICLE 7. ALTERATIONS AND REPAIRS

7.1 Condition of Premises at Commencement; Notice to Lessor. Lessee's taking possession of the Premises shall be conclusive evidence as against the Lessee that the Premises was in good order and satisfactory condition when the Lessee took possession. At all times during the term of this Lease or any extension thereof, Lessee agrees to give Lessor prompt notice of any defective condition in or about the Premises.

- 7.2 Maintenance by Lessor. Lessor shall, at its own cost and expense, maintain in good condition and repair the major structural elements of the Premises which are defined to constitute the foundation, walls, and roof; provided, however, that Lessee shall pay the cost and expense of any structural repairs required because of the negligence or other fault of Lessee or its employees, agents or sublessee, if any. Lessor shall be responsible for providing limited janitorial services for the Premise not to exceed two (2) hours per week, with Lessee responsible for stripping and waxing the vinyl floors twice annually, and cleaning of carpets once annually.
- 7.3 Maintenance by Lessee. Except as otherwise expressly provided in Section 7.2 of this Lease, Lessee shall at its own cost and expense keep and maintain all portions of said Premises as well as improvements of said Premises and all facilities appurtenant to said Premises in good order and repair and in as safe and clean a condition as they were when received by Lessee from Lessor, normal wear and tear excepted.
- 7.4 Maintenance of Parking Area. Lessee and Lessor will share equally in the use of the Parking Area. Lessee and Lessor will therefore share equally in the cost of maintenance of the Parking Area. Each shall bear fifty percent (50%) of the costs to maintain the Parking Area in as good condition and repair as it was in at the commencement of the lease, except that Lessee and Lessor will be separately responsible for cost and expense of any repairs required because of the negligence, wear and tear or other fault, other than normal and proper use, of themselves or their employees, agents or sublessee(s), if any.
- 7.5 Alterations and Liens. Lessee shall not make or permit any other person to make any alterations to said Premises or to any improvement thereon or facility appurtenant thereto without the written consent of Lessor first had and obtained. Lessee shall keep the Premises free and clear from any and all liens, claims, and demands for work performed, materials furnished, or operations conducted on said Premises at the instance or request of Lessee. Furthermore,

any and all alterations, additions, improvements and fixtures, except furniture and trade fixtures, made or placed in or on said Premises by Lessee or any other person shall on expiration or sooner termination of this Lease become the property of the Lessor and remain in said Premises; provided, however, that Lessor shall have the option on expiration or sooner termination of this Lease of requiring Lessee, at Lessee's sole cost and expense, to remove any or all such alterations, additions, improvements or fixtures from said Premises.

7.6 Inspection by Lessor. Lessee shall permit Lessor or Lessor's agents, representatives, or employees to enter said Premises at all reasonable times which do not interfere with the Lessee's operation of a law enforcement facility, for the purpose of inspecting said Premises, to determine whether Lessee is complying with the terms of this Lease and for the purpose of doing other lawful acts that may be necessary to protect Lessor's interest in said Premises under this Lease or to perform Lessor's duties under this Lease.

7.7 Surrender of Premises. On expiration or sooner termination of this Lease, or any extensions or renewals of this Lease, Lessee shall promptly surrender and deliver said Premises to Lessor in as good condition as they were at the commencement of this Lease, reasonable wear and tear and repairs herein required to be made by Lessor excepted.

ARTICLE 8. INDEMNITY AND INSURANCE

8.1 Lessee Responsibility. Lessee agrees to defend, indemnify and hold Lessor and the property of Lessor, including said Premises, free and harmless from any and all claims, liability, loss, damage, or expenses resulting from Lessee's occupation and use of said Premises; specifically including, without limitation, any claim, liability, loss, or damage arising by reason of:

8.1.1 The Death or injury of any person or persons, including Lessee or any person who is an employee or agent of Lessee, or by reason of damage

to or destruction of any property, including property owned by Lessee or any person who is an employee or agent of Lessee, and caused or allegedly caused by either the condition of said Premises for which Lessee is responsible, or some act or omission of Lessee or of some agent, contractor, employee, servant, sublessee, or concessionaire of Lessee on said Premises;

8.1.2 Any work performed on said Premises or materials furnished to said Premises at the instance or request of Lessee or any agent or employee of Lessee; and

8.1.3 Lessee's failure to perform any of its obligations under this Lease.

8.2 Lessor Responsibility. Lessor agrees to defend, indemnify and hold Lessee and the property of Lessee, free and harmless from any and all claims, liability, loss, damage or expenses resulting from any condition of the Premises for which Lessor is responsible or due to any act or omission of Lessor, its agents, contractors, employees.

8.3 Liability Insurance. Lessor and Lessee shall each cause the other party to be added to the existing policies of liability insurance maintained by each party in the ordinary course of its governmental functions. Each party shall be added to the other's insurance coverage as additional insureds, and certificates evidencing the fact of such coverage shall be provided by each party to the other party prior to the Lease Commencement Date.

8.4 Lessee's Fire Insurance. In order that the business of Lessee may continue with as little interruption as possible, Lessee shall, during the full term of this Lease and any renewals or extensions thereof, maintain at Lessee's own cost and expense an insurance policy issued by a reputable company authorized to conduct insurance business in California insuring a minimum of 80% of replacement cost of all fixtures and equipment that are, at any time during the

term of this Lease or any renewal or extension thereof, in or on said Premises against damage or destruction by fire, theft, or the elements.

- 8.5 Premises' Fire Insurance. Lessor shall carry fire and extended coverage insurance, insuring the building and improvements upon the Premises. The insurance coverage will be in the amount of the full replacement value of the Premises. On said insurance coverage, Lessor and Lessee are to be jointly designated as loss payees, as their interests may appear, and the proceeds shall be utilized in accordance with the provisions of Article 10 of this Lease, as applicable.
- 8.6 Certificate of Insurance. Upon commencement of the Lease, Lessee agrees to deliver to Lessor a certificate of insurance, evidencing all insurance required to be maintained by Lessee under this Lease.
- 8.7 Waiver of Subrogation. The parties agree to release each other, and their respective authorized representatives, from any claims for damage to any person, the Premises or any improvements on the Premises, or Lessee's trade fixtures, equipment, merchandise, or personal property located on the Premises, caused by or resulting from risks insured against under any insurance policies carried by the parties pursuant to this Lease that are in force at the time of any such damage to the extent of the available insurance proceeds. Each party shall cause each insurance policy carried pursuant to this Lease by that party to be written to provide that the insurance company waives all right of recovery by way of subrogation against either party in connection with any damage covered by the policy.

ARTICLE 9. SIGNS AND TRADE FIXTURES

- 9.1 Installation and Removal of Trade Fixtures. Lessee shall have the right at any time and from time to time during the term of this Lease and any renewal or extension of such term, at Lessee's sole cost and expense, to install and affix

in, to, or on said Premises such items, herein called "trade fixtures" for use by Lessee as Lessee may, in its sole discretion, deem advisable. Any and all such trade fixtures that can not be removed without structural damage to said Premises or any building or improvements on said Premises shall, subject to Section 7.5 of this Lease, remain the property of Lessor and may not be removed by Lessee at any time or times prior to the expiration or sooner termination of this Lease.

9.2 Un-removed Trade Fixtures. Any trade fixtures described in this Article that are not removed from said Premises by Lessee within thirty (30) days after the expiration or sooner termination, regardless of cause, of this Lease shall be deemed abandoned by Lessee and shall automatically become the property of Lessor as owner of the real property to which they are affixed.

9.3 Signs. Lessee may not install, or permit any other person to install, any sign, awning, canopy, marquee, or other advertising on any exterior wall, door, or window of the Premises without Lessor's prior written consent. On the expiration or sooner termination of this Lease, or any extension thereof, Lessor may remove and destroy any items which were permitted to be installed according to the terms of this section unless removed as set forth in section 9.1.

ARTICLE 10. DESTRUCTION AND CONDEMNATION

10.1 Partial Destruction. If, during the term of this Lease or any renewals or extensions thereof, the Premises are totally or partially destroyed from any cause, rendering the Premises totally or partially inaccessible or unusable, Lessor shall, as conditioned herein, restore the Premises to substantially the same condition as they were in immediately before destruction if the restoration can be made under the existing laws and can be completed within one (1) year after the date of the destruction, except that Lessor shall have no obligation to restore any improvements upon the Premises unless such restoration can be accomplished with the use of insurance proceeds or other funding, not involving

use of Lessor's funds or other assets. Such destruction shall not terminate this Lease; however, Lessee shall not be responsible for Lease payments during the time the Premises is inaccessible or unusable if such impairment was not caused by the Lessee. If the restoration cannot be made in the time stated in this section, then within fifteen (15) days after the parties determine that the restoration cannot be made in the time stated in this paragraph, either party can terminate this Lease immediately by giving written notice to the other party. If either party fails to terminate this Lease and if restoration is permitted under the existing laws, including any laws limiting use of Lessor's funds to restore the Premises, Lessor shall restore the Premises within a reasonable time and this Lease shall continue in full force and effect as provided herein. If the existing laws do not permit the restoration, either party can terminate this Lease immediately by giving notice to the other party.

10.2 Insurance Proceeds. Any insurance proceeds received by Lessor because of the total or partial destruction of said Premises or the building on said Premises shall be utilized by Lessor or Lessee, as the case may be, to restore the Premises.

10.3 Lessor's Restoration. Should Lessor be required under Section 10.1 of this Lease to repair and restore said Premises to their former condition following partial or full destruction of said Premises:

10.3.1 Lessee shall not be entitled to any damages for any loss or inconvenience sustained by Lessee by reason of the making of such repairs and restoration; and

10.3.2 Lessor shall have full right to enter said Premises and take possession of so much of said Premises, including the whole of said Premises, as may be reasonably necessary to enable Lessor promptly and efficiently to carry out the work of repair and restoration.

10.4 Condemnation. Should, during the term of this Lease or any renewal or extension thereof, title and possession of all of said Premises be taken under the power of eminent domain by any public or quasi-public agency or entity, this Lease shall terminate as of the date actual physical possession of said Premises is taken by the agency or entity exercising the power of eminent domain and both Lessor and Lessee shall thereafter be released from all obligations. If a lesser portion of the Premises is taken, the Lease will terminate as to the part taken, except that if the remaining portion is not reasonably suitable for Lessee's continuing use, then Lessee shall have the option to terminate the Lease in its entirety.

10.5 Condemnation Award. Should, during the term of this Lease or any renewal or extension thereof, title and possession of all or any portion of said Premises be taken under the power or eminent domain by any public or quasi-public agency or entity, the compensation or damages for the taking shall belong to and be the sole property of the Lessor, except that Lessee shall be entitled to that portion of the compensation which represents the value of Lessee's improvements or alterations made to the Premises by Lessee in accordance with this Lease, which improvements or alterations Lessee has the right to remove from the Premises, but elects not to remove.

ARTICLE 11. DEFAULT, ASSIGNMENT AND TERMINATION

11.1 Subleasing or Assigning as Breach. Lessee shall not encumber, assign, or otherwise transfer this Lease, any right or interest in this Lease, or any right or interest in said Premises or any of the improvements that may now or hereafter be constructed or installed on said Premises without the express written consent of Lessor. Neither shall Lessee sublet said Premises or any part thereof without the prior written consent of Lessor. A consent by Lessor to one assignment, one subletting, or occupation of said Premises by another person shall not constitute consent to any such action involving others. Any encumbrance, assignment, subletting, or transfer without the prior written

consent of Lessor, whether it be voluntary or involuntary, by operation of law or otherwise, is void and shall, at the option of Lessor, terminate this Lease. The consent of Lessor to any assignment of Lessee's interest in this Lease or the subletting by Lessee of said Premises or parts of said Premises shall not be unreasonably withheld.

11.2 Default by Lessee. Lessee's failure to pay rent when due, if the failure continues for five (5) days after written notice of the failure from Lessor to Lessee, shall constitute a default. Should Lessee default in the performance of any of the covenants, conditions, or agreements contained in this Lease other than the obligation to pay rent, then Lessee shall have breached the Lease and shall be in default unless such default is cured within ten (10) days of written notice from Lessor to Lessee. In the event of any default, not cured by Lessee within the time limits herein set forth, Lessor may, reenter and regain possession of said Premises in the manner provided by the laws of unlawful detainer of the State of California then in effect. In addition, Lessor may, in the event of default by Lessee, elect to exercise any of the remedies described in California Civil Code sections 1951.2 and 1951.4.

11.3 Cumulative Remedies. The remedies given to Lessor in this Article shall not be exclusive but shall be cumulative and in addition to all remedies now or hereafter allowed by law or elsewhere provided in this Lease.

11.4 Waiver of Breach. The waiver by Lessor of any breach by Lessee of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent breach by Lessee either of the same or another provision of this Lease.

ARTICLE 12. MISCELLANEOUS

12.1 Force majeure – Unavoidable Delays. Should the performance of any act required by this Lease to be performed by either Lessor or Lessee be prevented or delayed by reason of an act of God, strike, lockout, labor troubles, inability to

secure materials, restrictive governmental laws or regulations, or any other cause except financial inability not the fault of the party required to perform the act, the time for performance of the act will be extended for a period equivalent to the period of delay and performance of the act during the period of delay will be excused; however, should Lessee not have the financial ability to fund the maintenance and/or operation of a law enforcement facility on the Premises, the Lease can be canceled in its entirety with not less than Ninety (90) days written notice from the Lessee.

12.2 Termination Without Cause. Either party may, without cause, terminate the Lease effective the first day of July of any year upon four (4) months written notice to the other party.

12.3 Attorney's Fees. Should any litigation be commenced between the parties to this Lease concerning said Premises, this Lease or the rights and duties of either in relation thereto, the party, Lessor or Lessee, prevailing in such litigation shall be entitled, in addition to such other relief as may be granted in the litigation, to a reasonable sum for attorney's fees in such litigation which shall be determined by the court in such litigation or in a separate action brought for that purpose.

12.4 Notice. Except as otherwise expressly provided by law, any and all notices or other communications required by this Lease or by law to be served on or given to either party hereto by the other party hereto shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom they are directed, or in lieu of such personal service, when deposited in the United States mail, first class postage prepaid, addressed as follows:

To Lessee:

County of Humboldt
Real Property Division
1106 Second Street
Eureka, CA 95501

To Lessor:

McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

Either party, Lessee, or Lessor, may change its address for the purpose of this section by giving written notice of such change to the other party in the manner provided in this section.

- 12.5 Binding On Successors. This Lease shall be binding on and shall inure to the benefit of the successors and assigns of the parties hereto, Lessor and Lessee, but nothing in this section contained shall be construed as a consent by Lessor to any assignment of this Lease or any interest therein by Lessee except as provided in Article 11 of this Lease.
- 12.6 Partial Invalidity. Should any provision of this Lease be held by a court of competent jurisdiction to be either invalid, void, or unenforceable, the remaining provisions of this Lease shall remain in full force and effect unimpaired by the holding.
- 12.7 Sole and Only Agreement. This instrument constitutes the sole and only agreement between Lessor and Lessee respecting said Premises, the leasing of said Premises to Lessee, or the lease term herein specified, and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting said Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void.
- 12.8 Nuclear Free Contractor. Lessor certifies by its signature below that Lessor is not a Nuclear Weapons contractor, in that Lessor is not knowingly or intentionally engaged in the research, development, production, or testing of nuclear warheads, nuclear weapons systems, or nuclear weapons components

as defined by the Nuclear Free Humboldt County Ordinance. Lessor agrees to notify Lessee immediately if it becomes a nuclear weapons contractor, as defined above. Lessee may immediately terminate this (Lease if it determines that the foregoing certification is false or if Lessor becomes a nuclear weapons contractor.

12.9 Smoking. Pursuant to Humboldt County Ordinance #1993, Lessee owned, leased or occupied premises are smoke free. Lessor shall comply with the ordinance.

12.10 Library License Agreement. This Lease does not affect or supersede the license agreement for the library previously entered into between the County of Humboldt and the McKinleyville Community Services District.

12.11 Time of Essence. Time is expressly declared to be of the essence of this Lease.

12.12 Modification. This Lease may not be altered, changed, or amended except by an instrument in writing signed by Lessee and Lessor.

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Executed on February 25, 2015, at McKinleyville, Humboldt County, California.

LESSOR: MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

John W. Corbett
John W. Corbett, President MCSD Board of Directors

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

Gregory Orsini
Gregory Orsini, General Manager

LESSEE: COUNTY OF HUMBOLDT

Estelle Pennell
Chairperson, Board of Supervisors
County of Humboldt, State of California

(SEAL)

Attest:

Clerk of the Board

By Gregory Orsini

Exhibit A

LEGAL DESCRIPTION

ALL THAT REAL PROPERTY SITUATED IN THE COUNTY OF HUMBOLDT, STATE OF CALIFORNIA DESCRIBED AS FOLLOWS:

BEING A PORTION OF THE LANDS DEEDED TO THE COUNTY OF HUMBOLDT AS SHOWN ON THE RECORD OF SURVEY DATED AUGUST, 1992 AS RECORDED MARCH 30, 1993 IN BOOK 54 OF SURVEYS AT PAGE 2, HUMBOLDT COUNTY RECORDS, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL 'A':

COMMENCING AT THE NORTHEAST CORNER OF SAID LANDS; THENCE SOUTHERLY ALONG THE EAST LINE OF SAID LANDS SOUTH 0°09'30" WEST 152.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG SAID EAST LINE SOUTH 0°09'30" WEST 88.00 FEET; THENCE LEAVING SAID EAST LINE NORTH 89°50'30" WEST 68.00 FEET; THENCE NORTHERLY ALONG A LINE LYING WESTERLY OF, PARALLEL WITH AND 68.00 FEET DISTANT MEASURED AT RIGHT ANGLES FROM SAID EASTERLY LINE NORTH 00°09'30" EAST 88.00 FEET; THENCE SOUTH 89°50'30" EAST 68.00 FEET TO THE POINT OF BEGINNING.

CONTAINING 5,984 SQUARE FEET OF LAND, MORE OR LESS

PARCEL 'B'

COMMENCING AT THE AFOREMENTIONED POINT OF BEGINNING OF SAID PARCEL 'A'; THENCE WESTERLY ALONG THE NORTH LINE OF SAID PARCEL 'A' NORTH 89°50'30" WEST 68.00 FEET TO THE POINT OF BEGINNING, SAID POINT BEING THE NORTHWEST CORNER OF SAID PARCEL 'A'; THENCE SOUTHERLY ALONG THE WEST LINE OF THE SAID PARCEL 'A' SOUTH 00°09'30" WEST 88.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 'A'; THENCE LEAVING SAID WEST LINE NORTH 89°50'30" WEST 150.82 FEET TO A POINT LYING ON THE WEST LINE OF SAID LANDS DEEDED TO THE COUNTY OF HUMBOLDT; THENCE NORTHERLY ALONG SAID WEST LINE THE FOLLOWING THREE (3) COURSES:

- 1) NORTH 11.65 FEET;
 - 2) THENCE NORTH 89°50'30" WEST 0.96 FEET;
 - 3) THENCE NORTH 00°33'20" WEST 76.35 FEET;
- THENCE LEAVING SAID WEST LINE SOUTH 89°50'30" EAST 152.77 FEET TO THE POINT OF BEGINNING

CONTAINING 13,386 SQUARE FEET OF LAND, MORE OR LESS.

LEGAL DESCRIPTION PREPARED BY:

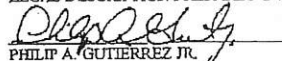
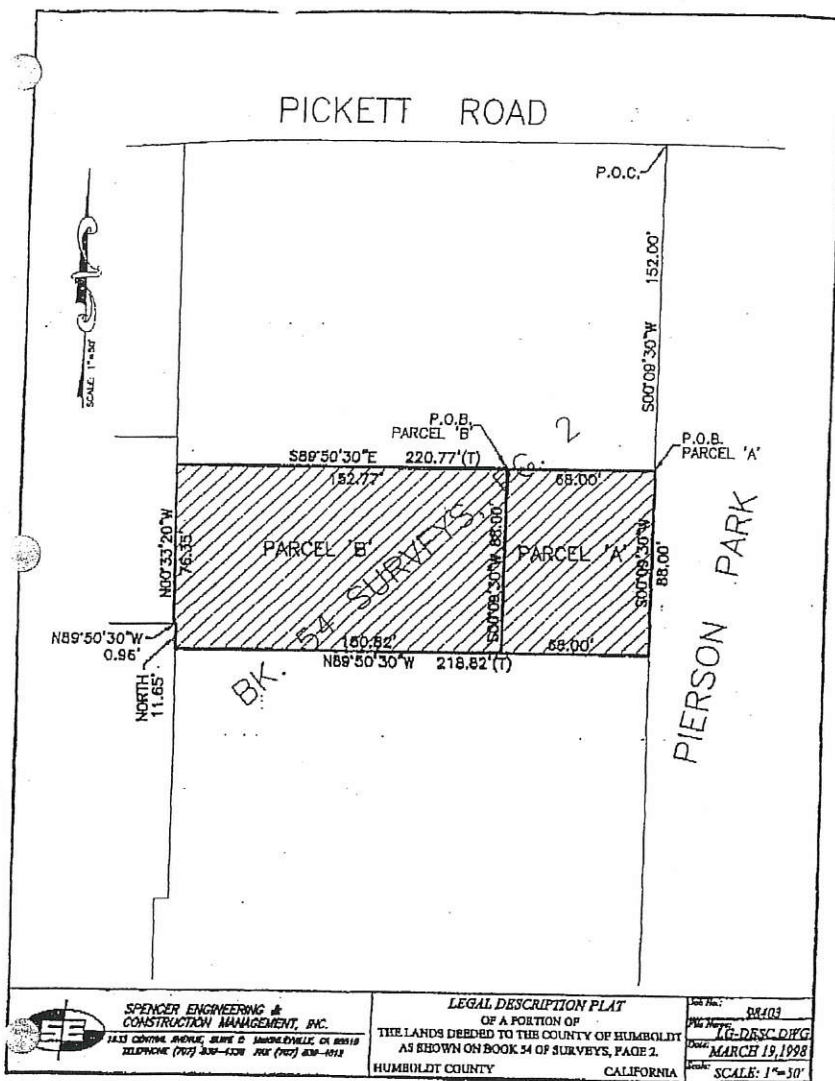

PHILIP A. GUTIERREZ JR.
L.S. 7245



EXHIBIT A C 133

Exhibit A



AMENDMENT TO LEASE

This First Amendment to the Lease entered into on February 25, 2015, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter called LESSEE, and MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), a special district of the County of Humboldt, State of California, hereinafter called LESSOR, is entered into this 7th day of February, 2018.

WHEREAS, the parties entered into a Lease for the use of the premises at 1608 Pickett Road, McKinleyville for the purpose a law enforcement facility; and

WHEREAS, LESSEE and LESSOR desire to extend the term of the Lease until February 28, 2021; and

WHEREAS, LESSEE and LESSOR desire to adjust the rent for the extended term to reflect adjustments based on the Consumer Price Index; and

WHEREAS, California Civil Code section 1938 requires commercial property owners to state on every lease executed on or after January 1, 2017, whether or not the subject premises have undergone inspection by a Certified Access Specialist (CASp), and the parties wish to comply with this requirement;

NOW, THEREFORE, it is mutually agreed as follows:

1. Section 3.1, Term, of this Lease shall be amended to read as follows:

This Lease shall be extended for a term of three (3) years commencing on March 1, 2018 "Commencement Date," and ending at midnight on February 28, 2021, ("Termination Date").

2. Section 4.1, Rent, of this Lease shall be amended to read as follows:

LESSEE shall pay rent to LESSOR in the minimum sum of One Hundred Eighty-One Dollars and Zero Cents (\$181.00) per month throughout the term of this Lease. This amount is due and payable on the Tenth (10th) day of each month of occupancy. This monthly rent amount will be re-evaluated by LESSOR and may be increased at LESSOR'S sole discretion annually, but in no event decreased, on February 1 of each year during the term of this Lease based on the percentage increase (if any) in the Consumer Price Index (CPI) for all items (1982-84 =100), U.S. City Average, West Cities B-C, as published by the United States Department of Labor, Bureau of Labor Statistics (called "the Index" in this Lease) for the prior calendar year. In calculating this percentage increase, the most current Index available on the date of commencement of the prior term and the most current Index available immediately preceding the date of annual adjustment during the extended term shall be used. In the event the Index is either unavailable, is no longer published, or is calculated on a significantly different basis following the date of this Lease, the most comprehensive official Index published which most closely approximates the rate of inflation shall be substituted in place of the Index. November shall be the base month for this adjustment. On adjustment of the rent in accordance with this section, LESSEE shall execute a letter stating the adjustment. In no event shall the rent be less than Hundred Eighty-One Dollars and Zero Cents (\$181.00) per month. Regardless of the CPI percentage change, the increase shall

AMENDMENT TO LEASE

be no more than three percent (3%) annually.

3. Section 12.13, Premises Inspection By Certified Access Specialist, shall be added to the Lease, to read as follows:

The premises have not undergone inspection by a Certified Access Specialist.

A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises.

4. In all other respects, the Lease between the parties entered into on February 25, 2015, shall remain in full force and effect.

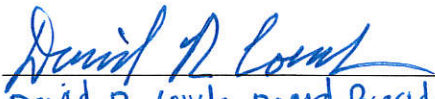
IN WITNESS WHEREOF, the parties hereto have executed this First Amendment to Lease dated February 25, 2015, on the date indicated above.

LESSEE: COUNTY OF HUMBOLDT

**LESSOR: MCKINLEYVILLE
COMMUNITY SERVICES DISTRICT**

BY: 

CHAIR, Ryan Sundberg
BOARD OF SUPERVISORS

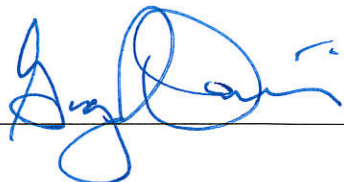
BY: 

David R. Couch, Board President


ATTEST:

TITLE: _____

(SEAL)

BY: 

TITLE: G.M.

BY: 

CLERK OF THE BOARD
Ryan Sharp, Deputy Clerk of the Board

SECOND AMENDMENT TO LEASE

This Second Amendment to the Lease entered into on March 1, 2015, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter referred to as LESSEE, and MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), a special district of the County of Humboldt, State of California, hereinafter called LESSOR, is entered into this _____ day of _____, 2021.

WHEREAS, on March 1, 2015, the parties entered into a Lease for COUNTY use of the premises at 1608 Pickett Road, McKinleyville for the purpose of a law enforcement facility; and

WHEREAS, on February 7, 2018, the parties entered into a First Amendment to Lease for LESSEE continued use of the premises; and

WHEREAS, LESSEE and LESSOR desire to extend the term of the Lease until February 28, 2022; and

WHEREAS, LESSEE and LESSOR desire to adjust the rent for the extended term.

NOW, THEREFORE, it is mutually agreed as follows:

1. Section 3.1, Term, of this Lease shall be amended to read as follows:

This Lease shall be for a term of seven (7) years commencing on March 1, 2015 ("Commencement Date") and ending at midnight on February 28, 2022 ("Termination Date").

2. Section 4.1, Rent, of this Lease shall be amended to read as follows:

LESSEE shall pay rent to the LESSOR in the amount of One Hundred Eighty-Eight Dollars and Fifty - Five Cents (\$188.55) per month throughout the term if this Lease. This amount is due and payable on the Tenth (10th) day of each month of occupancy. This amount is based on the Consumer Price Index (CPI) for all items (1982-84 = 100), U.S. City Average, West Cities B-C, as published by the United States Department of Labor, Bureau of Labor Statistics (called "the Index" in this Lease) for the prior calendar year. In calculating this percentage increase, the most current index available on the date of the commencement of the prior term and the most current Index available immediately receding the date of annual adjustment during the extended term shall be used. November shall be the base month for this adjustment. For clarity purposes, the rent is calculated as follows:

West-Size Class B/C, Nov. 2020, All Urban CPI = 161.069
West-Size Class B/C, Nov. 2018, All Urban CPI = 154.625
Difference = 161.069 - 154.625 = 6.444
% Difference = 6.444/154.625 x 100 = 4.17%

SECOND AMENDMENT TO LEASE

New Rent = \$181.00 (previous years rent) x 0.0417 + 181.00 = \$188.55 per month

3. Section 12.13, Counterparts, shall be added to read follows:

This Agreement, and any amendments hereto, may be executed in one (1) or more counterparts, each which shall be deemed to be an original and all of which, when taken together, shall be deemed to be one (1) and the same agreement. A signed copy of this Agreement, and any amendments hereto, transmitted by email or by other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original executed copy of this Agreement, and any amendments hereto, for all purposes.

4. In all other respects, the Lease between the parties entered into on February 25, 2015, and its First Amendment to the Lease entered into on February 7, 2018 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the Lease dated February 25, 2015 on the date indicated above.

LESSEE: COUNTY OF HUMBOLDT

**LESSOR: MCKINLEYVILLE
COMMUNITY SERVICES DISTRICT**

BY: _____

BY:  _____

NAME: _____

NAME: Dennis Mayo

TITLE: CHAIR
BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT

TITLE: Board President

(SEAL)

BY: _____

ATTEST: _____

NAME: _____

NAME: RYAN SHARP

TITLE: _____

TITLE: DEPUTY CLERK OF THE
BOARD OF SUPERVISORS

THIRD AMENDMENT TO LEASE

This Third Amendment to Lease is entered into on this 15th day of February 2022, by and between the COUNTY OF HUMBOLDT, a political subdivision of the State of California, hereinafter referred to as LESSEE, and MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (MCSD), a special district of the County of Humboldt, State of California, hereinafter called LESSOR,

WHEREAS, on February 25, 2015, the parties entered into a Lease for the premises located at 1608 Pickett Road, McKinleyville, County of Humboldt for the purpose of LESSEE operating a law enforcement facility; and

WHEREAS, on February 7, 2018, the parties entered into a First Amendment to Lease for LESSEE's continued use of the premises; and

WHEREAS, on February 23, 2021, the parties entered into a Second Amendment to Lease for LESSEE's further continued use of the premises; and

WHEREAS, LESSEE and LESSOR desire to again extend the term of the Lease; and

WHEREAS, LESSEE AND LESSOR desire to also adjust the rent for the extended term;

NOW, THEREFORE, it is mutually agreed as follows:

1. Section 3.1 Term, of this Lease shall be repealed and replaced to read as follows:

This Lease shall be for a term of seven (7) years commencing on March 1, 2015 ("Commencement Date") and ending at midnight on February 28, 2023 ("Termination Date").

2. Section 4.1 Rent, of this Lease shall be amended to read as follows:

LESSEE shall pay rent to the LESSOR in the amount of Two Hundred One Dollars and Sixty Cents (\$201.60) per month after approval of this third amendment for the remainder of this Lease. This amount is due and payable on the Tenth (10th) day of each month of occupancy. This amount is based on the Consumer Price Index (CPI) for all items (1982-84 = 100), U.S. City Average, West Cities B-C, as published by the United States Department of Labor, Bureau of Labor Statistics (called "the Index" in this Lease) for the prior calendar year. In calculating this percentage increase, the most current index available on the date of the commencement of the prior term and the most current Index available immediately receding the date of annual adjustment during the extended term shall be used. November shall be the base month for this adjustment. For clarity purposes, the rent is calculated as follows:

THIRD AMENDMENT TO LEASE

West-Size Class B/C, Nov. 2021, All Urban CPI = 172.214

West-Size Class B/C, Nov. 2020, All Urban CPI = 161.069

Difference = 172.24 – 161.069 = 11.145

% Difference = 11.145/161.069 x 100 = 6.92%

Increase = \$188.55 (previous years rent) x .0692 (6.92%) = \$13.05

New Rent = \$188.55 (previous years rent) + \$13.05 = \$201.60

3. In all other respects, the Lease between the parties entered into on February 25, 2015, its First Amendment to the Lease entered into on February 7, 2018, and its Second Amendment to Lease entered into on February 23, 2021 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment to the Lease on the date indicated above.

LESSEE: COUNTY OF HUMBOLDT

**LESSOR: MCKINLEYVILLE
COMMUNITY SERVICES DISTRICT**

BY: _____

BY: _____

NAME: _____

NAME: _____

TITLE: CHAIR
BOARD OF SUPERVISORS
COUNTY OF HUMBOLDT

TITLE: _____

(SEAL)

BY: _____

ATTEST: _____

NAME: _____

NAME:

TITLE: _____

TITLE: DEPUTY CLERK OF THE
BOARD OF SUPERVISORS

fee includes a portion of the cost of turf maintenance, and janitorial supplies used at the site. Organizations are responsible for shared cleaning of the facility (restrooms, bleachers, parking lot, etc.) based on their percentage of use.

Each organization will also be charged for the cost of re-keying the facility and a percentage of utilities (propane & PG&E) at the end of the season. These percentages are based on field usage.

Each user group is responsible for cleaning their own dugouts and bleacher areas after each use.

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – HSC Agreement between MCSD and McKinleyville Little League
 - Attachment 1a – Supplemental Maintenance Agreement between McKinleyville Little League and MCSD
- Attachment 2 – HSC Agreement between MCSD and Mad River Girls Fastpitch Softball (Humboldt ASA)

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

HILLER SPORTS COMPLEX FACILITY USE AGREEMENT

This HILLER SPORTS COMPLEX FACILITY USE AGREEMENT (this “AGREEMENT”), is made and entered into this 2nd day of February, 2022 by and between the McKinleyville Community Services District (DISTRICT), a Community Services District formed under the laws of the State of California, and the McKinleyville Little League (ORGANIZATION), a non-profit youth sports organization, reference to the following facts, which are acknowledged as true and correct by each of the parties:

Recitals

- (a) DISTRICT is the owner of Hiller Sports Complex located at 880 Columbus Road in McKinleyville; and
- (b) DISTRICT desires to maximize financial self-sufficiency of the maintenance of Hiller Sports Complex; and
- (c) DISTRICT desires to maximize community access to recreation programs at Hiller Sports Complex; and
- (d) ORGANIZATION desires to offer recreation programs to the community at Hiller Sports Complex; and
- (e) ORGANIZATION proposes to operate recreation programs, in accordance with the terms and conditions of this AGREEMENT, which supersedes all other previous documents; and
- (f) ORGANIZATION and DISTRICT each desire to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (g) The documents which are part of the AGREEMENT, and each of which are incorporated herein by this reference as though full, are the following:
 - 1. Cover Page: Facility Use AGREEMENT
 - 2. Exhibit A: Hiller Sports Complex Map
 - 3. Exhibit B: Article IV – Rules and Regulations
 - 4. Exhibit C: Hiller Sports Complex Master Facility Fee Schedule
 - 5. Exhibit D: Operation & Maintenance Responsibilities
 - 6. Exhibit E: Guidelines for Field Cancellations
 - 7. Exhibit F: “In Kind Work” & Field Modification Request Form

Definitions

As used in this AGREEMENT, the following terms shall have the following definitions:

1. "AGREEMENT" shall mean Hiller Sports Complex Facility Use AGREEMENT.
2. "DISTRICT" shall mean the McKinleyville Community Services District.
3. "ORGANIZATION" shall mean McKinleyville Little League.
4. "Hiller Sports Complex" shall mean the nineteen-acre parcel of property located at 880 Columbus Road on the east side of the entry way into Hiller Park. Such property contains two (2) little league fields, a regulation softball field, a practice softball field, a Senior League field, two collegiate size soccer fields, batting cages, concession stand, restrooms, bleachers, drinking fountains, walkways, and a parking lot.
5. "Recreation Advisory Committee" shall be the said committee operating under the jurisdiction of the McKinleyville Community Services District Board of Directors.
6. "Facility Use Request" shall mean all periods of time, including practices, games, assessment days, tournaments, etc., for which a party desires to utilize Hiller Sports Complex and requested via the DISTRICT Hiller Sports Complex Facility Use Reservation Form.
7. "Facility Use Schedule" shall mean the most current schedule for use of Hiller Sports Complex.
8. "Board of Directors" shall mean the five members of the McKinleyville Community Service District Board of Directors.
9. "Recreation Director" shall mean the individual employed in said position with the McKinleyville Community Services District.
10. "Article IV- Rules and Regulations" shall mean the portion of the document containing the Rules and Regulations of the McKinleyville Community Services District as adopted by the Board of Directors.

NOW, THEREFORE, in consideration of their mutual covenants and promises set forth herein and incorporating the foregoing recitals of fact, the parties hereto agree as follows:

AGREEMENT

Section 1. Facility Development

The DISTRICT and ORGANIZATION agree to collaborate, assist, and support one another and individual efforts in maintaining Hiller Sports Complex.

Section 2. Grant of Field Use

- 2.1 Grant of Use. The DISTRICT grants the ORGANIZATION field use for recreational and sports activities at Hiller Sports Complex. ORGANIZATION shall be responsible for: (a) setup of Hiller Sports Complex for ORGANIZATION's use, unless otherwise specified; (b) storing any equipment following ORGANIZATION's use; and (c) restoring Hiller Sports Complex to the appropriate condition as found prior to ORGANIZATION's use. ORGANIZATION shall not utilize Hiller Sports Complex prior to the start of the contracted time set forth in the most current Facility Use Schedule and shall vacate the playing area by the end of the contracted time set forth in said schedule.
- 2.2 Facility Use Schedule. ORGANIZATION shall provide DISTRICT with ORGANIZATION's most current field use schedule including team names, coaches/managers & names of individuals to contact in the case of game cancellations; list of official representatives of the organization; game, practice, tournament dates and times; and other scheduled use.
- 2.3 Cancellation. Provided cancellation of use by inclement weather or other unforeseen conditions, DISTRICT shall endeavor to make the decision of said cancellation by 3:00 p.m. of the day for which cancellation shall take place.
- 2.4 Additional Field Use Request. Provided cancellation of use by inclement weather or other unforeseen conditions, ORGANIZATION must notify the DISTRICT of said cancellation and request of additional field use (if needed) within twenty-four (24) hours. DISTRICT shall be responsible to administer and coordinate all additional facility use requests provided such requests do not conflict with the most current Facility Use Schedule of other approved users.
- 2.5. Access
DISTRICT shall provide the ORGANIZATION with one (1) set of keys to Hiller Sports Complex. It is the responsibility of the ORGANIZATION to produce copies and issue keys.

Section 3. Scheduling of Facility

- 3.1 Site Development, Management and Scheduling:
All development, scheduling, maintenance, and use of Hiller Sports Complex shall be coordinated with the Recreation Director.

3.2 Facility Use Requests

ORGANIZATION is responsible to submit a District Facility Use Reservation Form to the Recreation Director. The Recreation Director shall compile a draft Facility Use Schedule resulting from such requests. Parties currently having and maintaining an AGREEMENT with DISTRICT shall be designated for priority use when said schedule is drafted. The draft Facility Use Schedule shall delineate any dates and times with facility scheduling conflicts. The Recreation Director shall be charged with resolving any scheduling conflicts, in his or her discretion.

ORGANIZATION shall have first priority of Fields 1, 2 & 4 (baseball) and Field 3a based on schedules submitted in advance to MCSD, from March 1 through October 31, 2022.

3.3 Facility Use Scheduling Protests

ORGANIZATION and those parties granted facility use by the DISTRICT shall retain the right to protest the facility use. For all protests, refer to Section 16: Resolution of Disputes.

Section 4. Operational Standards

4.1 Conduct and Disorderly Persons

ORGANIZATION agrees to uphold and remain in compliance, at all times, with the current rules and regulations of the recreation and park system as established by the DISTRICT and outlined in Article IV of the DISTRICT's Rules and Regulations.

4.2 Staffing

ORGANIZATION agrees to ensure that an official representative(s) of ORGANIZATION shall be present at all times and shall be responsible for overseeing all use at all times on those dates and times for which use of Hiller Sports Complex is being conducted by ORGANIZATION.

4.3 Equipment and Supplies Storage

Storage of ORGANIZATION's equipment at Hiller Sports Complex shall be at the DISTRICT'S approval and at the ORGANIZATION's sole risk, DISTRICT will not warrant security of stored materials. ORGANIZATION shall unilaterally bear all risks of loss, theft, damage and other casualty incidental to using and/or storing equipment at the Hiller Sports Complex, and will indemnify and defend the DISTRICT from and against all losses arising out of using and/or storing equipment at the Hiller Sports Complex.

4.4 Safety

ORGANIZATION agrees to comply with the DISTRICT's established facility use guidelines, as defined in Article IV of the DISTRICT's Rules and Regulations and attached as Exhibit B, and incorporated by reference herein.

4.5 Use of Equipment

ORGANIZATION agrees not to use equipment owned by others and stored at Hiller Sports Complex without first obtaining written approval from the owner of said equipment. A copy of written approval must be provided to the DISTRICT.

ORGANIZATION agrees not to remove or replace equipment provided at Hiller Sports Complex by DISTRICT without the prior written consent of the Recreation Director.

4.6 Entry by DISTRICT

ORGANIZATION shall permit DISTRICT, and DISTRICT's agents and assigns, at all reasonable times, to enter the premises, for the purposes of inspection, compliance with the terms of this AGREEMENT, exercise of all rights under this AGREEMENT, posting notices, and all other lawful purposes.

4.7 Environmental Sensitivity

ORGANIZATION agrees that all use by ORGANIZATION shall be conducted in a manner within the intended use of Hiller Sports Complex and with respect to the surrounding neighborhood and community. ORGANIZATION shall abide by all rules and regulations established by the DISTRICT stating that the use of pesticides, herbicides and related products at the Hiller Sports Complex and surrounding areas are strictly prohibited.

4.8 Equal Opportunity and Non-Discrimination Clause

ORGANIZATION shall not discriminate in its offering of programs at Hiller Sports Complex and all duties related to such offering on the basis of race, color, national origin, religious creed, ancestry, sex, age, or physical handicap and shall comply with all applicable state and federal statutes and regulations prohibiting discriminatory practices and/or conduct.

DISTRICT has zero tolerance for harassment or any other form of discriminatory behavior, as set forth in this Policy Against Discrimination. The DISTRICT will not tolerate discrimination or harassment based on gender, pregnancy, childbirth (or related medical conditions), race, color, religion, national origin, ancestry, age, physical disability, mental disability, medical condition, marital status, sexual orientation, family care or medical leave status, military or veteran status, or any other status protected by federal, state, or local law. MCSD requires that all patrons of facilities adhere to MCSD policy. MCSD will respond to any discriminatory behavior in an appropriate manner, including, but not limited to, termination of facility agreement and/or future facility use, reporting to appropriate legal authorities or other appropriate responses. All incidences of discriminatory behavior are to be reported to the MCSD General Manager immediately.

For all communications, both written and electronic, DISTRICT does not tolerate any correspondence that degenerates into improper use. DISTRICT's

technology resources are governed by District policies. Under no circumstances may anyone use DISTRICT's technology resources to transmit, receive, or store any information that is discriminatory, harassing, or defamatory in any way, such as sexually explicit or racially disparaging messages, jokes, or cartoons.

4.9 Americans with Disabilities Act Compliance

DISTRICT shall indemnify, defend, and hold harmless ORGANIZATION from any fines or penalties which may be imposed upon it pursuant to the Americans with Disabilities Act as a result of DISTRICT's failure to make any required improvements to the premises as required by the Americans with Disabilities Act.

ORGANIZATION shall be responsible for compliance with any and all requirements of the Americans with Disabilities Act with respect to the operation of recreation programs for which ORGANIZATION is responsible. ORGANIZATION shall indemnify, defend, and hold harmless DISTRICT from and against any and all claims, causes of action, damages, fines and/or penalties pursuant to the Americans with Disabilities Act arising, in whole or in part, as a result of the ORGANIZATION's failure or alleged failure to comply with any requirements of the Americans with Disabilities Act with respect to operation of recreation programs which ORGANIZATION is responsible.

4.10. Compliance with Law

ORGANIZATION and DISTRICT shall comply with and conform to all laws and regulations, state and federal, and any and all requirements and orders of any state or federal board or authority, present or future, in any way relating to the condition or use of Hiller Sports Complex throughout the entire term of this AGREEMENT.

4.11. District Coordination

DISTRICT shall employ a Recreation Director who shall be the primary contact person with the ORGANIZATION.

Section 5. Prohibited Actions

ORGANIZATION shall not:

- a) Use of Hiller Sports Complex for any purpose other than as authorized in this AGREEMENT and as authorized in the most current Facility Use Schedule; or
- b) Do or permit to be done anything which may interfere with the effectiveness or accessibility of Hiller Sports Complex, nor do or permit to be done anything which may interfere with free access and passage in Hiller Sports Complex or the public areas adjacent thereto, or in the streets or trails adjoining Hiller Sports Complex, or hinder police, fire fighting, or other emergency personnel in the discharge of their duties; or

- c) Interfere with the public's enjoyment and use of Hiller Sports Complex for any purpose which is not essential to public safety; or
- d) Rent, sell, lease, or offer any space for any articles whatsoever within or on Hiller Sports Complex without the written consent of the DISTRICT; or
- e) Place any additional lock of any kind upon any door, cabinet, or storage bin, unless a key therefore is provided to the DISTRICT, and upon expiration or termination of this AGREEMENT; or
- f) Erect, construct, or place any permanent structure upon any portion of the premises without written authorization from DISTRICT; or
- g) Use or allow Hiller Sports Complex to be used for any improper or unlawful purposes or for purposes in violation of Article IV of the McKinleyville Community Services District's Rules and Regulations; or
- h) Allow vehicles access to the concession area via the 10-foot sidewalk driveway access point except for loading and unloading only. The sidewalk driveway area must be kept clear for access to emergency vehicles. All vehicles must park in the parking area.

Section 6. Insurance

6.1. Minimum Scope

ORGANIZATION shall obtain and maintain throughout the term of this AGREEMENT, at ORGANIZATION's cost, comprehensive general public liability insurance issued by insurance carriers acceptable to DISTRICT naming the ORGANIZATION as insured and the DISTRICT as an additional insured against any injuries or damages to persons or property caused by or arising out of ORGANIZATION's occupation and use of Hiller Sports Complex under this AGREEMENT in amounts of not less \$1,000,000.00 for any individual claimant and \$2,000,000.00 per occurrence.

6.2. Proof of Insurance

ORGANIZATION shall cause DISTRICT to be given written notification, prior to the commencement of this AGREEMENT, from the insurance carrier of the existence of such policies and shall provide a certificate of insurance and separate endorsement in the amounts listed in 6.1 prior to the inception of the term which shall provide that coverage provided by the policy shall not be canceled or amended until the DISTRICT is first provided with at least thirty (30) days written notice concerning such cancellation or notice.

Section 7. Hold Harmless, Indemnity and Release Forms

7.1. Hold Harmless and Indemnity

Except for the active negligence or willful misconduct of DISTRICT, ORGANIZATION undertakes and agrees, to the fullest extent permitted by

law, to defend, indemnify, and hold harmless DISTRICT and all its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature in connection with or arising directly or indirectly out of this AGREEMENT whatsoever and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the performance of this AGREEMENT on part of ORGANIZATION and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), by its officers, agents, assigns, program participants and employees of any tier.

7.2. Participant Liability Release Forms

ORGANIZATION shall provide to DISTRICT a master copy of the liability release form used for ORGANIZATION's program defending, indemnifying, and holding harmless, DISTRICT, its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature whatsoever, for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the program or programs sponsored by ORGANIZATION and conducted at the Hiller Sports Complex.

Section 8. Utilities

8.1. Water

The DISTRICT shall be responsible for all water and sewer related expenses at the site.

8.2. Gas and Electric

ORGANIZATION shall be required to pay a fee based on gas and electrical use for the concession stand, low site lighting, and/or any other type of sporting equipment, which utilizes electricity. This cost will be remitted at the end of the season, based on a percentage of field use.

Section 9. Maintenance

9.1 Ongoing Facility Maintenance

DISTRICT shall provide for all ongoing maintenance of Hiller Sports Complex. ORGANIZATION shall be required to pay a field use fee based on expenses related to ongoing maintenance as approved by the MCSD Board of Directors. ORGANIZATION may choose to decrease their portion of the field use fee through the use of pre-approved in-kind labor or materials that assists with maintenance of the site within the scope of the DISTRICT's maintenance plan or Capital Improvement Plan for the site. Financial credit for approved in kind donation of labor or materials shall be granted only for labor or donations

completed for facility maintenance as per a Supplemental Hiller Sports Complex Maintenance Agreement executed in concurrence with this AGREEMENT. Credit shall not be granted for volunteer labor or materials pertaining to field preparation for games. The financial value of in-kind labor or material donations, if in excess of the total field use fee, may be placed as a credit toward future facility use, at the discretion of the DISTRICT.

ORGANIZATION agrees to perform general maintenance of the field site, including but not limited to, field preparation before games, grounds cleanup, restroom cleanup, re-stocking janitorial supplies, general cleanup of the concession stand & parking lot, and trash disposal. These operation and maintenance responsibilities are further explained in Exhibit D, and will not be considered as in-kind labor for the purposes of reducing fees for field and concession use during the period of March 1 through October 31, 2022

9.2. Facility Damages and Repairs

The ORGANIZATION shall be held responsible for all damage or vandalism to District facilities occurring during the ORGANIZATION'S use of the facilities, or that occur due to ORGANIZATION'S failure to lock facility after use. Upon notification by the DISTRICT, the ORGANIZATION is responsible to repair all damages immediately, or within a schedule approved by the DISTRICT. If ORGANIZATION is unable or unwilling to repair damage immediately, the DISTRICT reserves the right to make the necessary repairs and bill ORGANIZATION for all costs. The ORGANIZATION is responsible to reimburse the DISTRICT within thirty days (30) of presentation of the bill. Exception: The concession and snack bar area is the sole responsibility of the ORGANIZATION during the entire period of this AGREEMENT. Repair of any and all damage occurring to the concession stand during the AGREEMENT period is the sole responsibility of the ORGANIZATION.

Damaged and unsafe fields shall be unavailable for use until repairs are completed. The assignment of other fields during such time is at the discretion of the DISTRICT.

9.3. Site Improvements

Any ORGANIZATION desiring to perform site improvements must first obtain written approval from the DISTRICT for such improvements and pay for all costs related to approved improvements. Requests for such improvements are to be made using the "In Kind Work" & Field Modification Request Form. (Exhibit F)

It is understood and agreed between the parties that all installations, additions, and improvements erected or installed at any time at Hiller Sports Complex during the term of this AGREEMENT shall immediately become the property of and belong to the DISTRICT upon such erection or installation; provided, however, this provision does not apply to participant playing equipment and concession equipment installed and belonging to ORGANIZATION. ORGANIZATION must remove all participant playing equipment and

concession equipment prior to the expiration or other termination of this AGREEMENT. Any portion of the premises affected by removal shall be immediately restored and repaired.

Section 10. Purchasing

- 10.1 DISTRICT shall have the responsibility to purchase all grounds maintenance materials needed to maintain Hiller Sports Complex.
- 10.2 ORGANIZATION shall be fully responsible for all expenses related to purchase of all supplies needed to operate the programs including supplies needed for field preparation, and of any supplies needed for operations conducted in the concession stand.

Should ORGANIZATION choose to hire the DISTRICT to prep fields for play, DISTRICT shall assume responsibility for the purchase of all supplies necessary for appropriate preparation of fields.

Section 11. Sales

11.1. Participant Registration

ORGANIZATION shall be allowed to retain all revenue related to participant registration fees.

DISTRICT shall provide space for applications and flyers provided by ORGANIZATION at DISTRICT's office and at the McKinleyville Activity Center. DISTRICT shall not otherwise register applicants or provide directions regarding ORGANIZATION's program.

ORGANIZATION shall be responsible for promotion and sale of ORGANIZATION's program to customers. Upon provision by ORGANIZATION, DISTRICT shall provide copies of flyers and promotional materials to customers.

11.2. Advertising

DISTRICT recognizes the importance of advertising revenue to ORGANIZATION and desires to afford ORGANIZATION opportunities to obtain revenue for support of ORGANIZATION's program. However, ORGANIZATION shall first obtain written permission from DISTRICT and allow DISTRICT to review any such advertising prior to installation, placement, distribution, or maintenance of any type of advertising or AGREEMENT with any other vendor involving promotion or advertising of their products or services on and at Hiller Sports Complex. All such advertising placed in accordance with the aforementioned must be removed upon the conclusion of ORGANIZATION's program at a time agreed to by both parties.

11.3. Concessions

ORGANIZATION shall be allowed to retain all proceeds related to operation of a concession stand during granted facility use hours provided concession use fees are paid in full.

Approval for requests for use of the concession stand by ORGANIZATION will be granted only when said request is concurrent with the most current facility use schedule as approved. ORGANIZATION shall not utilize the concession stand prior to the start of the contracted time set forth in the most current facility use schedule and shall vacate the concession stand by the end of the contracted time set forth in said schedule.

Upon issuance of the most current Facility Use Schedule and concession stand use request approvals, should additional concession stand use be available during scheduled events, those ORGANIZATION's having and maintaining a current AGREEMENT with DISTRICT shall be given priority for additional concession stand use requests. Such requests will be awarded on a first come, first serve basis.

Section 12. Licenses and Permits

- 12.1 ORGANIZATION shall apply for, obtain, and maintain all licenses, permits, and other accreditations required in connection with the management and operation of programs, site improvements as approved per 9.3., and as needed for development of the facility. ORGANIZATION shall be responsible to pay the cost of all such licenses and permits.

Section 13. Unavoidable Delays

- 13.1 The provisions of this Section shall be applicable if there shall occur, during the term of this AGREEMENT, any (a) inability to obtain labor or materials, or reasonable substitutes (other than lack of funds); or (b) acts of God, governmental restrictions, regulations or controls, enemy or hostile government, civil commotion, fire, or other casualty; or (c) other conditions similar to those enumerated in this Section beyond the reasonable control of the party obligated to perform (other than lack of funds). If DISTRICT or ORGANIZATION shall, as the result of any of the above-described events, fail to provide or to perform any obligation on its part under this AGREEMENT, then upon written notification to the other within ten (10) days of such event, such failure shall be excused and not be a breach of this AGREEMENT by the party claiming unavoidable delay, but only to the extent occasioned by such event. Notwithstanding anything contained herein to the contrary, this Section shall not be applicable to the obligation of the DISTRICT or ORGANIZATION to pay any sums, monies, costs, charges, or expenses required paid pursuant to the terms of this AGREEMENT, or to fulfill any hold harmless and/or indemnity obligations created by Section 7.1 or elsewhere in this AGREEMENT.

Section 14. Amendments and Assignments

- 14.1 This AGREEMENT contains the complete and final AGREEMENT between the DISTRICT and the ORGANIZATION. No AGREEMENT or other understanding in any way purporting to modify, add to, or supersede the terms and conditions hereof shall be binding upon either party unless made in writing and duly executed by authorized representatives.

- 14.2 This AGREEMENT may not be assigned or transferred, in whole or in part, by ORGANIZATION without first obtaining the written consent of DISTRICT which may be withheld, for any reason, in the DISTRICT's sole discretion.

Section 15. Taxes

- 15.1 ORGANIZATION shall be solely responsible for the payment when due of any possessory interest or other unsecured tax levied by any governmental authority with respect to the use and occupancy of Hiller Sports Complex by ORGANIZATION.

Section 16. Resolution of Disputes

16.1. Process for Resolution

Any dispute arising under the terms of this AGREEMENT, which is not resolved within a reasonable period of time by authorized representatives of the DISTRICT and the ORGANIZATION shall be brought to the attention of the General Manager (or designated representative) of the DISTRICT and the Board President (or designated representative) of the ORGANIZATION for joint resolution.

If joint resolution of the dispute through these means is pursued without success, ORGANIZATION shall seek to resolve the dispute by filing a written grievance with the General Manager (or designated representative). Upon receipt of a written grievance, the General Manager (or designated representative) shall research and investigate the grievance and set an agenda item for the next DISTRICT Board of Director's meeting. At the meeting, the ORGANIZATION or a representative thereof can appear and be heard. The DISTRICT Board of Directors shall consider the item and act thereon, and may adopt, reject, or amend the recommendation.

If resolution of the dispute as adopted by the DISTRICT Board of Directors is not satisfactory, ORGANIZATION may seek resolution employing whatever remedies exist in law or equity beyond this AGREEMENT. Despite an unresolved dispute, the DISTRICT and ORGANIZATION hereto shall continue without delay to perform its obligations under this AGREEMENT.

In the event of any breach or violation of this AGREEMENT by ORGANIZATION, the DISTRICT may employ whatever remedies that exist in law or equity to enforce this AGREEMENT, without resorting to the dispute resolution protocol described above.

16.2. Attorney's Fees

In the event of any litigation arising between the parties regarding the terms of this AGREEMENT, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to other relief provided by law.

Section 17. Notices

- 17.1 Any notice, demand, or communication under, or in connection with, this AGREEMENT, may be served upon DISTRICT by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to the DISTRICT as follows:

General Manager
McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

and may likewise be served on ORGANIZATION by personal service or by so mailing the same addressed to ORGANIZATION as follows:

McKinleyville Little League
P.O. Box 2284
McKinleyville, CA 95519

Either DISTRICT or ORGANIZATION may change such address by notifying the other party in writing as to such new address as DISTRICT or ORGANIZATION may desire to be used and which address shall continue as the address until further written notice.

Section 18. Compensation

- 18.1. Funding for Facility Development
Should ORGANIZATION grant DISTRICT monies for development in an amount of more than \$5,000, said monies shall be dedicated to the development of facilities illustrated in Parks & Recreation Master Plan, which would fulfill the needs of ORGANIZATION. Monies granted by ORGANIZATION for development in amount less than \$5,000 shall be dedicated to the general overall development of facilities illustrated in Parks & Recreation Master Plan.
- 18.2. Facility Use and Additional Fees
ORGANIZATION shall pay DISTRICT fees in accordance to Hiller Sports Complex Master Facility Fee Schedule as adopted by the Board of Directors and outlined in Exhibit C.
- ORGANIZATION agrees to pay a Cleaning/Damage deposit in the amount of \$1,500.00 to MCSD for the use of Hiller Sports Complex. MCSD may use the Cleaning/Damage deposit for reimbursement of any costs related to additional cleaning requirements, additional turf maintenance, and/or field & turf damages during the use of ORGANIZATION (see Exhibit D). This deposit must be paid in full prior to the start of the season.
- ORGANIZATION is responsible for the cost for propane use, PG&E and the cost to change the locks at the end of each season. This cost will be remitted at the end of the season, based on a percentage of field use.

In the event DISTRICT shall provide maintenance at the expense of ORGANIZATION, or the DISTRICT is required to respond to a call-out at a time outside the DISTRICT'S regular business hours, the ORGANIZATION agrees to reimburse the DISTRICT according to the following rates:

Labor:	\$45.00/hour
Mower:	\$25.00/hour
Utility Vehicle:	\$35.00/hour
Tractor:	\$40.00/hour
Backhoe:	\$70.00/hour
Dump Truck:	\$50.00/hour
Boom Truck:	\$85.00/hour
Call out Fee	\$150 per occurrence + labor cost if time spent exceeds 2 hours

18.3. Delinquent Payment

In the event ORGANIZATION shall be delinquent by more than fifteen (15) days in the payment of any sums due under the terms of section 18.2, DISTRICT shall cancel all future scheduled and yet to be scheduled use of DISTRICT-owned facilities until past due payments are paid in full.

Section 19. Law Governing

This AGREEMENT shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 20. Term

20.1. Term and Extensions

Subject to the provisions of this AGREEMENT, the term of this AGREEMENT shall commence on the date herein and shall continue through and including the 31st day of October 2021.

Opportunities shall be granted for ORGANIZATION and DISTRICT to review this AGREEMENT on a yearly basis to enact amendments and assignments to AGREEMENT as provided in Section 14 of this AGREEMENT. Any proposed amendments and assignments may be refused by ORGANIZATION or DISTRICT at said parties own discretion.

20.2. Termination by DISTRICT

Notwithstanding the foregoing, DISTRICT, in the case of ORGANIZATION breaches, may terminate this AGREEMENT, with thirty (30) days notification, by giving the ORGANIZATION written notice of any material breach under this AGREEMENT, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or
- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or

- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and ORGANIZATION fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) ORGANIZATION files a voluntary petition in bankruptcy or insolvency or otherwise seeks relief as a debtor, or, if an involuntary petition therefore is filed against ORGANIZATION and such petition is not dismissed within ninety (90) days; or
- e) ORGANIZATION fails to remain in compliance with any and all terms of this AGREEMENT; or
- f) ORGANIZATION shall disband.

In the event this AGREEMENT is so terminated, it shall be lawful for DISTRICT immediately hereafter to remove all persons and property from the premises.

20.3. Termination by ORGANIZATION

Notwithstanding the foregoing, ORGANIZATION, in the case of DISTRICT breaches, may terminate this AGREEMENT by giving the DISTRICT written notice of any material breach under this AGREEMENT, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or
- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and DISTRICT fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) DISTRICT fails to remain in compliance with any and all terms of this AGREEMENT.

20.4. Disposition of Certain Property

ORGANIZATION hereby acknowledges and agrees that any and all equipment and all DISTRICT purchased equipment and materials used in connection with Hiller Sports Complex shall remain the property of the DISTRICT, and ORGANIZATION acknowledges that it shall not be entitled to remove such property from Hiller Sports Complex upon the expiration or termination of this AGREEMENT, regardless of reason.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year as written herein.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

David Couch, President of the Board of Directors

ATTEST: _____
April Sousa, Secretary to the Board of Directors

McKINLEYVILLE LITTLE LEAGUE

President of McKinleyville Little League

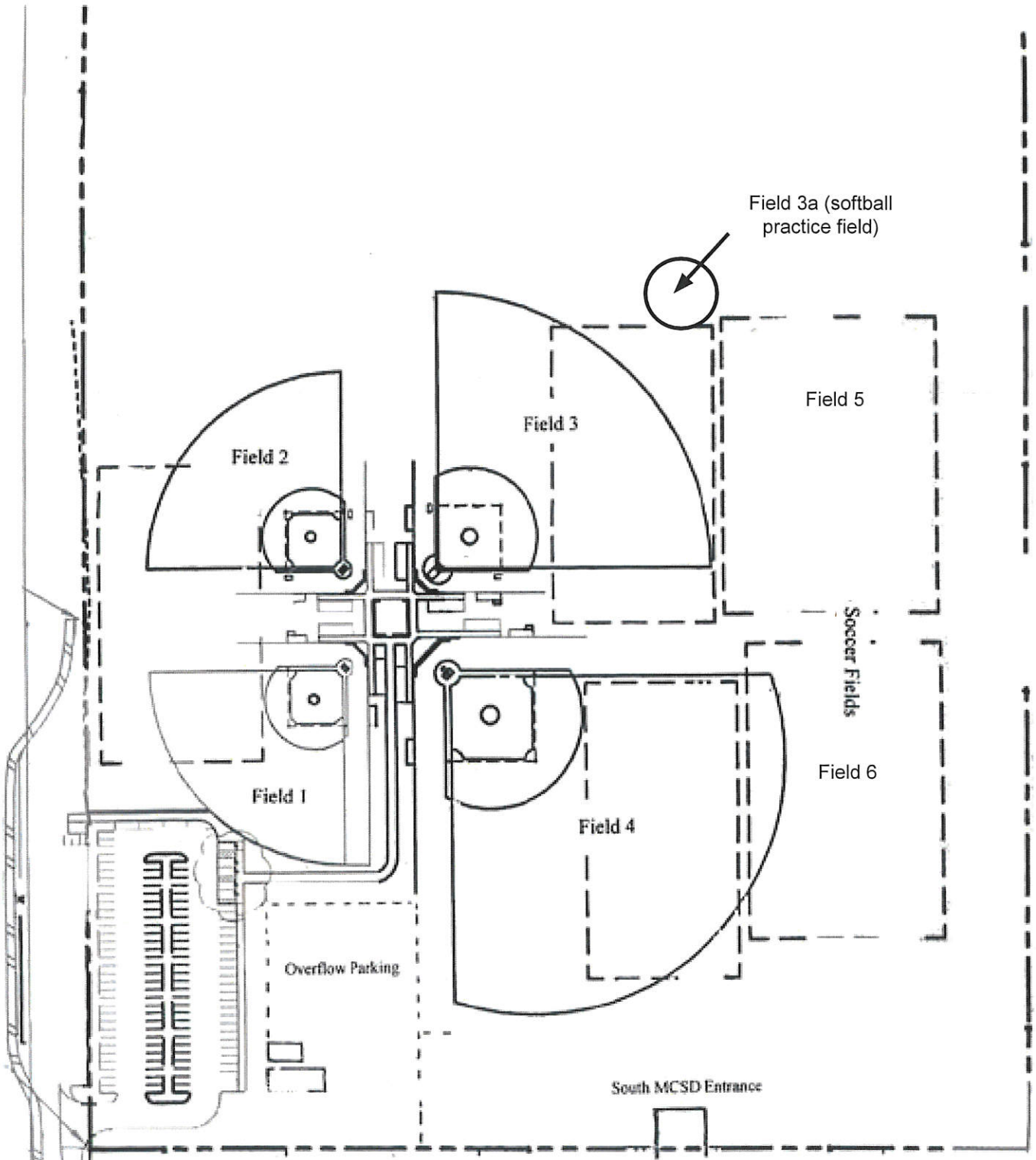
DRAFT

The Facility Use AGREEMENT Checklist

Please note: This contract is not considered complete until the user ORGANIZATION submits the following information to MCSD.

<u>Item:</u>	<u>Attachment #:</u>	<u>Completed:</u>	<u>Date:</u>
Completed District Facility Use Reservation Form			
Schedule of Maintenance			
League Schedule			
Tournament Schedule			
Practice Schedule			
Proof of Insurance			
Phone List of Managers and Board Members			
Facility (emergency) Cell Phone #			
All Other Field Usage Requests			
Coach/Manager Contact Information			
Organization Liability Release Form			

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
Hiller Sports Complex - Site Map



ARTICLE IV - PARKS AND RECREATION

REGULATION 40 - RECREATION AND PARKS ADVISORY COMMITTEE

Rule 40.01. MEMBERSHIP - the McKinleyville Community Services District Parks and Recreation Committee shall consist of eleven (11) members and two (2) alternate members who shall serve without compensation selected as follows:

- (a) One (1) non-voting member shall be a member of the District Board.
- (b) The remaining ten (10) members will be regular voting members. Of the ten (10) regular voting members, one (1) will be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) When possible two (2) of the ten (10) regular voting members shall be High School students, nominated by the McKinleyville High School Principal.
- (d) The two (2) alternate members will not become voting members unless a regular voting member is absent. In the event that both alternates are present when only one regular member is absent, the alternates will decide upon which of the two (2) will fill the absent chair by a mutually agreed upon method. In the event the alternates cannot determine a method of decision, the committee chair will choose an appropriate decision-making method.
- (e) All members of the Parks and Recreation Committee will represent to the extent possible various recreational and outdoor interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.
- (f) Any citizen, residing in the service area of the McKinleyville Community Services District may apply to the District Board for appointment to fill vacant seats on the Parks and Recreation Committee.

Rule 40.02. APPOINTMENT - the committee members shall be appointed as follows:

- (a) The Board of Directors shall announce each vacancy and shall state they are seeking applicants, setting forth the qualifications, if any required.
- (b) The Board of Directors shall interview each applicant, after which a majority of the Board of Directors, may select the most qualified to fill the vacancy.

Rule 40.03. MEMBER QUALIFICATIONS - all members, other than the high school member, shall be resident electors of the McKinleyville Community Services District; the student members shall be a resident of McKinleyville. No members of the Parks and Recreation Committee shall be a family member or related to a full-time MCSD employee.

Rule 40.04. TERMS OF OFFICE -the committee members shall serve terms as follows:

- (a) Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.
- (b) Appointment of the McKinleyville Area Fund member and non-student community members shall be for a term of four (4) years. The term for student members shall be up to 4 years, limited by their High School graduation date.
- (c) Terms of the other non-Board of Director committee members shall be staggered so that no more than two (2) terms shall expire in any given year.
- (d) The annual expiration date of appointment shall be January 31st.

Rule 40.05. REMOVAL - members of the Committee may be removed by a majority vote of the District Board of Directors.

Rule 40.06. ABSENCES - if any member of the Committee is absent without prior notification to the Recreation Director for three (3) regular consecutive meetings, the Recreation Director shall certify that fact to the Board of Directors and the Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position by appointment.

Rule 40.07. ELECTION OF OFFICERS - the Committee shall, as soon as is practical, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

Rule 40.08. OFFICERS - the Committee shall elect a Chairperson and Vice-Chairperson from among its members.

Rule 40.09. MEETINGS - the Committee shall hold regularly scheduled meetings in the Board of Directors Chambers of the District Office, or at such other place within the District as may be designated by the Committee and may hold such additional meetings as it may deem necessary or expedient. All meetings must be noticed in compliance with state and federal laws.

Rule 40.10. TIME/LOCATION OF MEETINGS - the time of the regular meetings shall be as established from time to time by the committee members.

Rule 40.11. QUORUM - a majority of the Committee shall constitute a quorum for the purpose of transacting business of the Committee.

Rule 40.12. RECORDS - written records of all the proceedings, findings, determinations and transactions of the Committee shall be kept, which record shall be a public record and a copy of which record shall be filed with the District Secretary.

Rule 40.13. POWERS AND DUTIES - the Parks and Recreation Committee shall have the following powers and duties:

- (a) To serve in an advisory capacity to the Board of Directors and District Staff in all matters pertaining to public recreation, parks, open spaces, natural resources and their respective facilities;

- (b) To make recommendations to the Board of Directors and District Staff with respect to the provisions of the annual budget for recreation and parks purposes;
- (c) To recommend to the Board of Directors acceptance or rejection of offers of donations of money, personal property and real property to be used for open space, recreation, resource management, and parks purposes;
- (d) To recommend to the Board of Directors a comprehensive recreation, park, and open space management services program for the inhabitants of the District, to promote and stimulate public interest therein, and to solicit to the fullest extent the cooperation of school authorities and other public and private agencies interested therein;
- (e) To recommend for adoption by the Board of Directors rules and regulations for the use and improvement of the District's recreation services and parks and their respective facilities;
- (f) To recommend to the Board of Directors and District staff policies for the acquisition, development and improvement of recreation, parks and open space areas; and
- (g) To perform such other duties relating to recreation and park matters as may be prescribed by the Board of Directors.

REGULATION 41 - RECREATION AND PARK SYSTEM

Rule 41.01. INJURY TO OR MISUSE OF RECREATION AND PARKS SYSTEM PROPERTY - NO PERSON SHALL:

- (a) Willfully mark, deface, injure, tamper with, or displace or remove any buildings, bridges, tables, benches, fireplaces, railings, bleachers, ball fields, water lines, paving or paving materials or other public utilities or parts thereof, signs, notices or placards, whether temporary or permanent, monuments, stakes, posts or other boundary markers, or other structures or equipment, or recreation and parks system property or appurtenances whatsoever, either real or personal.
- (b) Litter, soil or defile buildings, structures, grounds, equipment or other recreation and parks system property or appurtenances whatsoever. Trash, litter and other debris must be deposited into the proper receptacles.
- (c) Remove any soil, rock, stones, turf, trees, shrubs, or plants, down timber or other wood or materials or make any excavations by tool, equipment or any other means or agency.
- (d) Construct or erect any building or structure of whatever kind, whether permanent or temporary in character, or run or string any public utility into, upon or across such land except by District permit.
- (e) Trespass upon any area where prohibited.
- (f) Hunt, molest, or otherwise harm wildlife and plant life within the recreation and parks system.
- (g) Announce, advertise or call the public attention in any way to any article or service for sale or hire, except by District permit.

- (h) Paste, glue, tack or otherwise post any sign, placard, advertisement, or inscription whatever, nor shall any person erect or cause to be erected any sign whatever within the recreation and parks system without permission from the District.
- (i) Use any system for amplifying sounds, whether for speech or music or otherwise within the recreation and parks system unless a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit is first secured from the District.
- (j) Discharge any weapon of any type within the recreation and park system boundaries for any reason.
- (k) Make fires of any type for any reason in any area that is not properly equipped and designated to contain a fire.
- (l) Use model rockets and remote control model airplanes in McKinleyville Parks and Open Space without prior written approval from the District's General Manager.

Rule 41.02. POLLUTING WATERS OR DUMPING REFUSE PROHIBITED - NO PERSON SHALL:

- (a) Throw, discharge, or otherwise place or cause to be placed in the waters of any fountain, pond, stream or any other body of water in or adjacent to any component of the recreation and park system or any tributary, stream, storm sewer or drain flowing into such waters any substance, matter or things, liquid or solid, which will or may result in the pollution of said waters.
- (b) Dump, deposit, or leave any trash not created within the boundaries of the recreation and park system.

Rule 41.03. OPERATION OF MOTORIZED VEHICLES--PROHIBITED ACTS - NO PERSON SHALL:

- (a) Fail to comply with all applicable provisions of the Vehicle Code of the State of California in regard to equipment and operation of motorized vehicles together with such regulations as are contained in this ordinance.
- (b) Fail to obey all law enforcement officers and District employees who are hereafter authorized and instructed to require persons within the boundaries of the recreation and park system to adhere to the provisions of these regulations.
- (c) Fail to observe carefully all traffic signs, parking signs, and all other signs posted for the proper control of traffic and to safe guard life and property.
- (d) Operate a motorized vehicle, other than MCSD-authorized vehicles, within the boundaries of the facility except in those areas designated as driveways.

Rule 41.04. OPERATION OF NON-MOTORIZED VEHICLES--PROHIBITED ACTS - NO PERSON SHALL:

- (a) Non-motorized vehicles shall be defined as any form of transportation in which human or gravitational energy powers the source of transportation. Examples of such transportation are defined as bicycles, skateboards, roller blades, roller skates, etc.
- (b) Fail to comply with all applicable provisions of the Vehicle Code of the State of California in regard to equipment and operation of non-motorized vehicles together with such regulations as are contained in this ordinance.

- (c) Fail to obey all law enforcement officers and District employees who are hereafter authorized and instructed to require persons within the boundaries of the recreation and park system to adhere to the provisions of these regulations.
- (d) Fail to observe carefully all traffic signs, parking signs, and all other signs posted for the proper control of traffic and to safe guard life and property.
- (e) Operate non-motorized vehicles on any sidewalks, on pathways designated for pedestrian traffic only, and within turf and landscaped areas.

Rule 41.05. CONDUCT - ALCOHOLIC BEVERAGES

- (a) Patrons may use alcoholic beverages with meals in designated areas at recreation and parks system facilities, provided a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit have been secured and provided they conduct themselves in an orderly manner;
- (b) Alcoholic beverages may be served or may be sold by permit only at designated recreation and parks system facilities where sales are not prohibited and provided a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit have been secured;
- (c) No person shall be under the influence of intoxicating substances as provided in Section 647 (f) of the California Penal Code;
- (d) The District may withdraw the privilege to use alcoholic beverages at anytime if the rules and regulations as are contained in this ordinance are not abided by;
- (e) Use of intoxicating substances other than alcohol is prohibited.

Rule 41.06. PETS - pets may be off leash at outdoor facilities in designated areas and facilities only and must be under voice control at all times. Animal owners are responsible for removal of animal excrement from the facility.

Rule 41.07. OVERNIGHT USE PROHIBITED - there is to be no camping or loitering on the grounds or in public buildings or structures between sunset and sunrise unless a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit are first obtained from the District.

Rule 41.08. FIRES - fires will be allowed on grounds only in those areas equipped with District provided equipment designated for the containment of fires.

REGULATION 45 - PERMITS, FEES AND DEPOSITS

Rule 45.01. FACILITY USAGE PERMITS REQUIRED - a valid facility usage permit is required for individuals or organizations to use any indoor facility or any outdoor facility for organized functions, to use any system for amplifying sounds, or to sell or serve alcoholic beverages at an organized function.

Rule 45.01.a. PERMIT TYPE DEFINITIONS - the District shall issue permits based on the following definition of use:

- (a) A "Special Event" shall be defined as use deemed to be non-programmatic with estimated attendance of less than 500 persons and no more than posted capacities at

indoor facilities; for which off road and facility parking space is adequate; for which street closures are not required; and for which cancellation of approved vendor programs is not required.

- (b) A "Large Scale Community Event" shall be defined as use deemed to be non-programmatic with estimated attendance of more than 500 persons but no more than posted capacities at indoor facilities or for which off-road and facility parking space is adequate; or for which street closures may be required; or for which cancellation of an approved vendor program is required.
- (c) A "Vendor Contract" shall be defined as use by those individuals approved by the District Board of Directors, offering ongoing programs on a regular basis for no more than twelve months.

Rule 45.02. FACILITY USAGE PERMIT PROCESS - any individuals or organizations seeking issuance of a facility usage permit hereunder shall file a request for permit to use District facilities on the appropriate reservation form provided by the District. All requests must be filed with the District along with the required facility usage deposit, usage fees, proof of appropriate insurance coverage, and fees for other services at least (10) working days prior to the actual event date. The Recreation Director, under direction of the Board, may impose additional conditions for approval.

Rule 45.03. FACILITY USAGE FEES - facility usage fees, as established and adopted by the District Board shall be charged for and must accompany each facility usage permit request required hereunder for said facility usage permit request to be fully and properly executed by the District.

Rule 45.03.a. FEE STRUCTURE DEFINITIONS - the District shall identify the following fee structure definitions when charging customers for use of facilities:

- (a) A "Non-Profit Group" shall be defined as any group or organization which can supply proof of non-profit status via the Internal Revenue Service code. Other Governmental entities shall be considered as falling within the guidelines of this definition.
- (b) A "Vendor" shall be defined as an individual or organization, approved by the District Board of Directors that has a fully executed vendor contract for use of District facilities.
- (c) A "Private Citizen/Business" shall be defined as other potential users not fitting within the "non-profit group" or "vendor" definition.
- (d) A "Commercial Event" shall be defined as an event being held for the purpose of private financial gain for an individual or organization.
- (e) An "Event Host" shall be defined as a District employee who has received training regarding use of District facilities for outside events. Event hosts are required for all events except those taking place at Azalea Hall concurrently with McKinleyville Senior Center events or at District facilities for those events sponsored by a District approved vendor.
- (f) The "All Day Rate" shall be defined as a fee charged specifically for use of the Hewitt Room at Azalea Hall and which includes access to the facility for a maximum of twelve continuous hours.

- (g) The “Half-Day Rate” shall be defined as a fee charged specifically for use of the Hewitt Room at Azalea Hall and which includes access to the facility for a maximum of six continuous hours.
- (h) The “Off-Peak Use Discount” shall be defined as a 25% discount on hourly rates only which can be applied to the following facilities and hours only: Activity Center-Monday through Friday before 3:00p.m; Azalea Hall-Sundays and Monday through Thursday after 4:00p.m.

Rule 45.03.b. FACILITY USE FEES - the District shall charge the following rates for use of a District-owned facility for each use specified below:

ACTIVITY CENTER

Non-Profit Groups/Vendors	\$37.00/hour
Private Citizen/Business	\$52.50/hour

AZALEA HALL-ENTIRE FACILITY

Non-Profit Groups/Vendors	\$64.75/hour
Private Citizen/Business	\$86.00/hour

AZALEA HALL-HEWITT ROOM

Non-Profit Groups/Vendors	\$50.50/hour
Private Citizen/Business	\$62.75/hour
All Day Rate	\$525.00
Half Day Rate	\$318.00

AZALEA HALL-MEETING ROOM

Non-Profit Groups/Vendors	\$18.50/hour
Private Citizen/Business	\$24.75/hour

AZALEA HALL-KITCHEN

All Users	\$18.50/hour
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LIBRARY CONFERENCE ROOM

Non-Profit Groups/Vendors	\$27.50/hour
Private Citizen/Business	\$30.50/hour

TEEN CENTER-ENTIRE FACILITY

Non-Profit/Vendors	\$70.00hour
Private Citizen/Business	\$87.00/hour
All Day (12 hr) Rate	\$915.00
Half Day (6 hr) Rate	\$475.00

TEEN CENTER-MULTI PURPOSE ROOM

Non-Profit/Vendors	\$40.50/hour
Private Citizen Business	\$48.75/hour

TEEN CENTER-MUSIC ROOM

Non-Profit/Vendors	\$25.75/hour
Private Citizen Business	\$32.75/hour
<u>All Day (8 hr) Rate *weekends only</u>	<u>\$212.00</u>

TEEN CENTER-KITCHEN

All Users	\$36.50/hour
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PARKS

Gazebo Picnic Area	\$55.75/4 hrs
Picnic Pavilion	\$109.50/4 hrs
Special Event	\$166.00/day
*Commercial Events	\$268.00/day
*Requires Facility Host @ \$35.50 per hour unless overtime wages apply	

SPECIAL EVENT SERVICES

Event Staff	\$18.75/hour
Event Setup	
Events with less than 100 persons	\$87.00
Events with 101-200 persons	\$121.50
Events with more than 200 persons	\$152.00

Event Cleanup

Events with less than 100 persons	\$152.00
Events with 101-200 persons	\$182.00
Events with more than 200 persons	\$223.00

Rule 45.03.c. EVENT SERVICES FEES - the District shall charge a fee of \$18.75 per hour for an event host for those events requiring such a host. The minimum charge shall be two hours. Other events service fees shall be determined each year and are based on the direct expense associated with providing said service. Such event fees shall be established and adopted by the Board.

Rule 45.03.d. RECREATION PROGRAM FEES - the District shall charge participants program fees based on the direct expenses associated with each individual program. Program fees shall be determined each year and as programs are added to the Department's current services index. Program fees shall be adopted by the Board within two months of the inception or change of fees.

Rule 45.04. DEPOSIT - a facility usage deposit, as established and adopted by the District Board must accompany each facility usage permit request for any facility usage permit required hereunder. The facility usage deposit shall be refunded to the applicant within fifteen working days if the facility is restored to pre-use conditions. If District clean-up is required to restore the facility to pre-use conditions or damage is noted to the facility,

any refund will be less the expense associated with returning the facility to pre-use conditions.

Rule 45.04.a. FACILITY USE DEPOSIT FEES - the District shall charge a \$100 deposit for events which qualify and are defined as special events. The District shall charge a \$200 deposit for events which qualify and are defined as large-scale community events.

Rule 45.05. INSURANCE – a facility usage permit request shall not be considered fully executed unless the individual or organization seeking issuance of a facility usage permit obtains and furnishes liability coverage for the event which is acceptable to the District. The Recreation Director may impose additional conditions for approval.

Rule 45.06. PERMITS FOR USE OF FACILITIES - the District shall only grant a facility usage permit for organized use of a facility when each of the following findings can be made:

- (a) The requested area of the recreation and parks system for which the facility is located within is available during the period for which the facility usage permit is requested;
- (b) The expected attendance does not exceed the capacity of the facility or area.
- (c) The use for which the facility usage permit is sought complies with the use established for the facility or area requested.

Rule 45.07. USE OF SOUND AMPLIFICATION SYSTEM - the District shall only grant permission for use of any sound amplification system when each of the following findings can be made:

- (a) The individual or organization seeking permission for use of a sound amplification system must file, with the District, a facility usage permit request for the facility in which use of the sound amplification system is requested.
- (b) The sound amplification system proposed will not unduly inconvenience or disturb neighboring properties or other recreation and parks system facility users.
- (c) The maximum noise from use of the sound amplification system complies with Humboldt County’s Noise Regulations.
- (d) The use for which permission is sought complies with the use established for the facility or area requested.

For those events at which sound amplification systems are utilized, the following requirements shall also be required:

- (a) A District supervisor will be assigned to be present throughout the event.

Rule 45.08. SALE OR SERVICE OF ALCOHOLIC BEVERAGES - the District shall only grant permission for sale or service of alcoholic beverages when each of the following findings can be made:

- (a) The individual or organization seeking permission for sale or service of alcoholic beverages must file, with the District, a facility usage permit request for the facility in which the sale of alcoholic beverages is requested;
- (b) If applicable, the individual or organization seeking permission has a valid permit from the Alcohol Beverages Commission to sell alcohol;

- (c) If applicable, the individual or organization seeking permission has secured outside security services;
- (d) The use for which permission is sought complies with the use established for the facility or area requested.

For those events at which alcohol is served or sold, the following requirements shall also be required:

- (a) A District supervisor will be assigned to be present throughout the event;
- (b) Facilities will not be rented for events at which the consumption of alcoholic beverages will be a principal activity.

The Recreation Director has the authority to impose additional conditions as a requirement for issuance of a fully executed Special Event Reservation Form and Permit or Community Event Reservation Application and Permit.

Rule 45.09. USE OF DISTRICT-OWNED EQUIPMENT - the District shall make available to individuals or organizations recreation-related equipment, which can be utilized for outdoor use. District shall only grant permission for use of District-owned equipment when each of the following findings can be made:

- (a) The individual or organization seeking permission for use of District-owned equipment must be requesting said equipment in conjunction with an event at a District facility which is being sponsored by the individual or organization;
- (b) The Individual or organization must file, with the District, a facility usage permit request for the facility in which the equipment will be utilized;
- (c) The requested equipment is available during the period for which use of the equipment is requested;
- (d) The individual or organization requesting use of MCSD-owned equipment furnishes the District with appropriate liability coverage.

Rule 45.10. APPEALS - an appeal of the action of District staff on any Facility Use Permit pursuant to this regulation must be in writing and filed by or on behalf of the individual or organization seeking the facility usage permit, within (10) days after the action of District staff on the facility usage permit request. The appeal shall set forth in detail the factual and legal basis of the appeal. The Board of Directors shall consider and act on the appeal within forty-five (45) days after the appeal is filed. The individual or organization filing the appeal shall be entitled to submit oral or written evidence to the Board in support of the appeal. Action of the Board of Directors on the appeal shall be final.

REGULATION 46 - ENFORCEMENT

Rule 46.01. VIOLATIONS - any violation of these rules and regulations relating to the use of District facilities located within the recreation and parks system is a misdemeanor, punishable by law.

REGULATION 47 - HILLER SPORTS SITE DEVELOPMENT, MANAGEMENT AND SCHEDULING COMMITTEE

Rule 47.01. MEMBERSHIP - the McKinleyville Community Services District Hiller Sports Site Development, Management and Scheduling Committee shall consist of members described below whom shall serve without compensation selected as follows:

- (a) Committee size shall be determined by the number of local sports organizations having and maintaining a current Hiller Sports Site Development, Funding, Maintenance, and Use Agreement with District who nominate a member to the Committee and an additional member shall be from the District's Park and Recreation Committee and an additional member shall be appointed to the Committee by the Board which member shall be of the general public.

Rule 47.02. APPOINTMENT - the committee members shall be appointed as follows:

- (a) All local sports organizations with a valid and current IRS non-profit identification number and who have and maintain a current Hiller Sports Site Development, Funding, Maintenance and Use Agreement with District are invited to nominate one member and one alternate member to the Committee. Such nominations shall be made in writing to the Director of Parks and Recreation. Recommendations for appointment shall be made by the Committee to the Park and Recreation Committee who shall in turn recommend nominees to the District's Board of Directors. Appointment shall be made by the District's Board of Directors.
- (b) One member shall be a member of the Park and Recreation Committee. Recommendations for appointment shall be made by the Park and Recreation Committee. Appointment shall be made by the District's Board of Directors.
- (c) One member shall be a member of the general public who is a resident elector of the District and who shall hold no official office with any local sports organization desiring to offer programs at the Hiller Sports Site. Such member shall be nominated by the Committee who shall forward a recommendation to the Recreation Advisory Committee who shall in turn forward a recommendation to the District's Board of Directors. Appointment shall be made by the District's Board of Directors.

Rule 47.03. MEMBER QUALIFICATIONS - each member shall meet one of the criteria named above in Rule 47.02.

Rule 47.04. TERMS OF OFFICE - the Committee members shall serve terms as follows:

- (a) Appointment of the Recreation Advisory Committee member representative of Committee and member of the general public to the Committee shall be for a term of two (2) years. Such members may be re-appointed to successive terms.
- (b) Terms of other members shall be for a term of one (1) year. Such members may be re-appointed to successive terms.
- (c) The annual expiration date of each term shall be January 31st.

Rule 47.05. REMOVAL - members of the Committee may be removed by a majority vote of the District Board of Directors.

Rule 47.06. ABSENCES - if any member of the Committee is absent without prior notification to the Director of Parks and Recreation for two (2) regular consecutive meetings, the Director of Parks and Recreation shall certify that fact to the organization for whom the individual is a representative and to the District's Board of Directors. The District's Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position as outlined in 47.02. Should the vacated position have a designated alternate, said alternate shall be appointed to full membership status. The organization of which the alternate is a member shall be authorized to nominate a designated alternate.

Rule 47.07. ELECTION OF OFFICERS - the Committee shall, as soon as practicable, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

Rule 47.08. OFFICERS - the member of the Committee who is a representative of the District's Recreation Advisory Committee shall be designated as Chairperson of the Committee. The member of the Committee who is a representative of the general public shall be designated as Vice-Chairperson.

Rule 47.09. RECORDS - written records of all proceedings, findings, determinations, and transactions shall be kept, which record shall be a public record and a copy of which record shall be filed with the District's secretary.

Rule 47.10. POWERS AND DUTIES - the Committee shall have the power and duty to serve in an advisory capacity to the District's Park and Recreation Committee and the Board of Directors in all matters pertaining to the development, scheduling, maintenance, and use of the Hiller Sports site.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
Hiller Sports Site Master Facility Fee Schedule

Facility Use Fees

<u>Turf Field Use</u>	\$31/hour per field
<u>Baseball Field Use</u>	\$31/hour per field
<u>Baseball Field Use (Youth groups)</u>	\$15.50/hour per field
<u>Softball Field Use</u>	\$31/hour per field
<u>Softball Field Use (Youth groups)</u>	\$15.50/hour per field

Baseball/Softball Tournament Use
 50% reduction from regular hourly rates. Tournaments must have a minimum of 4 teams and 8 hours of continuous play per day.

Additional Fees

<u>Field Preparation- Ballfields</u>	\$40/hour per field
<u>Field Preparation- Turf Areas</u>	\$40/hour per field
<u>Concession Stand Use- Regular weekdays</u>	\$10/day
<u>Concession Stand Use- Regular weekends</u>	\$25/day
<u>Concession Stand Use- Tournaments</u>	\$25/day
<u>Insurance (if provided by District)</u>	Variable
<u>Facility Usage Deposit</u>	Variable

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

Department of Parks & Recreation Department

OPERATION & MAINTENANCE RESPONSIBILITIES HILLER SPORTS COMPLEX

The following information specifies Operation & Maintenance responsibilities performed by McKinleyville Little League (ORGANIZATION) for the season as defined by the McKinleyville Community Services District's (MCSD) Facility Use Agreement Contract:

1. **Ball Diamond Preparation, Maintenance & Safety Seminar:**
 - a. Prior to the start of the season, designated ORGANIZATION representative(s) involved with field maintenance must attend a 1-hour Ball Diamond Preparation Maintenance & Safety Seminar with MCSD staff.
2. **In-Kind Field Maintenance:**
 - a. Any field maintenance performed by ORGANIZATION representatives must be pre-approved in writing by the DISTRICT in order to be considered as "in-kind labor" for credit towards facility use fees.
 - i. Any maintenance done without pre-approval from the DISTRICT will not be eligible for credit.
3. **Field Preparation:**
 - a. All field preparation will be the responsibility of ORGANIZATION.
 - b. If necessary ORGANIZATION may request MCSD to prep ball fields for a fee.
4. **Field Repairs:** (See section 9.2. of the Facility Use Agreement.)
 - a. ORGANIZATION shall be held responsible for all damage or vandalism to District facilities occurring during ORGANIZATION's use of the facilities.
 - b. Upon notification by MCSD, ORGANIZATION is responsible to repair all damages immediately, or within a schedule approved by MCSD.
 - c. If ORGANIZATION is unable or unwilling to repair the damages, MCSD reserves the right to make the necessary repairs and bill ORGANIZATION for all costs.
 - d. Damaged or unsafe fields shall be unavailable for use until repairs are completed.
5. **Grounds, Daily Restroom & Parking Lot Cleanup:**
 - a. ORGANIZATION agrees to clean grounds and to monitor, patrol, and keep the bathrooms and parking lot clean during their usage.
 - b. Grounds are to include the sports fields, sidewalks surrounding the concession area, under the bleachers, and the sidewalk pathway leading to the parking lot.
 - i. Cleaning of grounds is to include:
 1. Trash pick-up and disposal (**NOTE: the dumpster on site at HSS is owned by McKinleyville Little League and may not be available for use by other Organizations utilizing Hiller Sports Site*)
 2. Sweeping of bark and mulch back into landscape areas
 - c. Restroom cleaning shall include sweeping garbage and debris from floors, stocking supplies as necessary, and removing garbage.
 - d. If multiple organizations are using Hiller Sports Site simultaneously all organizations shall share the burden of clean-up. DISTRICT will develop a schedule for grounds clean-up responsibility, based upon percentage of field use each week.
 - i. Each Organization will be required to ensure clean-up is completed on the dates assigned to the Organization for clean-up by the DISTRICT. If ORGANIZATION wishes to purchase clean-up services from the DISTRICT

they may do so by requesting those services in advance of their scheduled dates of responsibility.

1. The labor rate for clean-up services is \$35 per hour. ORGANIZATIONS will be charged a minimum of 1 hour for services provided on any given day, but will be billed for the total time required to complete clean-up of grounds and restrooms as documented by Maintenance staff.

6. General Cleanup of the Concession Stand:

- a. ORGANIZATION agrees to keep the Concession Stands clean, sanitary, and up to the County Health Department standards at all times.
- b. MCSD reserves the right to inspect the Concession Stands without notice.

7. Overflow Parking:

- a. ORGANIZATION agrees to notify MCSD of any events requiring usage of the overflow parking area.

8. Trash Disposal:

- a. ORGANIZATION agrees to remove all trash bags from inside the sports complex at the end of each day of use.
 - i. Should MCSD staff be required to haul garbage from the Hiller Sports Complex following ORGANIZATION'S use, ORGANIZATION will be billed for the cost of labor and cost of dumping.
- b. No trash bags shall be left in any portion of the Concessions/Storage/Restrooms building.

9. Supervision of Children:

- a. ORGANIZATION agrees to notify all coaches and parents and require proper supervision at all times of all children (players and spectators) inside Hiller Sports Complex.
- b. ORGANIZATION agrees to pay for all damages and vandalism caused from unsupervised children during ORGANIZATION field usage.

10. Rain Cancellations:

- a. ORGANIZATION agrees to comply with MCSD guidelines regarding cancellation of fields due to unsafe conditions and/or inclement weather. (See exhibit E in the Facility Use Agreement Contract.)

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT Parks & Recreation Department

Guidelines for Cancellation of Activity on MCSD Athletic Fields

Due to inclement weather and poor field conditions, the McKinleyville Parks & Recreation Department reserves the right to deny an athletic activity or event from playing on an MCSD field. The two (2) main purposes of these guidelines are to ensure the safety of the participants and to prevent MCSD fields from getting abused and destroyed when the turf is vulnerable. Any MCSD employee or designated person may deny use of a field and/or require an activity to stop.

Examples of conditions that require cancellation of an athletic activity:

- Standing puddles of water on the field
- Footing is unsure and slippery
- Ground is water logged and “squishy”
- Grass can be pulled out of ground easily
- Lightning
- Severe weather storms

When games are played on fields with poor and/or unsafe conditions, it often causes irreversible damages to the field. If this occurs, it can take months and in some cases years to get the field back into quality playing condition.

Teams and/or leagues that refuse to follow these MCSD guidelines on Field Cancellations will be subject to the following disciplinary action:

1. **First Offense:**
Written warning to team and President of the Organization.
2. **Second Offense:**
One week suspension of the team or organization from practicing on fields.
3. **Third Offense:**
Forfeiture of a team’s privilege to either practice or play games on MCSD fields for the remainder of the season.

HILLER SPORTS SITE
In-Kind Labor and/or Materials Criteria
for Receiving Credit towards Facility Use Fees

Requests to provide in-kind labor or materials in exchange for credit towards facility use fees, MUST be made in writing and MUST be pre-approved in writing by DISTRICT staff. In-kind labor exchange will only be considered for necessary (as deemed by DISTRICT staff) field and facility maintenance currently performed by DISTRICT staff. Any work performed by ORGANIZATION representatives or volunteers prior to or without written approval from designated DISTRICT staff will not be considered for credit of any kind.

In-kind material donation exchange will only be considered for necessary (as deemed by DISTRICT staff) materials that would otherwise be purchased by the DISTRICT for use at the Hiller Sports Complex.

- 1) In Kind Labor request proposals must include:
 - a. Description of the labor to be performed
 - b. Estimated number of labor hours required to perform the work
 - i. District reserves the right to determine the amount of credit granted for labor hours based on the equivalent time that DISTRICT staff would have spent on the same task.

- 2) In Kind Material Donation request proposals must include:
 - a. Description of the dollar value of the material being donated
 - i. DISTRICT reserves the right to determine the amount of credit granted for material donations based on the amount the DISTRICT would have spent on the necessary material.
 - b. Name of the business from which the material is being purchased or donated.
 - c. Name and contact information of the individual making the donation on behalf of the ORGANIZATION.

HILLER SPORTS SITE

"In Kind Work" & Field Modification Request Form

This form must be submitted and approved by an authorized MCSD representative prior to any projects being completed by any user group at Hiller Sports Complex.

ORGANIZATION: _____

NAME OF REPRESENTATIVE: _____

PHONE: _____ DATE OF REQUEST: _____

PROJECT: _____

PROJECT TIMELINE: _____

SIGNATURE OF ORG. REPRESENTATIVE: _____

FOR DISTRICT USE ONLY

PROJECT APPROVED: _____	PROJECT DENIED: _____
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MCSD REPRESENTATIVE: _____ DATE: _____

NOTES FROM MCSD: _____

SIGNATURE OF MCSD REPRESENTATIVE: _____

**Hiller Sports Site Maintenance Agreement Between
McKinleyville Community Services District and McKinleyville Little League**

The Hiller Sports Site Maintenance Agreement is a supplemental agreement to the Hiller Sports Complex Facility Use Agreement, by and between the McKinleyville Community Services District (DISTRICT), and the McKinleyville Little League (ORGANIZATION), and does not supersede or negate any of the sections in the HSC Facility Use Agreement.

Recitals

- (a) DISTRICT is the owner of Hiller Sports Complex located at 880 Columbus Road in McKinleyville; and
- (b) DISTRICT desires to maximize financial self-sufficiency of the maintenance of Hiller Sports Complex; and
- (c) ORGANIZATION desires to provide turf and grounds maintenance at Hiller Sports Complex for fields 1, 2, and 4 in order to reduce the maintenance expense of the DISTRICT thereby reducing the Field Use expense of the ORGANIZATION; and
- (d) ORGANIZATION and DISTRICT each desire to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (g) The documents which are part of the AGREEMENT, and each of which are incorporated herein by this reference as though full, are the following:
 - 1. Cover Page: Maintenance AGREEMENT
 - 2. Exhibit A: Hiller Sports Complex Map
 - 3. Exhibit B: Turf and Grounds Maintenance Scope of Work
 - 4. Exhibit C: Volunteer Labor Log and Time Sheet
 - 5. Exhibit D: "In Kind Work" & Field Modification Request Form

Background

The DISTRICT and ORGANIZATION both wish to provide sustainable and equitable services to the community in a coordinated and collaborative manner.

As the cost of labor for maintaining the turf and grounds at Hiller Sports Complex is the largest maintenance expense incurred by the DISTRICT as owner, and the field use fees charged to users is set at a rate to recover some of the cost related to maintenance. The ORGANIZATION wishes to lower their portion of field use fees by providing consistent volunteer labor for maintaining the turf and grounds at Hiller Sports Complex.

Labor associated with the ongoing and consistent maintenance of the turf and grounds performed by the ORGANIZATION can provide a significant savings to the DISTRICT and as such is eligible for monetary credit to be used toward field use fees.

ORGANIZATION has a vested interest in the maintenance and health of the turf and grounds at Hiller Sports Complex, and owns or has access to all necessary equipment for the provision of necessary maintenance tasks.

Agreement

1. ORGANIZATION agrees to provide ongoing and consistent turf and grounds maintenance according to an agreed upon schedule outlined in **Attachment 1**, within the duration of the contract period (March 1 through October 31, 2022).
2. DISTRICT agrees to provide monetary credit at the rate of \$15.50 per hour of eligible labor performed (see EXHIBIT B) toward the field use fees encumbered by the ORGANIZATION within the contract period. Labor hours will not be credited in excess of 17 hours per week. (5 hours per week per field for mowing and string trimming; 2 hours per week for restroom maintenance.)
3. ORGANIZATION agrees that credit will only be applied for eligible labor hours documented as required by the DISTRICT on the "Volunteer Labor Log and Time Sheet" (EXHIBIT C). Credit will not be given for any labor performed on tasks not included on the "Turf and Grounds Maintenance Scope of Work" (EXHIBIT B) and/or for any labor performed that is not documented as required by the DISTRICT.
4. ORGANIZATION agrees that any labor credit earned in excess of the encumbered field use fees will be forfeited and will not be eligible for use in subsequent contract periods.
5. DISTRICT shall base ORGANIZATION's field use fees on the total financial value of approved in-kind labor and/or materials subtracted from the total financial value of site use
6. DISTRICT agrees to provide and apply all fertilizers and nutrients necessary for appropriate turf maintenance.
7. DISTRICT agrees to ensure adequate irrigation of turf.
8. ORGANIZATION understands that DISTRICT is not budgeting staff time to complete maintenance tasks listed in the "Turf and Grounds Maintenance Scope of Work" for the months of March through July and as such any time DISTRICT staff is called upon to complete such tasks during those months, it will constitute an interruption to budgeted tasks and an additional expense to the DISTRICT, and therefore ORGANIZATION agrees that:
 - 8.1 If circumstances arise and ORGANIZATION is unable to perform the agreed upon maintenance according to the necessary and agreed upon schedule, ORGANIZATION agrees to pay DISTRICT to complete the maintenance at a rate ranging from \$40.00 to \$60.00 per hour, dependent upon DISTRICT staff assigned to the work and whether or not that staff will be required to work overtime in order to complete all required tasks on that day. ORGANIZATION agrees that this charge will be in addition to fees charged for field use. "List of Eligible Maintenance Tasks"
9. ORGANIZATION agrees all turf and grounds maintenance volunteers will be required to attend turf and grounds maintenance seminar organized and presented by the DISTRICT staff before performing any volunteer labor. In addition, ORGANIZATION's designated representative must attend facility maintenance meetings as arranged by the DISTRICT.

Furthermore, said volunteers of ORGANIZATION are not to be considered volunteers or employees of DISTRICT.

10. DISTRICT agrees to schedule and implement a turf and grounds maintenance seminar for ORGANIZATION volunteers prior to the scheduled start of ORGANIZATION'S field use.
11. ORGANIZATION shall abide by all rules and regulations established by the DISTRICT stating that the use of pesticides, herbicides and related products at the Hiller Sports Complex and surrounding areas are strictly prohibited.
12. ORGANIZATION shall agree that the DISTRICT reserves the right to close fields and prohibit mowing due to wet conditions or any other condition that would otherwise put the integrity of the turf at risk.
13. ORGANIZATION agrees that any field modifications and/or desired credit requests for volunteer labor not included in the "Turf and Grounds Maintenance Scope of Work" or donated materials must be pre-approved through the submission of the "In Kind Work" & Field Modification Request Form" (EXHIBIT D)
14. ORGANIZATION agrees that any maintenance or tasks not explicitly described in the Turf and Grounds Maintenance Scope of Work is the responsibility of the DISTRICT and not to be undertaken by the ORGANIZATION without written permission from the DISTRICT.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

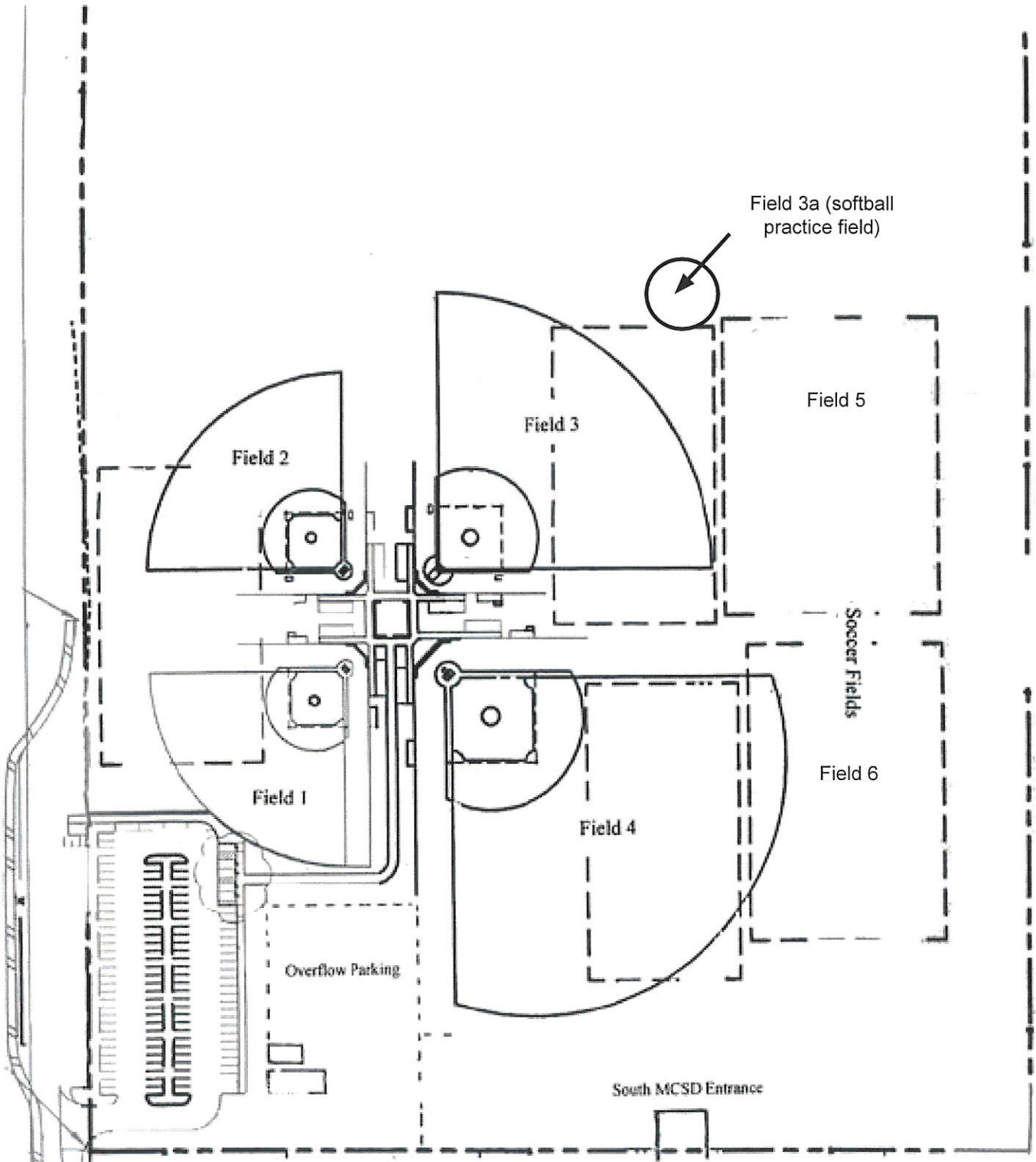
David Couch, President of the Board of Directors

ATTEST: _____
April Sousa, Secretary to the Board of Directors

McKINLEYVILLE LITTLE LEAGUE

President of McKinleyville Little League

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
Hiller Sports Complex - Site Map



**Turf and Grounds Maintenance Scope of Work
For Hiller Sports Site Supplemental Maintenance Agreement**

1. **Mowing:** defined as the clipping or cutting of the turf areas using a powered turf mower. Cutting shall be even, without ridges, free of scalp spots and neat in appearance. Mowing shall not exceed 1/3 of the blade length on any given cut. Mowing shall never take turf below 2 inches.
 - a. Frequency: a minimum of twice per week, or as often as necessary to avoid cutting more than 1/3 the blade surface in one cutting with no more than one cutting every 3 days. Not to exceed 2 hours per field per mow.

2. **String Trimming:** defined as the cutting/trimming of turf along fence lines, sidewalks and buildings.
 - a. Frequency: a minimum of once per week. Not to exceed 3 hours per week.

3. **Weeding:** defined as the removal of weeds in all landscape beds and turf areas.
 - a. Frequency: not to exceed 4 hours per month.

HILLER SPORTS SITE
In-Kind Labor and/or Materials Criteria
for Receiving Credit towards Facility Use Fees

Requests to provide in-kind labor or materials in exchange for credit towards facility use fees, MUST be made in writing and MUST be pre-approved in writing by DISTRICT staff. In-kind labor exchange will only be considered for necessary (as deemed by DISTRICT staff) field and facility maintenance currently performed by DISTRICT staff. Any work performed by ORGANIZATION representatives or volunteers prior to or without written approval from designated DISTRICT staff will not be considered for credit of any kind.

In-kind material donation exchange will only be considered for necessary (as deemed by DISTRICT staff) materials that would otherwise be purchased by the DISTRICT for use at the Hiller Sports Complex.

- 1) In Kind Labor request proposals must include:
 - a. Description of the labor to be performed
 - b. Estimated number of labor hours required to perform the work
 - i. District reserves the right to determine the amount of credit granted for labor hours based on the equivalent time that DISTRICT staff would have spent on the same task.

- 2) In Kind Material Donation request proposals must include:
 - a. Description of the dollar value of the material being donated
 - i. DISTRICT reserves the right to determine the amount of credit granted for material donations based on the amount the DISTRICT would have spent on the necessary material.
 - b. Name of the business from which the material is being purchased or donated.
 - i. A formal quote and/or Invoice from the business which is providing the material for the cost/value of the material to be provided by the ORGANIZATION.
 - c. Name and contact information of the individual making the donation on behalf of the ORGANIZATION.

HILLER SPORTS SITE

"In Kind Work" & Field Modification Request Form

This form must be submitted and approved by an authorized MCSD representative prior to any projects being completed by any user group at Hiller Sports Complex.

ORGANIZATION: _____

NAME OF REPRESENTATIVE: _____

PHONE: _____ DATE OF REQUEST: _____

PROJECT: _____

PROJECT TIMELINE: _____

CONSIDER PROJECT LABOR & MATERIAL COSTS FOR FIELD USE FEE CREDITS

SIGNATURE OF ORG. REPRESENTATIVE: _____

FOR DISTRICT USE ONLY

PROJECT APPROVED: _____ PROJECT DENIED: _____

MCSD REPRESENTATIVE: _____ DATE: _____

NOTES FROM MCSD: _____

FIELD USE FEE CREDIT GRANTED: YES NO

SIGNATURE OF MCSD REPRESENTATIVE: _____

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

HILLER SPORTS COMPLEX FACILITY USE AGREEMENT

This HILLER SPORTS COMPLEX FACILITY USE AGREEMENT (this “AGREEMENT”), is made and entered into this 2nd day of February, 2022, by and between the McKinleyville Community Services District (DISTRICT), a Community Services District formed under the laws of the State of California, and the Mad River Girls Fastpitch Softball Association (ORGANIZATION), a non-profit youth sports organization, reference to the following facts, which are acknowledged as true and correct by each of the parties:

Recitals

- (a) DISTRICT is the owner of Hiller Sports Complex located at 880 Columbus Road in McKinleyville; and
- (b) DISTRICT desires to maximize financial self-sufficiency of the maintenance of Hiller Sports Complex; and
- (c) DISTRICT desires to maximize community access to recreation programs at Hiller Sports Complex; and
- (d) ORGANIZATION desires to offer recreation programs to the community at Hiller Sports Complex; and
- (e) ORGANIZATION proposes to operate recreation programs, in accordance with the terms and conditions of this AGREEMENT, which supersedes all other previous documents; and
- (f) ORGANIZATION and DISTRICT each desire to secure and enter into an AGREEMENT in accordance with the foregoing; and
- (g) The documents which are part of the AGREEMENT, and each of which are incorporated herein by this reference as though full, are the following:
 1. Cover Page: Facility Use AGREEMENT
 2. Exhibit A: Hiller Sports Complex Map
 3. Exhibit B: Article IV – Rules and Regulations
 4. Exhibit C: Hiller Sports Complex Master Facility Fee Schedule
 5. Exhibit D: Operation & Maintenance Responsibilities
 6. Exhibit E: Guidelines for Field Cancellations
 7. Exhibit F: “In Kind Work” & Field Modification Request Form

Definitions

As used in this AGREEMENT, the following terms shall have the following definitions:

1. "AGREEMENT" shall mean Hiller Sports Complex Facility Use AGREEMENT.
2. "DISTRICT" shall mean the McKinleyville Community Services District.
3. "ORGANIZATION" shall mean Mad River Girls Fastpitch Softball Association .
4. "Hiller Sports Complex" shall mean the nineteen-acre parcel of property located at 880 Columbus Road on the east side of the entry way into Hiller Park. Such property contains two (2) little league fields, a regulation softball field, a practice softball field, a Senior League baseball field, two collegiate size soccer fields, batting cages, concession stand, restrooms, bleachers, drinking fountains, walkways, and a parking lot.
5. "Recreation Advisory Committee" shall be the said committee operating under the jurisdiction of the McKinleyville Community Services District Board of Directors.
6. "Facility Use Request" shall mean all periods of time, including practices, games, assessment days, tournaments, etc., for which a party desires to utilize Hiller Sports Complex and requested via the DISTRICT Hiller Sports Complex Facility Use Reservation Form.
7. "Facility Use Schedule" shall mean the most current schedule for use of Hiller Sports Complex.
8. "Board of Directors" shall mean the five members of the McKinleyville Community Service District Board of Directors.
9. "Parks & Recreation Director" shall mean the individual employed in said position with the McKinleyville Community Services District.
10. "Article IV- Rules and Regulations" shall mean the portion of the document containing the Rules and Regulations of the McKinleyville Community Services District as adopted by the Board of Directors.

NOW, THEREFORE, in consideration of their mutual covenants and promises set forth herein and incorporating the foregoing recitals of fact, the parties hereto agree as follows:

AGREEMENT

Section 1. Facility Development

The DISTRICT and ORGANIZATION agree to collaborate, assist, and support one another and individual efforts in maintaining Hiller Sports Complex.

Section 2. Grant of Field Use

- 2.1 Grant of Use. The DISTRICT grants the ORGANIZATION field use for recreational and sports activities at Hiller Sports Complex. ORGANIZATION shall be responsible for: (a) setup of Hiller Sports Complex for ORGANIZATION's use, unless otherwise specified; (b) storing any equipment following ORGANIZATION's use; and (c) restoring Hiller Sports Complex to the appropriate condition as found prior to ORGANIZATION's use. ORGANIZATION shall not utilize Hiller Sports Complex prior to the start of the contracted time set forth in the most current Facility Use Schedule and shall vacate the playing area by the end of the contracted time set forth in said schedule.
- 2.2 Facility Use Schedule. ORGANIZATION shall provide DISTRICT with ORGANIZATION's most current field use schedule including team names, coaches/managers & names of individuals to contact in the case of game cancellations; list of official representatives of the organization; game, practice, tournament dates and times; and other scheduled use.
- 2.3 Cancellation. Provided cancellation of use by inclement weather or other unforeseen conditions, DISTRICT shall endeavor to make the decision of said cancellation by 3:00 p.m. of the day for which cancellation shall take place.
- 2.4 Additional Field Use Request. Provided cancellation of use by inclement weather or other unforeseen conditions, ORGANIZATION must notify the DISTRICT of said cancellation and request of additional field use (if needed) within twenty-four (24) hours. DISTRICT shall be responsible to administer and coordinate all additional facility use requests provided such requests do not conflict with the most current Facility Use Schedule of other approved users.
- 2.5. Access
DISTRICT shall provide the ORGANIZATION with one (1) set of keys to Hiller Sports Complex. It is the responsibility of the ORGANIZATION to produce copies and issue keys.

Section 3. Scheduling of Facility

- 3.1 Site Development, Management and Scheduling:
All development, scheduling, maintenance, and use of Hiller Sports Complex shall be coordinated with the Parks & Recreation Director.
- 3.2 Facility Use Requests
ORGANIZATION is responsible to submit a District Facility Use Reservation Form to the Parks & Recreation Director. The Parks & Recreation Director shall compile a draft Facility Use Schedule resulting from such requests. Parties currently having and maintaining an AGREEMENT with DISTRICT shall be designated for priority use when said schedule is drafted. The draft Facility Use Schedule shall delineate any dates and times with facility scheduling conflicts. The Parks & Recreation Director shall be charged with resolving any scheduling conflicts, in his or her discretion.

ORGANIZATION shall have first priority of Softball Field 3 based on schedules submitted in advance to MCSD, from March 15 through June 30, 2022.

3.3 Facility Use Scheduling Protests

ORGANIZATION and those parties granted facility use by the DISTRICT shall retain the right to protest the facility use. For all protests, refer to Section 16: Resolution of Disputes.

Section 4. Operational Standards

4.1 Conduct and Disorderly Persons

ORGANIZATION agrees to uphold and remain in compliance, at all times, with the current rules and regulations of the recreation and park system as established by the DISTRICT and outlined in Article IV of the DISTRICT's Rules and Regulations.

4.2 Staffing

ORGANIZATION agrees to ensure that an official representative(s) of ORGANIZATION shall be present at all times and shall be responsible for overseeing all use at all times on those dates and times for which use of Hiller Sports Complex is being conducted by ORGANIZATION.

4.3 Equipment and Supplies Storage

Storage of ORGANIZATION's equipment at Hiller Sports Complex shall be at the DISTRICT'S approval and at the ORGANIZATION's sole risk, DISTRICT will not warrant security of stored materials. ORGANIZATION shall unilaterally bear all risks of loss, theft, damage and other casualty incidental to using and/or storing equipment at the Hiller Sports Complex, and will indemnify and defend the DISTRICT from and against all losses arising out of using and/or storing equipment at the Hiller Sports Complex.

4.4 Safety

ORGANIZATION agrees to comply with the DISTRICT's established facility use guidelines, as defined in Article IV of the DISTRICT's Rules and Regulations and attached as Exhibit B, and incorporated by reference herein.

4.5 Use of Equipment

ORGANIZATION agrees not to use equipment owned by others and stored at Hiller Sports Complex without first obtaining written approval from the owner of said equipment. A copy of written approval must be provided to the DISTRICT.

ORGANIZATION agrees not to remove or replace equipment provided at Hiller Sports Complex by DISTRICT without the prior written consent of the Parks & Recreation Director.

4.6 Entry by DISTRICT

ORGANIZATION shall permit DISTRICT, and DISTRICT's agents and assigns, at all reasonable times, to enter the premises, for the purposes of inspection, compliance with the terms of this AGREEMENT, exercise of all rights under this AGREEMENT, posting notices, and all other lawful purposes.

4.7 Environmental Sensitivity

ORGANIZATION agrees that all use by ORGANIZATION shall be conducted in a manner within the intended use of Hiller Sports Complex and with respect to the surrounding neighborhood and community. ORGANIZATION shall abide by all rules and regulations established by the DISTRICT stating that the use of pesticides, herbicides and related products at the Hiller Sports Complex and surrounding areas are strictly prohibited.

4.8 Equal Opportunity and Non-Discrimination Clause

ORGANIZATION shall not discriminate in its offering of programs at Hiller Sports Complex and all duties related to such offering on the basis of race, color, national origin, religious creed, ancestry, sex, age, or physical handicap and shall comply with all applicable state and federal statutes and regulations prohibiting discriminatory practices and/or conduct.

DISTRICT has zero tolerance for harassment or any other form of discriminatory behavior, as set forth in this Policy Against Discrimination. The DISTRICT will not tolerate discrimination or harassment based on gender, pregnancy, childbirth (or related medical conditions), race, color, religion, national origin, ancestry, age, physical disability, mental disability, medical condition, marital status, sexual orientation, family care or medical leave status, military or veteran status, or any other status protected by federal, state, or local law. MCSD requires that all patrons of facilities adhere to MCSD policy. MCSD will respond to any discriminatory behavior in an appropriate manner, including, but not limited to, termination of facility agreement and/or future facility use, reporting to appropriate legal authorities or other appropriate responses. All incidences of discriminatory behavior are to be reported to the MCSD General Manager immediately.

For all communications, both written and electronic, DISTRICT does not tolerate any correspondence that degenerates into improper use. DISTRICT's technology resources are governed by District policies. Under no circumstances may anyone use DISTRICT's technology resources to transmit, receive, or store any information that is discriminatory, harassing, or defamatory in any way, such as sexually explicit or racially disparaging messages, jokes, or cartoons.

4.9 Americans with Disabilities Act Compliance

DISTRICT shall indemnify, defend, and hold harmless ORGANIZATION from any fines or penalties which may be imposed upon it pursuant to the Americans with Disabilities Act as a result of DISTRICT's failure to make any required improvements to the premises as required by the Americans with Disabilities Act.

ORGANIZATION shall be responsible for compliance with any and all requirements of the Americans with Disabilities Act with respect to the operation of recreation programs for which ORGANIZATION is responsible. ORGANIZATION shall indemnify, defend, and hold harmless DISTRICT from and against any and all claims, causes of action, damages, fines and/or penalties pursuant to the Americans with Disabilities Act arising, in whole or in part, as a result of the ORGANIZATION's failure or alleged failure to

comply with any requirements of the Americans with Disabilities Act with respect to operation of recreation programs which ORGANIZATION is responsible.

4.10. Compliance with Law

ORGANIZATION and DISTRICT shall comply with and conform to all laws and regulations, state and federal, and any and all requirements and orders of any state or federal board or authority, present or future, in any way relating to the condition or use of Hiller Sports Complex throughout the entire term of this AGREEMENT.

4.11. District Coordination

DISTRICT shall employ a Parks & Recreation Director who shall be the primary contact person with the ORGANIZATION.

Section 5. Prohibited Actions

ORGANIZATION shall not:

- a) Use of Hiller Sports Complex for any purpose other than as authorized in this AGREEMENT and as authorized in the most current Facility Use Schedule; or
- b) Do or permit to be done anything which may interfere with the effectiveness or accessibility of Hiller Sports Complex, nor do or permit to be done anything which may interfere with free access and passage in Hiller Sports Complex or the public areas adjacent thereto, or in the streets or trails adjoining Hiller Sports Complex, or hinder police, fire fighting, or other emergency personnel in the discharge of their duties; or
- c) Interfere with the public's enjoyment and use of Hiller Sports Complex for any purpose which is not essential to public safety; or
- d) Rent, sell, lease, or offer any space for any articles whatsoever within or on Hiller Sports Complex without the written consent of the DISTRICT; or
- e) Place any additional lock of any kind upon any door, cabinet, or storage bin, unless a key therefore is provided to the DISTRICT, and upon expiration or termination of this AGREEMENT; or
- f) Erect, construct, or place any permanent structure upon any portion of the premises without written authorization from DISTRICT; or
- g) Use or allow Hiller Sports Complex to be used for any improper or unlawful purposes or for purposes in violation of Article IV of the McKinleyville Community Services District's Rules and Regulations; or
- h) Allow vehicles access to the concession area via the 10-foot sidewalk driveway access point except for loading and unloading only. The sidewalk driveway area must be kept clear for access to emergency vehicles. All vehicles must park in the parking area.

Section 6. Insurance

6.1. Minimum Scope

ORGANIZATION shall obtain and maintain throughout the term of this AGREEMENT, at ORGANIZATION's cost, comprehensive general public liability insurance issued by insurance carriers acceptable to DISTRICT naming the ORGANIZATION as insured and the DISTRICT as an additional insured against any injuries or damages to persons or property caused by or arising out of ORGANIZATION's occupation and use of Hiller Sports Complex under this AGREEMENT in amounts of not less \$1,000,000.00 for any individual claimant and \$2,000,000.00 per occurrence.

6.2. Proof of Insurance

ORGANIZATION shall cause DISTRICT to be given written notification, prior to the commencement of this AGREEMENT, from the insurance carrier of the existence of such policies and shall provide a certificate of insurance and separate endorsement in the amounts listed in 6.1 prior to the inception of the term which shall provide that coverage provided by the policy shall not be canceled or amended until the DISTRICT is first provided with at least thirty (30) days written notice concerning such cancellation or notice.

Section 7. Hold Harmless, Indemnity and Release Forms

7.1. Hold Harmless and Indemnity

Except for the active negligence or willful misconduct of DISTRICT, ORGANIZATION undertakes and agrees, to the fullest extent permitted by law, to defend, indemnify, and hold harmless DISTRICT and all its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature in connection with or arising directly or indirectly out of this AGREEMENT whatsoever and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the performance of this AGREEMENT on part of ORGANIZATION and/or ORGANIZATION's use of the Hiller Park Complex (and surrounding areas), by its officers, agents, assigns, program participants and employees of any tier.

7.2. Participant Liability Release Forms

ORGANIZATION shall provide to DISTRICT a master copy of the liability release form used for ORGANIZATION's program defending, indemnifying, and holding harmless, DISTRICT, its officers, agents, assigns, and employees from and against any and all suits, actions and causes of action, claims, liens, demands, obligations, proceedings, loss or liability of every kind and nature whatsoever, for death or injury to any person including DISTRICT's officers, agents, assigns, and employees, or damage or destruction of any property of either party hereto or of third parties arising out of or in any manner by reason of, or incident to, the program or programs sponsored by ORGANIZATION and conducted at the Hiller Sports Complex.

Section 8. Utilities

8.1. Water

The DISTRICT shall be responsible for all water and sewer related expenses at the site.

8.2. Gas and Electric

ORGANIZATION shall be required to pay a fee based on gas and electrical use for the concession stand, low site lighting, and/or any other type of sporting equipment, which utilizes electricity. This cost will be remitted at the end of the season, based on a percentage of field use.

Section 9. Maintenance

9.1 Ongoing Facility Maintenance

DISTRICT shall provide for all ongoing maintenance of Hiller Sports Complex. ORGANIZATION shall be required to pay a fee based on expenses related to ongoing maintenance as approved by the MCSD Board of Directors. ORGANIZATION may be allowed to decrease their portion of the maintenance fee through the use of in-kind labor or materials that assists with maintenance of the site within the scope of the DISTRICT's maintenance plan or Capital Improvement Plan for the site. Financial credit for approved in kind donation of labor or materials shall be granted only for labor or donations completed for facility maintenance as per the required steps outlined in Exhibit F. Credit shall not be granted for volunteer labor or materials pertaining to field preparation for games. DISTRICT shall assign specific financial value to one volunteer labor hour and or donated materials based on the value of cost saved in DISTRICT paid labor and/or materials. DISTRICT shall base ORGANIZATION's field use fees on the total financial value of approved in-kind labor and/or materials subtracted from the total financial value of site use. The financial value of in-kind labor or material donations, if in excess of the total field use fee, is not allowed to be placed as a credit toward future facility use.

Should ORGANIZATION perform in-kind labor, all said volunteers must attend a facility maintenance orientation seminar. Designated ORGANIZATION representative must attend a facility maintenance orientation seminar organized and presented by DISTRICT staff. In addition, ORGANIZATION's designated representative must attend facility maintenance meetings as arranged by the DISTRICT.

Furthermore, said volunteers of ORGANIZATION are not to be considered volunteers or employees of DISTRICT.

ORGANIZATION agrees to perform general maintenance of the field site, including but not limited to, field preparation before games, grounds cleanup, restroom cleanup, restocking janitorial supplies, general cleanup of the concession stand & parking lot, and trash disposal. These operation and maintenance responsibilities are further explained in Exhibit D, and will not be considered as in-kind labor for the purposes of reducing fees for field and concession use during the period of March 15 through June 20, 2019

9.2. Facility Damages and Repairs

The ORGANIZATION shall be held responsible for all damage or vandalism to District facilities occurring during the ORGANIZATION'S use of the facilities. Upon notification by the DISTRICT, the ORGANIZATION is responsible to repair all damages immediately, or within a schedule approved by the DISTRICT. If ORGANIZATION is unable or unwilling to repair damage immediately, the DISTRICT reserves the right to

make the necessary repairs and bill ORGANIZATION for all costs. The ORGANIZATION is responsible to reimburse the DISTRICT within thirty days (30) of presentation of the bill. Exception: The concession and snack bar area is the sole responsibility of the ORGANIZATION during the entire period of this AGREEMENT. Repair of any and all damage occurring to the concession stand during the AGREEMENT period is the sole responsibility of the ORGANIZATION.

Damaged and unsafe fields shall be unavailable for use until repairs are completed. The assignment of other fields during such time is at the discretion of the DISTRICT.

9.3. Site Improvements

Any ORGANIZATION desiring to perform site improvements must first obtain written approval from the DISTRICT for such improvements and pay for all costs related to approved improvements.

It is understood and agreed between the parties that all installations, additions, and improvements erected or installed at any time at Hiller Sports Complex during the term of this AGREEMENT shall immediately become the property of and belong to the DISTRICT upon such erection or installation; provided, however, this provision does not apply to participant playing equipment and concession equipment installed and belonging to ORGANIZATION. ORGANIZATION must remove all participant playing equipment and concession equipment prior to the expiration or other termination of this AGREEMENT. Any portion of the premises affected by removal shall be immediately restored and repaired.

Section 10. Purchasing

- 10.1 DISTRICT shall have the responsibility to purchase all grounds maintenance and field preparation supplies needed to maintain Hiller Sports Complex.
- 10.2 ORGANIZATION shall be fully responsible for all expenses related to purchase of all supplies needed to operate the programs including supplies needed for field preparation, should ORGANIZATION choose to prepare fields for their use, and of any supplies needed for operations conducted in the concession stand.

Section 11. Sales

11.1. Participant Registration

ORGANIZATION shall be allowed to retain all revenue related to participant registration fees.

DISTRICT shall provide space for applications and flyers provided by ORGANIZATION at DISTRICT's office and at the McKinleyville Activity Center. DISTRICT shall not otherwise register applicants or provide directions regarding ORGANIZATION's program.

ORGANIZATION shall be responsible for promotion and sale of ORGANIZATION's program to customers. Upon provision by ORGANIZATION, DISTRICT shall provide copies of flyers and promotional materials to customers.

11.2. Advertising

DISTRICT recognizes the importance of advertising revenue to ORGANIZATION and desires to afford ORGANIZATION opportunities to obtain revenue for support of ORGANIZATION's program. However, ORGANIZATION shall first obtain written permission from DISTRICT and allow DISTRICT to review any such advertising prior to installation, placement, distribution, or maintenance of any type of advertising or AGREEMENT with any other vendor involving promotion or advertising of their products or services on and at Hiller Sports Complex. All such advertising placed in accordance with the aforementioned must be removed upon the conclusion of ORGANIZATION's program at a time agreed to by both parties.

11.3. Concessions

ORGANIZATION shall be allowed to retain all proceeds related to operation of a concession stand during granted facility use hours provided concession use fees are paid in full.

Approval for requests for use of the concession stand by ORGANIZATION will be granted only when said request is concurrent with the most current facility use schedule as approved. ORGANIZATION shall not utilize the concession stand prior to the start of the contracted time set forth in the most current facility use schedule and shall vacate the concession stand by the end of the contracted time set forth in said schedule.

Upon issuance of the most current Facility Use Schedule and concession stand use request approvals, should additional concession stand use be available during scheduled events, those ORGANIZATION's having and maintaining a current AGREEMENT with DISTRICT shall be given priority for additional concession stand use requests. Such requests will be awarded on a first come, first serve basis.

Section 12. Licenses and Permits

- 12.1 ORGANIZATION shall apply for, obtain, and maintain all licenses, permits, and other accreditations required in connection with the management and operation of programs, site improvements as approved per 9.3., and as needed for development of the facility. ORGANIZATION shall be responsible to pay the cost of all such licenses and permits.

Section 13. Unavoidable Delays

- 13.1 The provisions of this Section shall be applicable if there shall occur, during the term of this AGREEMENT, any (a) inability to obtain labor or materials, or reasonable substitutes (other than lack of funds); or (b) acts of God, governmental restrictions, regulations or controls, enemy or hostile government, civil commotion, fire, or other casualty; or (c) other conditions similar to those enumerated in this Section beyond the reasonable control of the party obligated to perform (other than lack of funds). If DISTRICT or ORGANIZATION shall, as the result of any of the above-described events, fail to provide or to perform any obligation on its part under this AGREEMENT, then upon written notification to the other within ten (10) days of such event, such failure shall be excused and not be a breach of this AGREEMENT by the party claiming unavoidable delay, but only to the extent occasioned by such event. Notwithstanding anything contained herein to the contrary, this Section shall not be applicable to the obligation of the DISTRICT or ORGANIZATION to pay any sums, monies, costs, charges, or expenses required paid pursuant to the terms of this AGREEMENT, or to

fulfill any hold harmless and/or indemnity obligations created by Section 7.1 or elsewhere in this AGREEMENT.

Section 14. Amendments and Assignments

- 14.1 This AGREEMENT contains the complete and final AGREEMENT between the DISTRICT and the ORGANIZATION. No AGREEMENT or other understanding in any way purporting to modify, add to, or supersede the terms and conditions hereof shall be binding upon either party unless made in writing and duly executed by authorized representatives.
- 14.2 This AGREEMENT may not be assigned or transferred, in whole or in part, by ORGANIZATION without first obtaining the written consent of DISTRICT which may be withheld, for any reason, in the DISTRICT's sole discretion.

Section 15. Taxes

- 15.1 ORGANIZATION shall be solely responsible for the payment when due of any possessory interest or other unsecured tax levied by any governmental authority with respect to the use and occupancy of Hiller Sports Complex by ORGANIZATION.

Section 16. Resolution of Disputes

16.1. Process for Resolution

Any dispute arising under the terms of this AGREEMENT, which is not resolved within a reasonable period of time by authorized representatives of the DISTRICT and the ORGANIZATION shall be brought to the attention of the General Manager (or designated representative) of the DISTRICT and the Board President (or designated representative) of the ORGANIZATION for joint resolution.

If joint resolution of the dispute through these means is pursued without success, ORGANIZATION shall seek to resolve the dispute by filing a written grievance with the General Manager (or designated representative). Upon receipt of a written grievance, the General Manager (or designated representative) shall research and investigate the grievance and set an agenda item for the next DISTRICT Board of Director's meeting. At the meeting, the ORGANIZATION or a representative thereof can appear and be heard. The DISTRICT Board of Directors shall consider the item and act thereon, and may adopt, reject, or amend the recommendation.

If resolution of the dispute as adopted by the DISTRICT Board of Directors is not satisfactory, ORGANIZATION may seek resolution employing whatever remedies exist in law or equity beyond this AGREEMENT. Despite an unresolved dispute, the DISTRICT and ORGANIZATION hereto shall continue without delay to perform its obligations under this AGREEMENT.

In the event of any breach or violation of this AGREEMENT by ORGANIZATION, the DISTRICT may employ whatever remedies that exist in law or equity to enforce this AGREEMENT, without resorting to the dispute resolution protocol described above.

16.2. Attorney's Fees

In the event of any litigation arising between the parties regarding the terms of this AGREEMENT, the prevailing party shall be entitled to recover reasonable attorney's fees in addition to other relief provided by law.

Section 17. Notices

- 17.1 Any notice, demand, or communication under, or in connection with, this AGREEMENT, may be served upon DISTRICT by personal service, or by mailing the same by certified mail in the United States Post Office, postage prepaid, and directed to the DISTRICT as follows:

General Manager
McKinleyville Community Services District
P.O. Box 2037
McKinleyville, CA 95519

and may likewise be served on ORGANIZATION by personal service or by so mailing the same addressed to ORGANIZATION as follows:

Mad River Girls Fastpitch Softball
P.O. Box 4361
Arcata, CA 95518

Either DISTRICT or ORGANIZATION may change such address by notifying the other party in writing as to such new address as DISTRICT or ORGANIZATION may desire to be used and which address shall continue as the address until further written notice.

Section 18. Compensation

- 18.1. Funding for Facility Development
Should ORGANIZATION grant DISTRICT monies for development in an amount of more than \$5,000, said monies shall be dedicated to the development of facilities illustrated in Parks & Recreation Master Plan, which would fulfill the needs of ORGANIZATION. Monies granted by ORGANIZATION for development in amount less than \$5,000 shall be dedicated to the general overall development of facilities illustrated in Parks & Recreation Master Plan.

- 18.2. Facility Use and Additional Fees

ORGANIZATION shall pay DISTRICT fees in accordance to Hiller Sports Complex Master Facility Fee Schedule as adopted by the Board of Directors and outlined in Exhibit C.

ORGANIZATION agrees to pay a Cleaning/Damage deposit in the amount of \$1,500.00 to MCSD for the use of Hiller Sports Complex. MCSD may use the Cleaning/Damage deposit for reimbursement of any costs related to additional cleaning requirements, additional turf maintenance, and/or field & turf damages during the use of ORGANIZATION (see Exhibit D). This deposit must be paid in full prior to the start of the season.

ORGANIZATION is responsible for the cost for propane use, PG&E and the cost to change the locks at the end of each season. This cost will be remitted at the end of the season, based on a percentage of field use.

In the event DISTRICT shall provide maintenance at the expense of ORGANIZATION, or the DISTRICT is required to respond to a call-out at a time outside the DISTRICT'S regular business hours, the ORGANIZATION agrees to reimburse the DISTRICT according to the following rates:

Labor:	\$40.00/hour
Mower:	\$25.00/hour
Utility Vehicle:	\$35.00/hour
Tractor:	\$40.00/hour
Backhoe:	\$70.00/hour
Dump Truck:	\$50.00/hour
Boom Truck:	\$81.00/hour
Call out Fee	\$150 per occurrence + labor cost if time spent exceeds 2 hours

18.3. Delinquent Payment

In the event ORGANIZATION shall be delinquent by more than fifteen (15) days in the payment of any sums due under the terms of section 18.2, DISTRICT shall cancel all future scheduled and yet to be scheduled use of DISTRICT-owned facilities until past due payments are paid in full.

Section 19. Law Governing

This AGREEMENT shall be governed exclusively by the provisions hereof and by the laws of the State of California.

Section 20. Term

20.1. Term and Extensions

Subject to the provisions of this AGREEMENT, the term of this AGREEMENT shall commence on the date herein and shall continue through and including the 30th day of July 2022

Opportunities shall be granted for ORGANIZATION and DISTRICT to review this AGREEMENT on a yearly basis to enact amendments and assignments to AGREEMENT as provided in Section 14 of this AGREEMENT. Any proposed amendments and assignments may be refused by ORGANIZATION or DISTRICT at said parties own discretion.

20.2. Termination by DISTRICT

Notwithstanding the foregoing, DISTRICT, in the case of ORGANIZATION breaches, may terminate this AGREEMENT, with thirty (30) days notification, by giving the ORGANIZATION written notice of any material breach under this AGREEMENT, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or
- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and ORGANIZATION fails both to

- commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) ORGANIZATION files a voluntary petition in bankruptcy or insolvency or otherwise seeks relief as a debtor, or, if an involuntary petition therefore is filed against ORGANIZATION and such petition is not dismissed within ninety (90) days; or
 - e) ORGANIZATION fails to remain in compliance with any and all terms of this AGREEMENT; or
 - f) ORGANIZATION shall disband.

In the event this AGREEMENT is so terminated, it shall be lawful for DISTRICT immediately hereafter to remove all persons and property from the premises.

20.3. Termination by ORGANIZATION

Notwithstanding the foregoing, ORGANIZATION, in the case of DISTRICT breaches, may terminate this AGREEMENT by giving the DISTRICT written notice of any material breach under this AGREEMENT, if:

- a) said breach is curable by the payment of money and remains uncured thirty (30) days after said notice; or
- b) said breach is not curable by the payment of money but is otherwise curable within thirty (30) days after said notice and remains uncured after said thirty (30) days; or
- c) said breach is neither curable by the payment of money nor otherwise reasonably curable within thirty (30) days after said notice and DISTRICT fails both to commence said cure within said thirty (30) days and to prosecute diligently said cure to completion thereafter; or
- d) DISTRICT fails to remain in compliance with any and all terms of this AGREEMENT.

20.4. Disposition of Certain Property

ORGANIZATION hereby acknowledges and agrees that any and all equipment and all DISTRICT purchased equipment and materials used in connection with Hiller Sports Complex shall remain the property of the DISTRICT, and ORGANIZATION acknowledges that it shall not be entitled to remove such property from Hiller Sports Complex upon the expiration or termination of this AGREEMENT, regardless of reason.

IN WITNESS WHEREOF, the parties have executed this AGREEMENT as of the day and year as written herein.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

David Couch, President of the Board of Directors

ATTEST: _____
April Sousa, Secretary to the Board of Directors

Mad River Girls Fastpitch Softball Association

President of Mad River Girls Fastpitch Softball Association

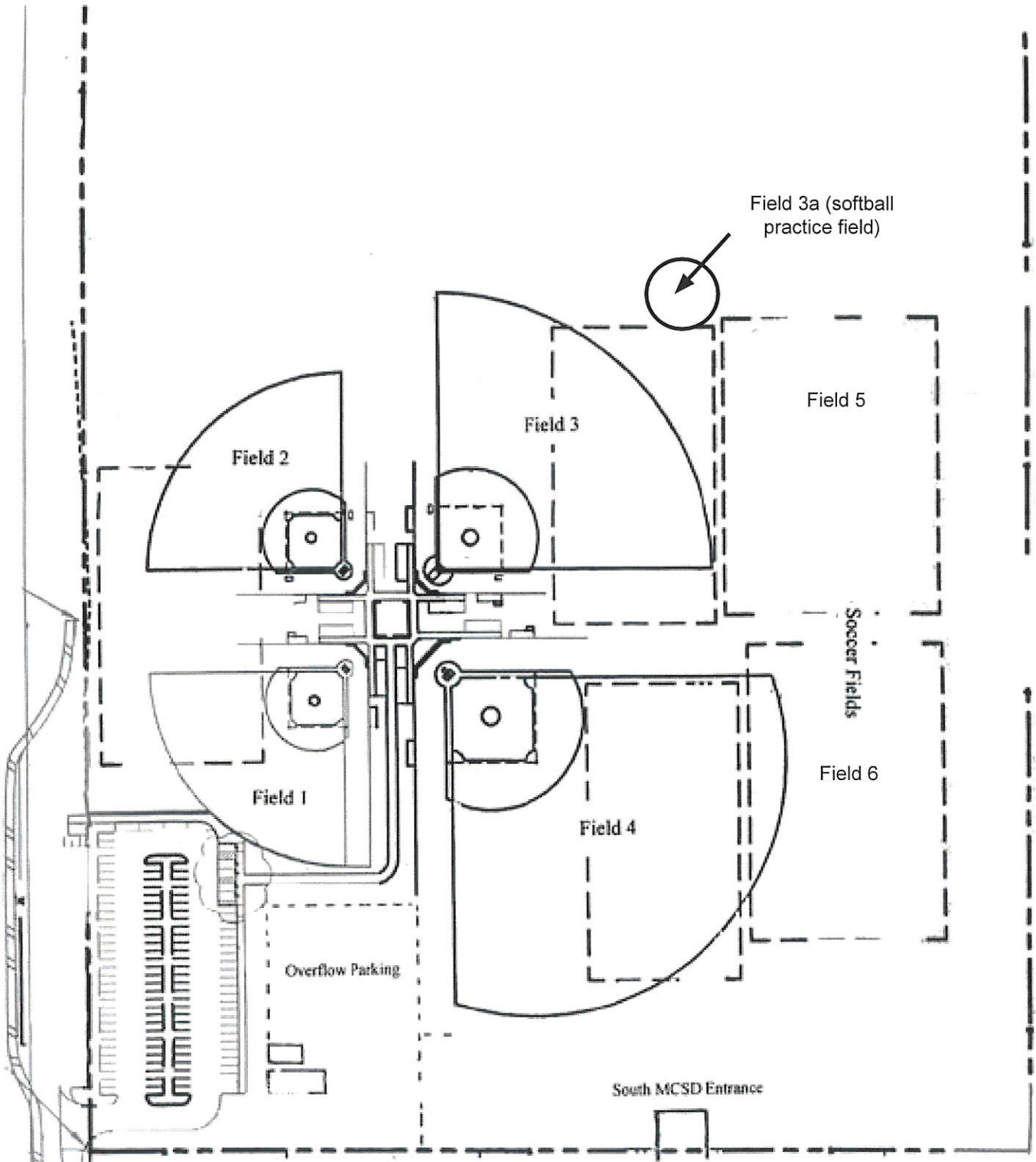
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The Facility Use AGREEMENT Checklist

Please note: This contract is not considered complete until the user ORGANIZATION submits the following information to MCSD.

Item:	Completed:	Date:
Completed District Facility Use Form		
League Schedule		
Tournament Schedule (if applicable)		
Practice Schedule		
Proof of Insurance		
Phone List of Managers and Board Members		
Facility (emergency) Cell Phone #		
All Other Field Usage Requests		
Coach/Manager Contact Information		
Organization Liability Release Form		

McKINLEYVILLE COMMUNITY SERVICES DISTRICT
Hiller Sports Complex - Site Map



ARTICLE IV - PARKS AND RECREATION

REGULATION 40 - RECREATION AND PARKS ADVISORY COMMITTEE

Rule 40.01. MEMBERSHIP - the McKinleyville Community Services District Parks and Recreation Committee shall consist of eleven (11) members and two (2) alternate members who shall serve without compensation selected as follows:

- (a) One (1) non-voting member shall be a member of the District Board.
- (b) The remaining ten (10) members will be regular voting members. Of the ten (10) regular voting members, one (1) will be a member of the McKinleyville Area Fund Board of Directors nominated by the McKinleyville Area Fund Board of Directors.
- (c) When possible two (2) of the ten (10) regular voting members shall be High School students, nominated by the McKinleyville High School Principal.
- (d) The two (2) alternate members will not become voting members unless a regular voting member is absent. In the event that both alternates are present when only one regular member is absent, the alternates will decide upon which of the two (2) will fill the absent chair by a mutually agreed upon method. In the event the alternates cannot determine a method of decision, the committee chair will choose an appropriate decision-making method.
- (e) All members of the Parks and Recreation Committee will represent to the extent possible various recreational and outdoor interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. Recommendations for appointment may be made by the then current members of the committee.
- (f) Any citizen, residing in the service area of the McKinleyville Community Services District may apply to the District Board for appointment to fill vacant seats on the Parks and Recreation Committee.

Rule 40.02. APPOINTMENT - the committee members shall be appointed as follows:

- (a) The Board of Directors shall announce each vacancy and shall state they are seeking applicants, setting forth the qualifications, if any required.
- (b) The Board of Directors shall interview each applicant, after which a majority of the Board of Directors, may select the most qualified to fill the vacancy.

Rule 40.03. MEMBER QUALIFICATIONS - all members, other than the high school member, shall be resident electors of the McKinleyville Community Services District; the student members shall be a resident of McKinleyville. No members of the Parks and Recreation Committee shall be a family member or related to a full-time MCSD employee.

Rule 40.04. TERMS OF OFFICE -the committee members shall serve terms as follows:

- (a) Appointment of District Board Members shall be for a term of one (1) year. Such member shall be a non-voting member.
- (b) Appointment of the McKinleyville Area Fund member and non-student community members shall be for a term of four (4) years. The term for student members shall be up to 4 years, limited by their High School graduation date.
- (c) Terms of the other non-Board of Director committee members shall be staggered so that no more than two (2) terms shall expire in any given year.
- (d) The annual expiration date of appointment shall be January 31st.

Rule 40.05. REMOVAL - members of the Committee may be removed by a majority vote of the District Board of Directors.

Rule 40.06. ABSENCES - if any member of the Committee is absent without prior notification to the Recreation Director for three (3) regular consecutive meetings, the Recreation Director shall certify that fact to the Board of Directors and the Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position by appointment.

Rule 40.07. ELECTION OF OFFICERS - the Committee shall, as soon as is practical, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

Rule 40.08. OFFICERS - the Committee shall elect a Chairperson and Vice-Chairperson from among its members.

Rule 40.09. MEETINGS - the Committee shall hold regularly scheduled meetings in the Board of Directors Chambers of the District Office, or at such other place within the District as may be designated by the Committee and may hold such additional meetings as it may deem necessary or expedient. All meetings must be noticed in compliance with state and federal laws.

Rule 40.10. TIME/LOCATION OF MEETINGS - the time of the regular meetings shall be as established from time to time by the committee members.

Rule 40.11. QUORUM - a majority of the Committee shall constitute a quorum for the purpose of transacting business of the Committee.

Rule 40.12. RECORDS - written records of all the proceedings, findings, determinations and transactions of the Committee shall be kept, which record shall be a public record and a copy of which record shall be filed with the District Secretary.

Rule 40.13. POWERS AND DUTIES - the Parks and Recreation Committee shall have the following powers and duties:

- (a) To serve in an advisory capacity to the Board of Directors and District Staff in all matters pertaining to public recreation, parks, open spaces, natural resources and their respective facilities;

- (b) To make recommendations to the Board of Directors and District Staff with respect to the provisions of the annual budget for recreation and parks purposes;
- (c) To recommend to the Board of Directors acceptance or rejection of offers of donations of money, personal property and real property to be used for open space, recreation, resource management, and parks purposes;
- (d) To recommend to the Board of Directors a comprehensive recreation, park, and open space management services program for the inhabitants of the District, to promote and stimulate public interest therein, and to solicit to the fullest extent the cooperation of school authorities and other public and private agencies interested therein;
- (e) To recommend for adoption by the Board of Directors rules and regulations for the use and improvement of the District's recreation services and parks and their respective facilities;
- (f) To recommend to the Board of Directors and District staff policies for the acquisition, development and improvement of recreation, parks and open space areas; and
- (g) To perform such other duties relating to recreation and park matters as may be prescribed by the Board of Directors.

REGULATION 41 - RECREATION AND PARK SYSTEM

Rule 41.01. INJURY TO OR MISUSE OF RECREATION AND PARKS SYSTEM PROPERTY - NO PERSON SHALL:

- (a) Willfully mark, deface, injure, tamper with, or displace or remove any buildings, bridges, tables, benches, fireplaces, railings, bleachers, ball fields, water lines, paving or paving materials or other public utilities or parts thereof, signs, notices or placards, whether temporary or permanent, monuments, stakes, posts or other boundary markers, or other structures or equipment, or recreation and parks system property or appurtenances whatsoever, either real or personal.
- (b) Litter, soil or defile buildings, structures, grounds, equipment or other recreation and parks system property or appurtenances whatsoever. Trash, litter and other debris must be deposited into the proper receptacles.
- (c) Remove any soil, rock, stones, turf, trees, shrubs, or plants, down timber or other wood or materials or make any excavations by tool, equipment or any other means or agency.
- (d) Construct or erect any building or structure of whatever kind, whether permanent or temporary in character, or run or string any public utility into, upon or across such land except by District permit.
- (e) Trespass upon any area where prohibited.
- (f) Hunt, molest, or otherwise harm wildlife and plant life within the recreation and parks system.
- (g) Announce, advertise or call the public attention in any way to any article or service for sale or hire, except by District permit.

- (h) Paste, glue, tack or otherwise post any sign, placard, advertisement, or inscription whatever, nor shall any person erect or cause to be erected any sign whatever within the recreation and parks system without permission from the District.
- (i) Use any system for amplifying sounds, whether for speech or music or otherwise within the recreation and parks system unless a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit is first secured from the District.
- (j) Discharge any weapon of any type within the recreation and park system boundaries for any reason.
- (k) Make fires of any type for any reason in any area that is not properly equipped and designated to contain a fire.
- (l) Use model rockets and remote control model airplanes in McKinleyville Parks and Open Space without prior written approval from the District's General Manager.

Rule 41.02. POLLUTING WATERS OR DUMPING REFUSE PROHIBITED - NO PERSON SHALL:

- (a) Throw, discharge, or otherwise place or cause to be placed in the waters of any fountain, pond, stream or any other body of water in or adjacent to any component of the recreation and park system or any tributary, stream, storm sewer or drain flowing into such waters any substance, matter or things, liquid or solid, which will or may result in the pollution of said waters.
- (b) Dump, deposit, or leave any trash not created within the boundaries of the recreation and park system.

Rule 41.03. OPERATION OF MOTORIZED VEHICLES--PROHIBITED ACTS - NO PERSON SHALL:

- (a) Fail to comply with all applicable provisions of the Vehicle Code of the State of California in regard to equipment and operation of motorized vehicles together with such regulations as are contained in this ordinance.
- (b) Fail to obey all law enforcement officers and District employees who are hereafter authorized and instructed to require persons within the boundaries of the recreation and park system to adhere to the provisions of these regulations.
- (c) Fail to observe carefully all traffic signs, parking signs, and all other signs posted for the proper control of traffic and to safe guard life and property.
- (d) Operate a motorized vehicle, other than MCSD-authorized vehicles, within the boundaries of the facility except in those areas designated as driveways.

Rule 41.04. OPERATION OF NON-MOTORIZED VEHICLES--PROHIBITED ACTS - NO PERSON SHALL:

- (a) Non-motorized vehicles shall be defined as any form of transportation in which human or gravitational energy powers the source of transportation. Examples of such transportation are defined as bicycles, skateboards, roller blades, roller skates, etc.
- (b) Fail to comply with all applicable provisions of the Vehicle Code of the State of California in regard to equipment and operation of non-motorized vehicles together with such regulations as are contained in this ordinance.

- (c) Fail to obey all law enforcement officers and District employees who are hereafter authorized and instructed to require persons within the boundaries of the recreation and park system to adhere to the provisions of these regulations.
- (d) Fail to observe carefully all traffic signs, parking signs, and all other signs posted for the proper control of traffic and to safe guard life and property.
- (e) Operate non-motorized vehicles on any sidewalks, on pathways designated for pedestrian traffic only, and within turf and landscaped areas.

Rule 41.05. CONDUCT - ALCOHOLIC BEVERAGES

- (a) Patrons may use alcoholic beverages with meals in designated areas at recreation and parks system facilities, provided a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit have been secured and provided they conduct themselves in an orderly manner;
- (b) Alcoholic beverages may be served or may be sold by permit only at designated recreation and parks system facilities where sales are not prohibited and provided a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit have been secured;
- (c) No person shall be under the influence of intoxicating substances as provided in Section 647 (f) of the California Penal Code;
- (d) The District may withdraw the privilege to use alcoholic beverages at anytime if the rules and regulations as are contained in this ordinance are not abided by;
- (e) Use of intoxicating substances other than alcohol is prohibited.

Rule 41.06. PETS - pets may be off leash at outdoor facilities in designated areas and facilities only and must be under voice control at all times. Animal owners are responsible for removal of animal excrement from the facility.

Rule 41.07. OVERNIGHT USE PROHIBITED - there is to be no camping or loitering on the grounds or in public buildings or structures between sunset and sunrise unless a Special Event Reservation Form and Permit or Community Event Reservation Application and Permit are first obtained from the District.

Rule 41.08. FIRES - fires will be allowed on grounds only in those areas equipped with District provided equipment designated for the containment of fires.

REGULATION 45 - PERMITS, FEES AND DEPOSITS

Rule 45.01. FACILITY USAGE PERMITS REQUIRED - a valid facility usage permit is required for individuals or organizations to use any indoor facility or any outdoor facility for organized functions, to use any system for amplifying sounds, or to sell or serve alcoholic beverages at an organized function.

Rule 45.01.a. PERMIT TYPE DEFINITIONS - the District shall issue permits based on the following definition of use:

- (a) A "Special Event" shall be defined as use deemed to be non-programmatic with estimated attendance of less than 500 persons and no more than posted capacities at

indoor facilities; for which off road and facility parking space is adequate; for which street closures are not required; and for which cancellation of approved vendor programs is not required.

- (b) A "Large Scale Community Event" shall be defined as use deemed to be non-programmatic with estimated attendance of more than 500 persons but no more than posted capacities at indoor facilities or for which off-road and facility parking space is adequate; or for which street closures may be required; or for which cancellation of an approved vendor program is required.
- (c) A "Vendor Contract" shall be defined as use by those individuals approved by the District Board of Directors, offering ongoing programs on a regular basis for no more than twelve months.

Rule 45.02. FACILITY USAGE PERMIT PROCESS - any individuals or organizations seeking issuance of a facility usage permit hereunder shall file a request for permit to use District facilities on the appropriate reservation form provided by the District. All requests must be filed with the District along with the required facility usage deposit, usage fees, proof of appropriate insurance coverage, and fees for other services at least (10) working days prior to the actual event date. The Recreation Director, under direction of the Board, may impose additional conditions for approval.

Rule 45.03. FACILITY USAGE FEES - facility usage fees, as established and adopted by the District Board shall be charged for and must accompany each facility usage permit request required hereunder for said facility usage permit request to be fully and properly executed by the District.

Rule 45.03.a. FEE STRUCTURE DEFINITIONS - the District shall identify the following fee structure definitions when charging customers for use of facilities:

- (a) A "Non-Profit Group" shall be defined as any group or organization which can supply proof of non-profit status via the Internal Revenue Service code. Other Governmental entities shall be considered as falling within the guidelines of this definition.
- (b) A "Vendor" shall be defined as an individual or organization, approved by the District Board of Directors that has a fully executed vendor contract for use of District facilities.
- (c) A "Private Citizen/Business" shall be defined as other potential users not fitting within the "non-profit group" or "vendor" definition.
- (d) A "Commercial Event" shall be defined as an event being held for the purpose of private financial gain for an individual or organization.
- (e) An "Event Host" shall be defined as a District employee who has received training regarding use of District facilities for outside events. Event hosts are required for all events except those taking place at Azalea Hall concurrently with McKinleyville Senior Center events or at District facilities for those events sponsored by a District approved vendor.
- (f) The "All Day Rate" shall be defined as a fee charged specifically for use of the Hewitt Room at Azalea Hall and which includes access to the facility for a maximum of twelve continuous hours.

- (g) The “Half-Day Rate” shall be defined as a fee charged specifically for use of the Hewitt Room at Azalea Hall and which includes access to the facility for a maximum of six continuous hours.
- (h) The “Off-Peak Use Discount” shall be defined as a 25% discount on hourly rates only which can be applied to the following facilities and hours only: Activity Center-Monday through Friday before 3:00p.m; Azalea Hall-Sundays and Monday through Thursday after 4:00p.m.

Rule 45.03.b. FACILITY USE FEES - the District shall charge the following rates for use of a District-owned facility for each use specified below:

ACTIVITY CENTER

Non-Profit Groups/Vendors	\$37.00/hour
Private Citizen/Business	\$52.50/hour

AZALEA HALL-ENTIRE FACILITY

Non-Profit Groups/Vendors	\$64.75/hour
Private Citizen/Business	\$86.00/hour

AZALEA HALL-HEWITT ROOM

Non-Profit Groups/Vendors	\$50.50/hour
Private Citizen/Business	\$62.75/hour
All Day Rate	\$525.00
Half Day Rate	\$318.00

AZALEA HALL-MEETING ROOM

Non-Profit Groups/Vendors	\$18.50/hour
Private Citizen/Business	\$24.75/hour

AZALEA HALL-KITCHEN

All Users	\$18.50/hour
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LIBRARY CONFERENCE ROOM

Non-Profit Groups/Vendors	\$27.50/hour
Private Citizen/Business	\$30.50/hour

TEEN CENTER-ENTIRE FACILITY

Non-Profit/Vendors	\$70.00hour
Private Citizen/Business	\$87.00/hour
All Day (12 hr) Rate	\$915.00
Half Day (6 hr) Rate	\$475.00

TEEN CENTER-MULTI PURPOSE ROOM

Non-Profit/Vendors	\$40.50/hour
Private Citizen Business	\$48.75/hour

TEEN CENTER-MUSIC ROOM

Non-Profit/Vendors	\$25.75/hour
Private Citizen Business	\$32.75/hour
<u>All Day (8 hr) Rate *weekends only</u>	<u>\$212.00</u>

TEEN CENTER-KITCHEN

All Users	\$36.50/hour
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PARKS

Gazebo Picnic Area	\$55.75/4 hrs
Picnic Pavilion	\$109.50/4 hrs
Special Event	\$166.00/day
*Commercial Events	\$268.00/day
*Requires Facility Host @ \$35.50 per hour unless overtime wages apply	

SPECIAL EVENT SERVICES

Event Staff	\$18.75/hour
Event Setup	
Events with less than 100 persons	\$87.00
Events with 101-200 persons	\$121.50
Events with more than 200 persons	\$152.00

Event Cleanup

Events with less than 100 persons	\$152.00
Events with 101-200 persons	\$182.00
Events with more than 200 persons	\$223.00

Rule 45.03.c. EVENT SERVICES FEES - the District shall charge a fee of \$18.75 per hour for an event host for those events requiring such a host. The minimum charge shall be two hours. Other events service fees shall be determined each year and are based on the direct expense associated with providing said service. Such event fees shall be established and adopted by the Board.

Rule 45.03.d. RECREATION PROGRAM FEES - the District shall charge participants program fees based on the direct expenses associated with each individual program. Program fees shall be determined each year and as programs are added to the Department's current services index. Program fees shall be adopted by the Board within two months of the inception or change of fees.

Rule 45.04. DEPOSIT - a facility usage deposit, as established and adopted by the District Board must accompany each facility usage permit request for any facility usage permit required hereunder. The facility usage deposit shall be refunded to the applicant within fifteen working days if the facility is restored to pre-use conditions. If District clean-up is required to restore the facility to pre-use conditions or damage is noted to the facility,

any refund will be less the expense associated with returning the facility to pre-use conditions.

Rule 45.04.a. FACILITY USE DEPOSIT FEES - the District shall charge a \$100 deposit for events which qualify and are defined as special events. The District shall charge a \$200 deposit for events which qualify and are defined as large-scale community events.

Rule 45.05. INSURANCE – a facility usage permit request shall not be considered fully executed unless the individual or organization seeking issuance of a facility usage permit obtains and furnishes liability coverage for the event which is acceptable to the District. The Recreation Director may impose additional conditions for approval.

Rule 45.06. PERMITS FOR USE OF FACILITIES - the District shall only grant a facility usage permit for organized use of a facility when each of the following findings can be made:

- (a) The requested area of the recreation and parks system for which the facility is located within is available during the period for which the facility usage permit is requested;
- (b) The expected attendance does not exceed the capacity of the facility or area.
- (c) The use for which the facility usage permit is sought complies with the use established for the facility or area requested.

Rule 45.07. USE OF SOUND AMPLIFICATION SYSTEM - the District shall only grant permission for use of any sound amplification system when each of the following findings can be made:

- (a) The individual or organization seeking permission for use of a sound amplification system must file, with the District, a facility usage permit request for the facility in which use of the sound amplification system is requested.
- (b) The sound amplification system proposed will not unduly inconvenience or disturb neighboring properties or other recreation and parks system facility users.
- (c) The maximum noise from use of the sound amplification system complies with Humboldt County’s Noise Regulations.
- (d) The use for which permission is sought complies with the use established for the facility or area requested.

For those events at which sound amplification systems are utilized, the following requirements shall also be required:

- (a) A District supervisor will be assigned to be present throughout the event.

Rule 45.08. SALE OR SERVICE OF ALCOHOLIC BEVERAGES - the District shall only grant permission for sale or service of alcoholic beverages when each of the following findings can be made:

- (a) The individual or organization seeking permission for sale or service of alcoholic beverages must file, with the District, a facility usage permit request for the facility in which the sale of alcoholic beverages is requested;
- (b) If applicable, the individual or organization seeking permission has a valid permit from the Alcohol Beverages Commission to sell alcohol;

- (c) If applicable, the individual or organization seeking permission has secured outside security services;
- (d) The use for which permission is sought complies with the use established for the facility or area requested.

For those events at which alcohol is served or sold, the following requirements shall also be required:

- (a) A District supervisor will be assigned to be present throughout the event;
- (b) Facilities will not be rented for events at which the consumption of alcoholic beverages will be a principal activity.

The Recreation Director has the authority to impose additional conditions as a requirement for issuance of a fully executed Special Event Reservation Form and Permit or Community Event Reservation Application and Permit.

Rule 45.09. USE OF DISTRICT-OWNED EQUIPMENT - the District shall make available to individuals or organizations recreation-related equipment, which can be utilized for outdoor use. District shall only grant permission for use of District-owned equipment when each of the following findings can be made:

- (a) The individual or organization seeking permission for use of District-owned equipment must be requesting said equipment in conjunction with an event at a District facility which is being sponsored by the individual or organization;
- (b) The Individual or organization must file, with the District, a facility usage permit request for the facility in which the equipment will be utilized;
- (c) The requested equipment is available during the period for which use of the equipment is requested;
- (d) The individual or organization requesting use of MCSD-owned equipment furnishes the District with appropriate liability coverage.

Rule 45.10. APPEALS - an appeal of the action of District staff on any Facility Use Permit pursuant to this regulation must be in writing and filed by or on behalf of the individual or organization seeking the facility usage permit, within (10) days after the action of District staff on the facility usage permit request. The appeal shall set forth in detail the factual and legal basis of the appeal. The Board of Directors shall consider and act on the appeal within forty-five (45) days after the appeal is filed. The individual or organization filing the appeal shall be entitled to submit oral or written evidence to the Board in support of the appeal. Action of the Board of Directors on the appeal shall be final.

REGULATION 46 - ENFORCEMENT

Rule 46.01. VIOLATIONS - any violation of these rules and regulations relating to the use of District facilities located within the recreation and parks system is a misdemeanor, punishable by law.

REGULATION 47 - HILLER SPORTS SITE DEVELOPMENT, MANAGEMENT AND SCHEDULING COMMITTEE

Rule 47.01. MEMBERSHIP - the McKinleyville Community Services District Hiller Sports Site Development, Management and Scheduling Committee shall consist of members described below whom shall serve without compensation selected as follows:

- (a) Committee size shall be determined by the number of local sports organizations having and maintaining a current Hiller Sports Site Development, Funding, Maintenance, and Use Agreement with District who nominate a member to the Committee and an additional member shall be from the District's Park and Recreation Committee and an additional member shall be appointed to the Committee by the Board which member shall be of the general public.

Rule 47.02. APPOINTMENT - the committee members shall be appointed as follows:

- (a) All local sports organizations with a valid and current IRS non-profit identification number and who have and maintain a current Hiller Sports Site Development, Funding, Maintenance and Use Agreement with District are invited to nominate one member and one alternate member to the Committee. Such nominations shall be made in writing to the Director of Parks and Recreation. Recommendations for appointment shall be made by the Committee to the Park and Recreation Committee who shall in turn recommend nominees to the District's Board of Directors. Appointment shall be made by the District's Board of Directors.
- (b) One member shall be a member of the Park and Recreation Committee. Recommendations for appointment shall be made by the Park and Recreation Committee. Appointment shall be made by the District's Board of Directors.
- (c) One member shall be a member of the general public who is a resident elector of the District and who shall hold no official office with any local sports organization desiring to offer programs at the Hiller Sports Site. Such member shall be nominated by the Committee who shall forward a recommendation to the Recreation Advisory Committee who shall in turn forward a recommendation to the District's Board of Directors. Appointment shall be made by the District's Board of Directors.

Rule 47.03. MEMBER QUALIFICATIONS - each member shall meet one of the criteria named above in Rule 47.02.

Rule 47.04. TERMS OF OFFICE - the Committee members shall serve terms as follows:

- (a) Appointment of the Recreation Advisory Committee member representative of Committee and member of the general public to the Committee shall be for a term of two (2) years. Such members may be re-appointed to successive terms.
- (b) Terms of other members shall be for a term of one (1) year. Such members may be re-appointed to successive terms.
- (c) The annual expiration date of each term shall be January 31st.

Rule 47.05. REMOVAL - members of the Committee may be removed by a majority vote of the District Board of Directors.

Rule 47.06. ABSENCES - if any member of the Committee is absent without prior notification to the Director of Parks and Recreation for two (2) regular consecutive meetings, the Director of Parks and Recreation shall certify that fact to the organization for whom the individual is a representative and to the District's Board of Directors. The District's Board of Directors shall thereafter declare the position on the Committee to be vacant and proceed to fill the position as outlined in 47.02. Should the vacated position have a designated alternate, said alternate shall be appointed to full membership status. The organization of which the alternate is a member shall be authorized to nominate a designated alternate.

Rule 47.07. ELECTION OF OFFICERS - the Committee shall, as soon as practicable, after the time of the annual appointment of a member or members to such Committee, elect its' officers. No member shall hold the same office for more than two (2) consecutive years.

Rule 47.08. OFFICERS - the member of the Committee who is a representative of the District's Recreation Advisory Committee shall be designated as Chairperson of the Committee. The member of the Committee who is a representative of the general public shall be designated as Vice-Chairperson.

Rule 47.09. RECORDS - written records of all proceedings, findings, determinations, and transactions shall be kept, which record shall be a public record and a copy of which record shall be filed with the District's secretary.

Rule 47.10. POWERS AND DUTIES - the Committee shall have the power and duty to serve in an advisory capacity to the District's Park and Recreation Committee and the Board of Directors in all matters pertaining to the development, scheduling, maintenance, and use of the Hiller Sports site.

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
Hiller Sports Site Master Facility Fee Schedule

Facility Use Fees

<u>Turf Field Use</u>	\$31/hour per field
<u>Baseball Field Use</u>	\$31/hour per field
<u>Baseball Field Use (Youth groups)</u>	\$15.50/hour per field
<u>Softball Field Use</u>	\$31/hour per field
<u>Softball Field Use (Youth groups)</u>	\$15.50/hour per field

Baseball/Softball Tournament Use

50% reduction from regular hourly rates. Tournaments must have a minimum of 4 teams and 8 hours of continuous play per day.

Additional Fees

<u>Field Preparation- Ballfields</u>	\$40/hour per field
<u>Field Preparation- Turf Areas</u>	\$40/hour per field
<u>Concession Stand Use- Regular weekdays</u>	\$10/day
<u>Concession Stand Use- Regular weekends</u>	\$25/day
<u>Concession Stand Use- Tournaments</u>	\$25/day
<u>Insurance (if provided by District)</u>	Variable
<u>Facility Usage Deposit</u>	Variable

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

Department of Parks & Recreation Department

OPERATION & MAINTENANCE RESPONSIBILITIES HILLER SPORTS COMPLEX

The following information specifies Operation & Maintenance responsibilities performed by Mad River Girls Fastpitch Softball Association (ORGANIZATION) for the season as defined by the McKinleyville Community Services District's (MCSD) Facility Use Agreement Contract:

1. **Ball Diamond Preparation, Maintenance & Safety Seminar:**
 - a. Prior to the start of the season, designated ORGANIZATION representative(s) involved with field maintenance must attend a 1-hour Ball Diamond Preparation Maintenance & Safety Seminar with MCSD staff.

2. **In-Kind Field Maintenance:**
 - a. Any field maintenance performed by ORGANIZATION representatives must be pre-approved in writing by the DISTRICT in order to be considered as "in-kind labor" for credit towards facility use fees.
 - i. Any maintenance done without pre-approval from the DISTRICT will not be eligible for credit.

3. **Field Preparation:**
 - a. All field preparation will be the responsibility of ORGANIZATION.
 - b. If necessary ORGANIZATION may request MCSD to prep ball fields for a fee.

4. **Field Repairs:** (See section 9.2. of the Facility Use Agreement.)
 - a. ORGANIZATION shall be held responsible for all damage or vandalism to District facilities occurring during ORGANIZATION's use of the facilities.
 - b. Upon notification by MCSD, ORGANIZATION is responsible to repair all damages immediately, or within a schedule approved by MCSD.
 - c. If ORGANIZATION is unable or unwilling to repair the damages, MCSD reserves the right to make the necessary repairs and bill ORGANIZATION for all costs.
 - d. Damaged or unsafe fields shall be unavailable for use until repairs are completed.

5. **Grounds, Daily Restroom & Parking Lot Cleanup:**
 - a. ORGANIZATION agrees to clean grounds and to monitor, patrol, and keep the bathrooms and parking lot clean during their usage.
 - b. Grounds are to include the sports fields, sidewalks surrounding the concession area, under the bleachers, and the sidewalk pathway leading to the parking lot.
 - i. Cleaning of grounds is to include:
 1. Trash pick-up and disposal (**NOTE: the dumpster on site at HSS is owned by McKinleyville Little League and may not be available for use by other Organizations utilizing Hiller Sports Site*)
 2. Sweeping of bark and mulch back into landscape areas
 - c. Restroom cleaning shall include sweeping garbage and debris from floors, stocking supplies as necessary, and removing garbage.
 - d. If multiple organizations are using Hiller Sports Site simultaneously all organizations shall share the burden of clean-up. DISTRICT will develop a schedule for grounds clean-up responsibility, based upon percentage of field use each week.
 - i. Each Organization will be required to ensure clean-up is completed on the dates assigned to the Organization for clean-up by the DISTRICT. If ORGANIZATION wishes to purchase clean-up services from the DISTRICT

they may do so by requesting those services in advance of their scheduled dates of responsibility.

1. The labor rate for clean-up services is \$40 per hour. ORGANIZATIONS will be charged a minimum of 1 hour for services provided on any given day, but will be billed for the total time required to complete clean-up of grounds and restrooms as documented by Maintenance staff.

6. General Cleanup of the Concession Stand:

- a. ORGANIZATION agrees to keep the Concession Stands clean, sanitary, and up to the County Health Department standards at all times.
- b. MCSD reserves the right to inspect the Concession Stands without notice.

7. Overflow Parking:

- a. ORGANIZATION agrees to notify MCSD of any events requiring usage of the overflow parking area.

8. Trash Disposal:

- a. ORGANIZATION agrees to remove all trash bags from inside the sports complex at the end of each day of use.
 - i. Should MCSD staff be required to haul garbage from the Hiller Sports Complex following ORGANIZATION'S use, ORGANIZATION will be billed for the cost of labor and cost of dumping.
- b. No trash bags shall be left in any portion of the Concessions/Storage/Restrooms building.

9. Supervision of Children:

- a. ORGANIZATION agrees to notify all coaches and parents and require proper supervision at all times of all children (players and spectators) inside Hiller Sports Complex.
- b. ORGANIZATION agrees to pay for all damages and vandalism caused from unsupervised children during ORGANIZATION field usage.

10. Rain Cancellations:

- a. ORGANIZATION agrees to comply with MCSD guidelines regarding cancellation of fields due to unsafe conditions and/or inclement weather. (See exhibit E in the Facility Use Agreement Contract.)

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT Parks & Recreation Department

Guidelines for Cancellation of Activity on MCSD Athletic Fields

Due to inclement weather and poor field conditions, the McKinleyville Parks & Recreation Department reserves the right to deny an athletic activity or event from playing on an MCSD field. The two (2) main purposes of these guidelines are to ensure the safety of the participants and to prevent MCSD fields from getting abused and destroyed when the turf is vulnerable. Any MCSD employee or designated person may deny use of a field and/or require an activity to stop.

Examples of conditions that require cancellation of an athletic activity:

- Standing puddles of water on the field
- Footing is unsure and slippery
- Ground is water logged and “squishy”
- Grass can be pulled out of ground easily
- Lightning
- Severe weather storms

When games are played on fields with poor and/or unsafe conditions, it often causes irreversible damages to the field. If this occurs, it can take months and in some cases years to get the field back into quality playing condition.

Teams and/or leagues that refuse to follow these MCSD guidelines on Field Cancellations will be subject to the following disciplinary action:

1. **First Offense:**
Written warning to team and President of the Organization.
2. **Second Offense:**
One week suspension of the team or organization from practicing on fields.
3. **Third Offense:**
Forfeiture of a team’s privilege to either practice or play games on MCSD fields for the remainder of the season.

HILLER SPORTS SITE
In-Kind Labor and/or Materials Criteria
for Receiving Credit towards Facility Use Fees

Requests to provide in-kind labor or materials in exchange for credit towards facility use fees, MUST be made in writing and MUST be pre-approved in writing by DISTRICT staff. In-kind labor exchange will only be considered for necessary (as deemed by DISTRICT staff) field and facility maintenance currently performed by DISTRICT staff. Any work performed by ORGANIZATION representatives or volunteers prior to or without written approval from designated DISTRICT staff will not be considered for credit of any kind.

In-kind material donation exchange will only be considered for necessary (as deemed by DISTRICT staff) materials that would otherwise be purchased by the DISTRICT for use at the Hiller Sports Complex.

- 1) In Kind Labor request proposals must include:
 - a. Description of the labor to be performed
 - b. Estimated number of labor hours required to perform the work
 - i. District reserves the right to determine the amount of credit granted for labor hours based on the equivalent time that DISTRICT staff would have spent on the same task.

- 2) In Kind Material Donation request proposals must include:
 - a. Description of the dollar value of the material being donated
 - i. DISTRICT reserves the right to determine the amount of credit granted for material donations based on the amount the DISTRICT would have spent on the necessary material.
 - b. Name of the business from which the material is being purchased or donated.
 - c. Name and contact information of the individual making the donation on behalf of the ORGANIZATION.

HILLER SPORTS SITE

"In Kind Work" & Field Modification Request Form

This form must be submitted and approved by an authorized MCSD representative prior to any projects being completed by any user group at Hiller Sports Complex.

ORGANIZATION: _____

NAME OF REPRESENTATIVE: _____

PHONE: _____ DATE OF REQUEST: _____

PROJECT: _____

PROJECT TIMELINE: _____

SIGNATURE OF ORG. REPRESENTATIVE: _____

FOR DISTRICT USE ONLY

PROJECT APPROVED: _____ PROJECT DENIED: _____

MCSD REPRESENTATIVE: _____ DATE: _____

NOTES FROM MCSD: _____

SIGNATURE OF MCSD REPRESENTATIVE: _____

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: D.7 **Approve Resolution 2022-04 Authorizing General Manager to Execute Hazard Mitigation Grant Letters of Commitment for Grant Match and Maintenance for the Fischer Lift Station Seismic Retrofit Hazard Mitigation Grant**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the information provided, take public comment and approve Resolution 2022-04, **Attachment 1**, authorizing the General Manager to sign the letters of commitment and act as the Authorized Agent for Hazard Mitigation Grant Applications.

Discussion:

Under the Stafford Act, every time there is a Federally declared disaster, money is set aside to fund hazard mitigation projects. The intent of these moneys is to fund projects that reduce the effects of future natural disasters. In California, these funds are administered by the California Office of Emergency Services (CalOES). The District has successfully applied for these grants in the past, and the 4.5MG Water Tank and Highway 101 Sewer Crossings projects are both being partially funded by these grants. The District has also recently heard that the new Mad River Watermain Crossing and the McCluski Tank Replacement grant applications were recently approved.

All of these grants require a 25% match commitment. Given the recently Federally declared wildfire disaster, FEMA has released funds for the Hazard Mitigation program again. This grant is a multistep process. The first step is the submittal of Notice of Interests (NOIs) that are fairly brief project descriptions. In November 2021, the District submitted an NOI for the:

- 1) Fischer Lift Station Seismic Retrofit Project

The District recently was notified by CalOES that the NOIs for this project had been designated as “eligible HMGP activities”. Full Hazard Mitigation Grant (HMG) applications are now due to CalOES by April 8th.

The Fischer Lift Station project is included in the District’s Capital Improvement Program to begin the upgrades to the station in 2024. Upgrades to the system equipment will have to occur in the next 5 to 10-years whether we get the grant or not. The Fischer Lift Station is the main sewer lift station for the District and

collects flows from the entire southern half of McKinleyville and pumps it to the Wastewater Management Facility. It also handles the overflow from the Hiller Lift Station, if that station were to be taken off-line or be subjected to excessive flows. As like most of the District's Sewer Collection System, the station is almost 50-years old. Although the station has been very well maintained by District staff, it was never constructed up to current building or electrical code. The intent of the grant would be to seismically retrofit the building and replace the pumps, motors, motor control center, valves, and appurtenances to make the station more resilient to an earthquake and likely much more energy efficient. A detailed cost estimate for this project is currently being developed and would likely be in the \$1.5M range with a District match of \$375,000. District Staff is completing the grant application inhouse, saving the District approximately \$30,000.

As part of the Hazard Mitigation Grant application process, a Match Commitment letter stating the District will match of at least 25% of the project costs is required. A Maintenance Commitment Letter is also required, along with a letter attesting that MCSD is committed to perform the necessary maintenance for the entire useful life of the project (50 YEARS). MCSD already allocates funds to regularly maintain the sewer system in good repair and operation. Therefore, no additional annual budget allocation is necessary for maintenance, and actual maintenance costs should decrease after the project is implemented.

The Board should note that the letters and agreement to submit the Grant Applications does not bind MCSD to any expense until and if the Board approves a Funding Agreement. This step will take place after CalOES/FEMA approves the full grant application and submits a grant agreement for District review and approval.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

The estimated total project cost to seismically upgrade the Fischer Lift Station is \$1,500,000. However, since this is a grant match, MCSD is only responsible for \$375,000, 25% of the total project cost.

Environmental Requirements:

Not applicable at this time. CEQA and NEPA will need to be completed prior to project implementation

Exhibits/Attachments:

- Attachment 1 – Resolution 2022-04
- Attachment 2 – Draft Match Commitment Letter
- Attachment 3 – Draft Maintenance Commitment Letter

RESOLUTION 2022-04

A RESOLUTION OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT DESIGNATING THE GENERAL MANAGER AS THE AUTHORIZED AGENT AND AUTHORIZING THEM TO SIGN LOCAL MATCH COMMITMENT AND PROJECT MAINTENANCE LETTERS AS PART OF THE DISTRICT'S HAZARD MITIGATION GRANT SUBAPPLICATION

WHEREAS, McKinleyville Community Services District ("MCSD") is applying for federal hazard mitigation grants fund made available through the Hazard Mitigation Grants Program managed by the California Governor's Office of Emergency Services to replace the existing Mad River Water Main Crossing and other applications as approved by the Board of Directors;

WHEREAS, in connection with the sub applications for grant funding, the District must indicate its commitment to contribute 25% of the project costs;

WHEREAS, in connection with the sub applications for grant funding, the District must also indicate its commitment to perform necessary maintenance to the water main crossing and other projects for their useful life;

WHEREAS, the District Board agrees to designate the District General Manager as the District's authorized agent to purse hazard mitigation grant funding;

WHEREAS, by way of this Resolution, the Board further authorizes the General Manager to execute letters indicating the District's commitment to contribute towards the project costs and to perform the necessary maintenance.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District does hereby acknowledge that:

1. Each of the above recitals is true and correct;
2. The General Manager is authorized to execute, on behalf of the District, the Local Match Commitment Letter and to submit the same to the Hazard Mitigation Grants Program as part of its sub applications for grant funding; and
3. The General Manager is authorized to execute, on behalf of the District, the Project Maintenance Letter and to submit the same to the Hazard Mitigation Grants Program as part of its sub applications for grant funding.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on February 2, 2022 by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

David Couch, Board President

Attest:

April Sousa, MMC, Board Secretary

PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519



MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8456

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9003
FAX: (707) 839-5964

March 5, 2022

California Governor's Office of Emergency Service
Hazard Mitigation Grants Program Unit
3650 Schriever Avenue
Mather, CA 95655

Re: DR-4558/PA-00001114/Fischer Lift Station Retrofit Subapplication Funding Match Commitment Letter

Dear State Hazard Mitigation Officer:

As part of the Hazard Mitigation Grant Program process, a local funding match of at least 25% is required. This letter serves as McKinleyville CSD's commitment to meet the local match fund requirements for the Hazard Mitigation Grant Program.

SOURCE OF NON-FEDERAL FUNDS:

LOCAL AGENCY FUNDING

OTHER AGENCY FUNDING

PRIVATE NON-PROFIT FUNDING

STATE AGENCY FUNDING

NAME OF FUNDING SOURCE:

Wastewater Reserve Funds

FUNDS AVAILABILITY DATE:

03/05/2022

FEDERAL SHARE AMOUNT REQUESTED:

\$1,125,000

LOCAL SHARE AMOUNT MATCH:

\$375,000

FUNDING TYPE:

Cash from municipal customer wastewater rates

Please contact Patrick Kaspari at phone number and email listed below with questions.

Sincerely,

Patrick Kaspari, P.E.

General Manger
Phone: 707-839-3251
Fax: 707-839-8456
pkaspari@mckinleyvillecsd.com

PHYSICAL ADDRESS:

1656 SUTTER ROAD
McKINLEYVILLE, CA 95519

MAILING ADDRESS:

P.O. BOX 2037
McKINLEYVILLE, CA 95519



MAIN OFFICE:

PHONE: (707) 839-3251
FAX: (707) 839-8456

PARKS & RECREATION OFFICE:

PHONE: (707) 839-9003
FAX: (707) 839-5964

March 5, 2022

California Governor's Office of Emergency Service
Hazard Mitigation Grants Program Unit
3650 Schriever Avenue
Mather, CA 95655

Re: DR-4558/PA-00001114/Fischer Lift Station Retrofit Subapplication Funding Match Commitment Letter

Dear State Hazard Mitigation Officer:

This is to confirm that McKinleyville CSD is committed to perform the necessary maintenance for the entire useful life of this project (50 YEARS) once completed. The McKinleyville CSD is allocating an annual budget of \$2,000 which will allow maintenance to occur as needed to ensure the Mad River Crossing pipeline remains in good repair and operational.

ENTITY RESPONSIBLE FOR THE MAINTENANCE:	McKinleyville CSD
PAST MAINTENANCE TASKS INVOLVED:	Pump & Motor Maintenance
FUTURE MAINTENANCE TASKS INVOLVED:	Pump & Motor Maintenance
FUTURE MAINTENANCE SCHEDULE:	Annually
FUTURE COST OF MAINTENANCE:	\$2,000
SOURCE OF FUTURE MAINTENANCE FUNDS:	Wastewater customer rate fees

Please contact Patrick Kaspari with questions.

Sincerely,

A handwritten signature in black ink, appearing to be 'PK' with a stylized flourish.

Patrick Kaspari, P.E.

General Manger
Phone: 707-839-3251
Fax: 707-839-8456
pkaspari@mckinleyvillecsd.com

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION - Consent**

ITEM: D.8 **Consider Approval of Proclamation for January 2022 as National Mentoring Month**

PRESENTED BY: **April Sousa, Board Secretary**

TYPE OF ACTION: **Roll Call - Consent**

Recommendation:

Staff recommends that the Board review the information provided and proclaim January 2022 as National Mentoring Month.

Discussion:

This proclamation was brought forward by the Big Brothers Big Sisters of the North Coast (BBBSNC), who has been recognized throughout the region in relation to National Mentoring Month. Although BBBSNC approached the District to have this item placed on the January 2022 MCSD Board Agenda, the accompanying proclamation was not received in time to make the agenda.

This year, Big Brothers Big Sisters of the North Coast, CASA of Humboldt, and the Boys and Girls Club of the Redwoods are celebrating a combined 137 years of service to the community of Humboldt through many opportunities, including mentoring.

Mentoring is a critical component of social, emotional and cognitive development in youth, and with added pressures to the family, home, and in particular, the youth in the community, mentoring has become even more essential.

Through this proclamation, the Board of Directors will be showing its support for the programs and volunteers that help to equip the youth of today to lead productive and healthy lives.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 - Proclamation

PROCLAMATION

WHEREAS, this year Big Brothers Big Sisters of the North Coast, CASA of Humboldt, and Boys and Girls Club of the Redwoods, celebrate the 137 combined years of service provided to the youth in Humboldt County; Together it is recognized that the future of Humboldt County rests on the success of its youth; and

WHEREAS, a mentor is a caring, consistent presence who devotes time to help a young person develop personal strength and achieve their potential through a structured and trusting relationship. Quality mentoring encourages positive choices, promotes self-esteem, supports academic achievement and introduces young people to new ideas; and

WHEREAS, research shows that young people matched with a caring adult through a quality mentoring program are 55 percent more likely to be enrolled in college, 81 percent more likely to report participating regularly in extracurricular activities and sports, 78 percent more likely to volunteer and twice as likely to say they held a leadership position than those who did not have a mentor; and

WHEREAS, youth development experts agree that mentoring is critical to the social, emotional and cognitive development of youth, helping them navigate the path to adulthood more successfully; and

WHEREAS, our community has a number of community volunteers, teachers, advocates and many others who support the mentoring movement and work selflessly to improve our children's odds for success.

NOW, THEREFORE, BE IT PROCLAIMED that the McKinleyville Community Services District Board of Directors hereby recognizes **January 2022** as **NATIONAL MENTORING MONTH** and thanks all of our local heroes who participate in quality mentoring programs to equip our youth with the tools to lead healthy and productive lives. The MCSD Board also calls on residents to help close the gap between the availability of mentors and the number of children facing challenging circumstances who would love to spend time with a Big Brother, Big Sister, CASA Advocate, or Boys and Girls Club of the Redwoods Mentor.

Signed: _____
David Couch, Board President

Date: _____

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **INFORMATIONAL**

ITEM: D.9 **Review and Discuss the McKinleyville Skatepark Quarterly Project Status Update Presented by the Humboldt Skatepark Collective (HSC)**

PRESENTED BY: **Lesley Frisbee, Parks & Recreation Director**

TYPE OF ACTION: **None**

Recommendation:

Staff recommends that the Board review the information provided, discuss, take public comment, and air questions about the status update of the McKinleyville Skate Park as presented by the Humboldt Skatepark Collective.

Discussion:

At the October 4, 2017 meeting, the Board approved a right of entry agreement between MCSD and the HSC for the development of a skate park in McKinleyville. Since that time, the HSC has committed to working on an alternate design of the park and has been seeking funding for the project.

The HSC has presented the quarterly reports at regular intervals since the right of entry agreement was approved. The current report includes detail on the current status, in addition to project and budget overviews.

Attachment 1 outlines the most recent summary of the current project status.

Alternatives:

Take Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Quarterly Report from Humboldt Skatepark Collective



HSC QUARTERLY MCSD REPORT

PROJECT SUMMARY Item D.9 Attachment 1

REPORT DATE	PROJECT NAME	PREPARED BY
01/20/2022	McKinleyville Skatepark	Charlie

STATUS SUMMARY

- Current quarterly status
 - Summary of current fundraising efforts:
 - Small amounts of funding is coming in from : Your Cause, Amazon Smile .
 - Permit approved working on Contracts new Budget and MOU
 - Summary of current funds:\$120,937.27
 - Approved for \$25,000.00 from Headwaters Grant team that will be matched
 - Summary of Grant Applications:
 - Lesley submitted the Rural Recreation and Tourism Grant for 2022, it includes the skatepark, restroom upgrade and path to restroom.
 - We will be re-applying for Coast Central \$25,000.00 Grant this Spring.
 - Matching fund for ground breaking up to \$ 50,000.00 still in affect, current amount to be matched at this time is \$26,250.00. Leaving \$24,8750 still available.

Current Project Overview

MCSD and HSC met in January 2022, We would like to move forward with ground breaking this spring and a partial Skatepark build. We are working together to establish the needed terms and agreements to make this happen.

BUDGET OVERVIEW

Budget place holder for partial Skatepark based on current established funds of \$197,187.27. (note: this dollar and in-kind equivalent will increase over the next three to four months.)

Current Contract and Ground Breaking tracking

Working with Liquid Stone Design to establish a budget for a partial selection of the skatepark to be built. This will be based on our current funding, as well to the efforts over the next 3 months to raise more fund s and establish in-kind donations of materials and needed equipment and volenters.
 Specific efforts are in process to get Contracts' & MOUs' established between MCSD, HSC, LSD and other potential ententes in a effort to break ground close to or at our pony express celebration 2022

CONCLUSIONS/RECOMMENDATIONS

Based on current Grant application we hope to be breaking ground in mid May, early June 2022

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: E.1 **Consider Adoption of Resolution 2022-01 Recognizing, Honoring, and Commending David Baldosser for Twenty-Five (25) Years of Service**

PRESENTED BY: **Colleen M. R. Trask, Finance Director**

TYPE OF ACTION: **Roll Call**

Recommendation:

Staff recommends that the Board of Directors consider adoption of Resolution 2022-01 honoring David Baldosser for his twenty-five (25) continuous years of service at the McKinleyville Community Services District.

Discussion:

Attached for the Board of Directors' review is Resolution 2022-01 recognizing, honoring, and commending David Baldosser for his twenty-five (25) continuous years of service. Please join us in presenting David Baldosser with a Resolution and longevity award acknowledging his continuing outstanding contributions to the McKinleyville Community Services District.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Resolution 2022-01

RESOLUTION 2022 – 01

A RESOLUTION RECOGNIZING, HONORING, AND COMMENDING DAVID BALDOSSER FOR SERVING MCKINLEYVILLE COMMUNITY SERVICES DISTRICT FOR TWENTY-FIVE (25) CONTINUOUS YEARS.

WHEREAS, DAVID BALDOSSER, having faithfully served twenty-five (25) continuous years as an employee of the McKinleyville Community Services District (the “District”) from February 3, 1997 to February 3, 2022; and

WHEREAS, throughout his years of service, David has demonstrated unwavering loyalty, commitment, and dedication; and

WHEREAS, David lends his talents, experience, and leadership to the District, first as a Customer Service Representative and now as the Customer Service Supervisor, capably leading and coordinating the efforts of the Customer Service Team with both competent professionalism and a great sense of humor; and

WHEREAS, David is deeply dedicated to providing exceptional customer service to our ratepayers, and genuinely cares about helping them understand and resolve a widely varied range of issues, and cares equally deeply about supporting and assisting co-workers, other managers and Department Heads with helpful, timely information; and

WHEREAS, David has developed a tremendous breadth and depth of knowledge about the District and it’s information systems and processes, not only skillfully ensuring accurate customer billing every month, but also providing complex, specialized, detailed information for audits, rate studies, and many other types of special requests, and generously sharing his expertise; and

WHEREAS, David’s loyalty to the District, unwavering commitment customers and coworkers, and trustworthiness in all matters truly makes him a valuable asset to the District and to the community of McKinleyville;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District does hereby confer upon David Baldosser its highest commendation for the dedicated service he has performed for the District and the community, and further marks his historic accomplishment as a McKinleyville Community Services District employee for twenty-five (25) years.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on the 2nd day of February 2022 by the following polled vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

David Couch, Board President

Attest:

April Sousa, MMC, Board Secretary

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: E.2 **Consider Appointment of Applicant, Jennifer Ortega to Vacant Seat on the Park and Recreation Committee (PARC)**

PRESENTED BY: **Lesley Frisbee, Recreation Director**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board consider the information provided, air questions, take public comment and vote on the appointment of Jennifer Ortega to the Parks and Recreation Committee for a four (4) year terms as a regular voting member or alternate member.

Discussion:

It is the duty of the Board of Directors to vet and select the most qualified candidates to become members of the PARC. The Board of Directors is obligated to interview all candidates, discuss the candidates' qualifications, and select most qualified candidates to serve on the committee by majority vote.

There are currently one (1) regular voting member opening and two (2) alternate openings on the PARC. Staff has posted sufficient notice through local media and at District facilities of the vacancies for the PARC.

Jennifer Ortega submitted an application (**Attachment 1**) December 28, 2021. Staff shared the application and resume with the PARC at the meeting on January 20, 2022. The PARC unanimously supported Jennifer Ortega being appointed to the PARC.

Alternatives:

Staff analysis consists of the following potential alternative: Do not appoint the applicants to the PARC and continue advertising existing open seats.

Fiscal Analysis:

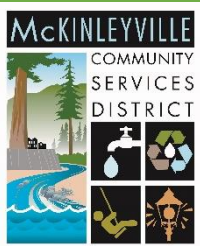
Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Jennifer Ortega PARC Application



McKinleyville Community Services District Parks and Recreation Committee (PARC) Application

Name _____ Date _____

Home Phone _____ Cell Phone _____

Mailing Address _____

Permanent Address _____

Email Address _____

Areas of Experience and Qualifications

What knowledge, skills and experience will you bring to the Parks & Recreation Committee? (You may attach a resume or additional page if necessary).

Can you commit to 2-4 hours of volunteer time per month? YES NO

Please describe why you want to participate as a member of the Parks and Recreation Committee.

Jennifer Ortega

Education

Doctorate of Education Educational Sustainability

University of Wisconsin, Stevens Point, WI *In progress*

Master of Arts Curriculum & Pedagogy (Science Education)

University of Colorado, Denver, CO 2004

Bachelor of Sciences Marine Fisheries

Humboldt State University, Arcata, CA 1997

Teaching Credentials

- California Teacher of English Learners Credential 2009
 - California Single Subject Teaching Credential in General Sciences 2006
 - Colorado Secondary Science Teaching Credential 2004
-

Professional Experience

Instructor, California Naturalist Program, Fall 2017-current

Friends of the Dunes, Humboldt Coastal Nature Center, Manila, CA

Instructor, Forestry Institute for Teachers, Summer 2017-current

Humboldt County, CA

Lecturer, Environmental Science & Management Department, 2012-current

Humboldt State University, Arcata, CA

Courses: Environmental Communications, Fundamentals of Environmental Education & Interpretation, Applied Ecology & Natural History

Lecturer, Kinesiology & Recreation Administration Department, 2012-current

Humboldt State University, Arcata, CA

Courses: Environmental Education, Leisure in Society, Healthy Communities through Recreation

Academic advisor & Faculty supervisor for student internships

Education Programs Coordinator 2010-2013

Humboldt State University Natural History Museum, Arcata, CA

Academic Advisor 2010-2011

Humboldt Science & Mathematics Center, Humboldt State University, Arcata, CA

Lead Education Ranger & Facility Manager 2008-2009

Wolf Creek Education Center, Redwood National & State Parks, Orick, CA

Education Ranger 2007-2008

Wolf Creek Education Center, Redwood National & State Parks, Orick, CA

Museum Educator 2007–2008

Humboldt State University Natural History Museum, Arcata, CA

6th grade Science Teacher & Coordinator for Outdoor School 2003

Huron Middle School, Northglenn, CO

Professional Development

- Community Engagement Guidelines Training, Spokane, WA *October 2018*
- The Avarna Group – Equity, Inclusion, & Diversity training, Arcata, CA *April 2017*
- Instructor Workshop for California Naturalist Program, Davis, CA *May 2016*
- Leave No Trace Awareness Workshop, Patrick’s Point State Park, Trinidad, CA *April 2016*
- NAAEE Guidelines of Excellence Training, Arcata, CA *January 2016*
- Communicating about Climate Change Workshop, Lawrence Hall of Sciences, Oakland, CA *February 2015*
- Project WILD & Project Learning Tree Facilitator Training *Fall 2014*
- Foundations of Environmental Education, School of Mines online course *Summer 2013*
- Forestry Institute for Teachers, Humboldt County, CA *July 2013*
- Project WET Facilitator Training *Spring 2012*
- Education Internship, Redwood Roots Farm, Bayside, CA *Fall 2010*
- Sharing Nature Seminar with Joseph Cornell, Northern California *Spring 2010*
- Skull Identification Workshop, HSU Natural History Museum, Arcata, CA *January 2009*
- Field Seminar: Mosses, Lichens, & Ferns, Pt. Reyes National Seashore, CA *February 2008*
- Redwood Ecology Seminar, Redwood National & State Parks, Orick, CA *2008*
- Interpretive Development Program for the National Park Service
 - Module 101: The Process of Interpretation *2007/2008*
 - Module 270: To Present an Effective Curriculum Based Program *2007/2008*
- Mycology Class, Humboldt County Mycology Society, Patrick’s Point, CA *October 2007*
- Paleontology Field Leadership Institute, Como Bluff, WY *August 2003*
- Geology Field Study in Hawaii for Teachers, Hawaii, HI *June 2002*
- Outdoor Education Training, Adams 12 School District, Thornton, CO *2002*

Professional Affiliations & Grants

Environmental Education Grant Program, California Department of Education, California
 Environmental Literacy Project, (\$72,000/year for 3 years) *2019-2021*

Program Advisor for California EE certification program *2017-present*

Invitation to California Regional Environmental Education Community (CREEC) design
 charrette *October 2016*

Colorado Alliance for Environmental Education (member) *2013-present*

North American Association of Environmental Education (member) *2012-present*

- Green Schools and Career-Connected Learning Strand Leader for Annual Conference

National Association of Interpretation (member) 2008-2010

National Science Teachers Association (member) 2001-2006

Presentations

Jennifer Ortega, Recreation administration faculty at Humboldt State University, helped pre-service environmental educators adapt Project WET activities for distance learning. Project WET website, May 2020 <https://www.youtube.com/watch?v=ytJzZ34wuaY>

Jennifer Ortega & Renee Strnad “Using the Guidelines for Excellence in College Classrooms” North American Association of Environmental Education, National Conference, Lexington, KY, October 2019

Jennifer Ortega & Jenn Tarlton “Dialogue on Professional Growth” Association of Environmental & Outdoor Education, Statewide Conference, Springville, CA, March 2014

Jennifer Ortega “Changes over Time” North American Association of Environmental Education, National Conference, Baltimore, MD, October 2013

- Redwood Environmental Education Fair (REEF), Eureka, CA 2009-present
- Science, Engineering, Technology Expo (SET), Eureka, CA Spring 2009
- Redwood Education Leadership Institute, Arcata, CA June 2008
- NAI Region 9 Spring Workshop, Eureka, CA March 2008

Publications

Ortega J. (2020) Natural Capital’s Role in Sustainable Development. In: Leal Filho W., Azul A.M., Brandli L., Lange Salvia A., Wall T. (eds) Industry, Innovation and Infrastructure. Encyclopedia of the UN Sustainable Development Goals. Springer, Cham. https://doi.org/10.1007/978-3-319-71059-4_73-1

Non peer reviewed “Using the Guidelines for Excellence in College Classrooms” North American Association of Environmental Education, National Conference, Blog 2019 <https://naaee.org/eeepro/blog/using-guidelines-excellence-college>

Facilitator for Trainings & Teacher Workshops

- Interpretative Training, Roseville Utilities Exploration Center, Roseville CA March 2019
- NAAEE Guidelines training: Nonformal EE programs for EOSM Retreat (AEOE), Cambria, CA November 2018
- Assisted with Understanding Climate Change in California Workshop facilitated by California Project WET & California Department of Water Resources Climate Change team, Manila, CA November 2018
- Organized NAAEE Guidelines of Excellence Training, Arcata, CA January 2016
- Week long Ocean Sciences Teacher Institute, Trinidad, CA July 2015
- Project WET training, Arcata, CA Fall 2012-present (once a year)
- PLT training, Eureka, CA December 2015
- GUW training, McKinleyville, CA October 2015

- G UW training, Arcata, CA *March 2015*
- Wonders of the Wetlands & Beyond Teacher Workshop, Arcata, CA *Spring 2013*

Awards & Certifications

Master Certified Environmental Educator, Colorado Alliance for Environmental Education *June 2014*
Outstanding graduate, School of Education, University of Colorado at Denver *May 2004*

Community Service/Volunteer Work

First person interpretative program for BLM Headwaters Forest, Elk River, CA *2014-present*
Humboldt County Science Fair Judge, Arcata, CA *2008-present*
Assistant coach youth soccer, Arcata, CA *2008-2013*
Women's League Commissioner Humboldt Adult Soccer League, Arcata, CA *2009 - 2012*

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: E.3 **Water & Sewer Main Line Replacement & Rehabilitation Master Plans Presentation & Acceptance**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Accept Final Water & Sewer Master Plans**

Recommendation:

Staff recommends that the Board review the information provided, listen to the presentation, take public comment and accept the Water & Sewer Main Line Replacement & Rehabilitation Master Plan reports.

Discussion:

The District has been working on Master Planning efforts, focusing on the replacement and rehabilitation of the water and sewer mainlines, since 2017. The effort included an analysis of all water and sewer mainlines throughout the system. The original water distribution system was constructed in 1973 and the original sewer collection system was constructed in 1976. As the system continues to age, replacement and rehabilitation of existing infrastructure will be necessary to maintain an effective, functional system. The ultimate goal of this Master Planning effort is to come up with a cost and prioritized schedule for replacement/rehabilitation of the mainlines over the course of 50 to 75 years. This will help to ensure the District is able to continue their high level of service to the community well into the future, without putting an undue rate burden on them.

Phase 1 of the Master Plan was prepared to provide a framework for planning, funding and implementing replacement, rehabilitation and upgrades to the District's water and sewer mainlines. Phase 2 focused on laying out the Capital Improvement Plan including specific projects, budgets and schedule for both the water distribution and wastewater collection system replacement and rehabilitation. The Phase 3a&b of the Master Planning effort consisted of sampling the chemical properties of the soil and the physical assessment of portions of the system in order to develop an opinion regarding the present-day fitness of the pipelines and the corollary of anticipated remaining reliable service life. This physical sampling found internal degradation of the smaller diameter (6-inch and smaller) Asbestos Cement (AC) pipe, which resulted in the loss of over 50% of the pipe strength. Given these findings, Phase 3c consisted of performing a risk analysis and reassessing the replacement schedule for the Master Planning effort.

These final Reports detail the findings of Phase 3c as well as all the other Phases. Staff feels they now have a plan for the replacement of the water and

sewer mains detailing the priorities for the next 50 to 75 years. The Central Avenue Water & Sewer Main Replacement Project is the first of many projects. The body of the Sanitary Sewer Main Line Replacement & Rehabilitation Master Plan (without Appendices) is included as **Attachment 1**. The complete report can be viewed on the District's website at:

https://www.mckinleyvillecsd.com/files/13972ef4f/FINAL+MCSD+Sewer+Master+Plan_combined.pdf

The body of the Water Main Line Replacement & Rehabilitation Master Plan is included as **Attachment 2**. The complete report can be reviewed on the District's website at:

https://www.mckinleyvillecsd.com/files/a20558cf9/FINAL+MCSD+Water+Master+Plan_combined.pdf.

Patrick Sullivan and Jill Kjellsson, engineers with GHD who performed the analysis, will present a summary of the findings. Their presentation is included as **Attachment 3**.

Alternatives:

Take No Action

Fiscal Analysis:

Phase 1 of this Master Planning effort was utilized in the 2018 Rate Study, which established a reserve fund which sets aside \$1M per year each for the replacement of water and sewer mains.

Environmental Requirements:

Most of the specific water and sewer main replacement projects will be Categorically Exempt from CEQA, and Notice of Exemptions will be filed as each project comes up. It is possible that projects that may impact streams or other environmental features may require Initial Studies and Mitigated Negative Declarations.

Exhibits/Attachments:

- Attachment 1 – Sanitary Sewer Main Line Replacement & Rehabilitation Master Plan, Executive Summary and TOC
- Attachment 2 - Water Main Line Replacement & Rehabilitation Master Plan, Executive Summary and TOC
- Attachment 3 – Main Line Replacement & Rehabilitation Presentation



Final Sanitary Sewer Main Line Replacement and Rehabilitation Master Plan

McKinleyville Community Services District

GHD | 718 3rd Street, Eureka, California

11218420 | January 2022



Executive Summary

Introduction

Phase 3 of this Sewer Main Line Rehabilitation Master Plan (Master Plan) has been prepared to provide a schedule for implementing replacements, rehabilitation, and upgrades to the McKinleyville Community Service District's (MCSD or District) sewer collection system main lines and appurtenances (collection system) for the next 50 years. This Master Plan effort includes an analysis of all of the pipelines and manholes in the District's sanitary sewer system. No analyses of lift stations or the wastewater management facility are provided as a part of this study, and they are being addressed under other aspects of the District's Capital Improvement Planning (CIP) process.

The original sewer collection system was constructed in 1976, making it 42 years old. The majority of the system is constructed of Asbestos Cement Pipe (ACP), which has an expected life of 50 to 70 years, so the majority of the pipe is reaching the end of its life. As the system continues to age, replacement and rehabilitation of existing infrastructure will be necessary to maintain an effective, functional system. Priorities of the existing system, including the Central Avenue sewer main, the Central and Southern Highway 101 sewer crossings, and the lift station force mains are already at the end of their useful life and will require replacement in the next 5-10 years, and it is important to plan for their replacement now. This report serves as the third and final phase of the Master Plan effort. The work on the various phases is summarized herein and culminates with the development of this Final Sewer Main Line Rehabilitation Master Plan (Final Master Plan). The Final Master Plan will serve as a final planning and budgeting outline to assure the District is able to continue their high level of service to the community well into the future.

Phase 1 of the Master Plan includes a review and analysis of available information that was used to produce a planning-level long-term replacement plan and a near-term rehabilitation plan that identifies areas with performance or capacity constraints that need to be resolved in the next ten years.

Phase 1 of the Master Plan provides the following:

- Overview of the existing collection system.
- Summary of previous related studies.
- Information on anticipated population growth.
- Preliminary needs assessment.
- Long-term replacement analysis including cost and scheduling information.
- Discussion of near-term projects including cost and scheduling information.
- Financial analysis based on the replacement cost estimates.

Phase 2 of the Master Plan effort builds on the system knowledge obtained in Phase 1 to create more detailed phasing information for the systematic replacement of the sewer mains.

Phase 2 of the Master Plan provides the following:



- Discussion of appropriate replacement methodologies (e.g. lining, bursting, or direct replacement) with associated construction cost estimates
- Determination of an appropriate yearly project cost based on the Phase 1 system requirements and financial analysis
- Outline of a schedule for the first 50 years of main line replacement for the MCSD sewer collection system
- A financial analysis to forecast rates necessary to fund these replacements.

Phase 3 of the effort consists of direct physical assessment of portions of the system to determine the condition of the pipe and apply a risk-based prioritization approach to update the schedule established under Phase 2.

Phase 3 of the Master Plan provides the following:

- Determination of pipe condition through physical testing of pipe samples
- Evaluation of prioritization based on risk considering all of the triple bottom line categories. Triple bottom line incorporates three dimensions of performance in the evaluation of risk including social, environmental, and financial instead of just one bottom line (often financial)
- Discussion and comparison of performing construction work in-house or through contract with associated construction cost estimates
- Refinement of the appropriate yearly project cost based on the updated system requirements and financial analysis
- Revision of the schedule for the first 50 years of main line replacement for the MCSD sewer collection system based on the risk assessment

Risk Assessment and Rehabilitation Prioritization

A Risk Framework was developed and applied to the linear assets in the MCSD sewer system. The Risk Framework considers the Probability of Failure and Consequence of Failure and assigns scores to each pipe. Probability of Failure considers the physical mortality failure and uses condition information from physical testing of sample pipes to assign scores. Consequence of Failure considers Triple Bottom Line categories (social, environmental and financial) and assigns values to each pipe using geospatial analysis and proximity to various data layers; for example, critical customers and sensitive habitats like rivers and waterbodies.

Rehabilitation Prioritization

Probability of Failure and Consequence of Failure scores are then used to calculate the Core Risk and Business Risk Exposure scores. The risk scores are used to prioritize the rehabilitation of the system. Based on the results of the physical testing of sample pipes, it was determined that AC pipe with diameter 8-inch and smaller had less remaining wall thickness and therefore should be addressed prior to 10-inch and larger AC pipe. This drives the Probability of Failure score and therefore is a factor in the prioritization.



Conclusions, Recommendations, and Next Steps

The District can replace all critical portions of the MCSD sewer collection system in the next 50 years with a reasonable adjustment to user rates. Spending an average of \$1 million per year (2019 dollars) on the system will allow completion of all the near-term projects of concern. Replacement of all pipes identified as priority would be replacement of 100% of the District's vitrified clay pipe (VCP), 100% of the 8-inch or smaller asbestos cement pipe (ACP), and 22% of the 10-inch and greater ACP. However, how much of this the District is able to replace will also depend on pipe conditions and confirmation of the appropriate replacement method during the design phase of each project.

This Master Plan presents a Risk Framework for evaluating and assigning priority for the replacement of MCSD's sewer collection system. Asset condition is largely based on the 3 samples collected and physically tested and then assigned to subsets of assets based on material and diameter; however, condition within a subset can vary. A robust monitoring program including inflow and infiltration (I/I) monitoring, and CCTV inspection is recommended to monitor and update the condition of the assets over time. Pre- and post- flow monitoring can be used to measure project success, especially in areas of high I/I concern.

It is critical that the District begin planning and budgeting for upgrades and replacement of system components. The approved rates from Section 4 state that MCSD began putting aside \$1 million (2019 dollars) a year starting in 2019. With rate adjustments approved, the project financing is securely in place, allowing MCSD to begin the planning and design process so that construction of the early proposed projects can begin in 2024. A Hazard Mitigation Grant was awarded in two phases to fund 75% of the replacement of the three Highway 101 undercrossings. Phase one, consisting of design and special permitting studies, is complete and Phase two, which includes the final design and CEQA, is scheduled but, at the time of this writing, waiting on NEPA document approval (NEPA is being done by FEMA) for release of funding. The District may consider beginning replacement of other sections of ACP sooner than shown in this report if the Hazard Mitigation Grant funds free up additional money to replace the other sections of ACP.



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Appendix A Phase 3b: Water and Sewer Mainline Replacement and Rehabilitation Master Plans Letter Report

Appendix B Asset Register with LOF, COF, Risk Scores and Priority

Appendix C MCSD Water & Wastewater Rate Study (Willdan Financial Services, 2018)



1. Introduction and Background

The purpose of the McKinleyville Community Services District (MCSD, District) Sewer Main Line Rehabilitation Master Plan (Master Plan) is to provide a framework for planning, funding, and implementing replacements, rehabilitation, and upgrades to the District's sewer collection system main lines and appurtenances (collection system) for the next 50+ years. This type of master planning helps the District provide orderly, long-term maintenance and replacement of key elements of the collection system, to manage the timing of major capital projects to secure revenue needed to achieve District goals, and maintain their high level of service for their customers.

1.1 Overview of Existing System

MCSD is a special service district providing parks, recreation, water, wastewater, and streetlight services to residents of McKinleyville in Humboldt County, California (see Figure 1). The MCSD boundary encompasses approximately 19 square miles, ranging from North Bank Road on the south to Patrick Creek on the north.

The original sewer system was constructed in 1976. All sewage for MCSD's approximately 5,180 active sewer customers (as of July 2017) is treated at the wastewater management facility (WWMF) at Hiller Park. MCSD maintains approximately 73 miles of sewer mains (including 1.7 miles of force mains) that convey wastewater to the WWMF. The District also operates and maintains five sewer lift stations (Fischer Rd, B St, Letz Ln, Kelly Ave, and Hiller Rd lift stations). An overview of the District's sewer system is shown in Figures 2 and 3. Figure 2 symbolizes the sewer mains with respect to size, and Figure 3 symbolizes the sewer mains with respect to material.

1.2 Summary of Previous Studies and Findings

Elements of the MCSD collection system have been evaluated periodically since the system was constructed. This section presents background information, findings, and recommendations from the following recent documents and studies regarding the MCSD collection system:

- Wastewater Facilities Plan, SHN – January 2012
- Sewer Capacity Analysis, MCSD Sewer Collection System, Revision 1, SHN – September 2013
- MCSD Sanitary Sewer Management Plan, Freshwater Environmental Services – January 2014
- McKinleyville Capital Improvement Plan, HSU Student Capstone Project – May 2015
- Water and Sewer Capacity Fee Study, Willdan Financial Services – September 2011
- Sewer Rate Analysis, Willdan Financial Services – May 2015

These previous studies are summarized in this report to provide additional context and highlight conclusions that can be drawn from previous work. While a more in-depth assessment of the collection system was undertaken as a part of this Master Plan effort, synthesizing information



provided in previous studies served as a foundation for this work. Recent assessment of the sewer collection system was started with a 2012 Wastewater Facilities Plan summarized in the following section.

1.2.1 Wastewater Facilities Plan, SHN – January 2012

SHN Consulting Engineers & Geologists, Inc. (SHN) prepared a Wastewater Facilities Plan Administrative Draft (WWFP) for MCSD in January 2012. A significant portion of the WWFP is focused on the District’s wastewater treatment, reclamation, and disposal facilities, none of which are included as a part of this Sanitary Sewer Main Line Replacement and Rehabilitation Master Plan effort. However, the WWFP also discusses population growth forecasts, existing/projected system flows, and critical areas of the sewer collection system that are recommended for upgrades, which are all pertinent to this Master Plan effort.

The WWFP notes that due to regular monitoring and maintenance, the collection system has some of the lowest infiltration and inflow (I/I) rates in Humboldt County. Smoke testing areas of concern was completed to test for leaks, and the District monitors wet weather flows at various manhole locations each winter to identify areas of excessive I/I.

The dry weather (May 15th through October) collection system flows averaged 0.9 million gallons per day (MGD) and 1.1 MGD during the wet weather (November through May 14th) seasons. These flow rates were based upon flows during the period of 2003 to 2010. With an expected annual population increase of 1.8% (based on the “alternative growth rate” given in the McKinleyville Community Plan prepared by Humboldt County in 2002), it was predicted that by 2030 the average daily flows will increase to 1.4 MGD and 1.7 MGD in the dry and wet weather seasons, respectively. The peak daily flow for the period of 2003 through 2010 was approximately 2.0 MGD, with the peak daily flow for year 2030 projected to be approximately 3.1 MGD. The peak instantaneous flow (highest sustained hourly flow resulting from a 5-year storm during high groundwater periods), which is used as the basis of design for the required hydraulic capacity of conveyance and treatment system components, was estimated to be 2.5 MGD for 2010 and 3.8 MGD for 2030.

The WWFP discusses the development of the MCSD collection system hydraulic model. The model was under development as of the publish date of the WWFP, and more information on the model and associated results was given in the subsequent Sewer Capacity Analysis completed by SHN in September 2013. The Sewer Capacity Analysis is summarized in the following section. The model was used during the development of the WWFP as a tool to determine areas in the collection system that are limited in capacity under existing conditions or under projected growth conditions. The model allows for the input of rainfall derived infiltration and inflow (RDII) to account for higher system flows during wet weather periods. The model results indicated that each of the three gravity trunk lines that cross under Highway 101, conveying the majority of the wastewater flows from the east side to the west side of the highway, were able to convey up to the 5-year RDII without surcharging under existing population/flow conditions. The model showed surcharging in Lines 3 (includes the south Highway 101 crossing) and 5 (at the middle Highway 101 crossing) under the 100-year RDII, existing population/flow scenario.

Multiple growth scenarios were presented in the WWFP, based on future development projections provided by Humboldt County. The “Alternative B with Multi-Family (BMID-MF)” scenario was



selected to be analyzed using the sewer model, since this growth scenario was most closely aligned with what the population would be in year 2030 under the assumed 1.8% growth rate. Flows in the model were allocated based on a County-provided GIS dataset that included a direct allocation of development by region. Under the BMID-MF scenario, the model showed that the middle crossing would surcharge under dry weather conditions. Both Lines 3 and 5 surcharged under the 5-year RDII event. There was much more extensive surcharging in Lines 3 and 5 in the model under this growth scenario with 100-year RDII conditions.

The WWFP identifies the gravity lines that cross the highway, especially Line 3 (which includes the south Highway 101 crossing) and Line 5 (which includes the middle Highway 101 crossing), as critical areas for upgrades. The WWFP recommends lining the 10-inch asbestos cement (AC) pipes that comprise Line 5 with cured in place pipe (CIPP) and installing a parallel 12-inch pipe to increase capacity. It recommends lining the existing 15-inch Line 3 with CIPP and installing a new parallel 15-inch pipe. Another alternative to these recommended improvements is direct pipe replacement (rather than parallel pipe installation).

Lastly, the Letz, Hiller, and Fischer lift stations were also recommended for upgrade. Recommended upgrades included replacing the pumps, motors, and heating and ventilation systems, as well as installing new motor control centers, variable frequency drives, programmable logic controllers, new level sensing equipment, and updating the electrical systems to comply with current code requirements. The WWFP also recommends a new generator and automatic transfer switch at the Hiller lift station, which was completed as a part of recent WWMF upgrades (the lift station is tied into the WWMF generator).

The WWFP gives an estimated cost of approximately \$3.4 million for the recommended collection system and lift station improvements, including construction, contingency, engineering, and administration costs.

1.2.2 Sewer Capacity Analysis, MCSD Sewer Collection System, Revision 1, SHN – September 2013

SHN prepared a Sewer Capacity Analysis (SCA) for MCSD in September 2013. The SCA presented an analysis of the capacity of the three gravity trunk lines that cross Highway 101, as they are the known limiting segments of the collection system. These three lines are referred to as Line 2 (north crossing), Line 5 (middle crossing), and Line 3 (south crossing). The sanitary sewer model that was developed as a part of the Wastewater Facilities Plan was adjusted to reflect verified as-built conditions that were not previously reflected in the model, and then used to perform the necessary modeling for the updated SCA. SHN modeled an existing conditions scenario with no RDII, as well as RDII scenarios that included the 5-year, 25-year, and 100-year, 24-hour events. Pipeline capacity and downstream lift station capacity were both considered in the analysis. Lift station capacity was based on the firm capacity of each respective lift station, which is the capacity of the station under the emergency situation where the largest pump is out of service. The firm capacity for the lift station downstream of the north crossing (Letz lift station) was given as 673 gallons per minute (gpm), while the capacity of the limiting segment of Line 2 was given as 1,484 gpm. Thus, the total flow capacity for Line 2 was set as the firm capacity of the Letz lift station. The firm capacities for the lift stations downstream of Lines 3 and 5 exceeded the total flow capacity of the pipelines themselves. Available flow capacity was determined by subtracting the peak flow rate,



based on model results, from the total flow capacity of each segment. A peaking factor of 1.34 was applied as a part of the sanitary time step pattern.

Model results showed that all crossings have capacity to accommodate additional flow beyond the 5-year RDII event. The north crossing (Line 2) does not have enough capacity to accommodate the 25-year RDII event, and the middle and south crossings have additional capacities of 45 and 86 gpm, respectively. None of the crossings have enough capacity to accommodate the 100-year RDII event. However, it should be noted that the modeled peak flow in Line 2 under the 100-year RDII event was given as 794 gpm, which is well under the Line 2 pipe capacity of 1,484 gpm. The 100-year event could also be handled by the Letz lift station if the assumption were not made that the largest pump was out of service. Assuming that all the pumps in the Letz lift station were in service, Line 2 could accommodate both the 25-year and 100-year, 24-hour RDII events.

The SCA recommends that MCSD use the capacity analysis results based on the 25-year, 24-hour RDII scenario for future planning purposes.

1.2.3 MCSD Sanitary Sewer Management Plan, Freshwater Environmental Services – January 2014

Freshwater Environmental Services prepared a Sanitary Sewer Management Plan (SSMP) for MCSD in January 2014. The SSMP was prepared to meet the Statewide General Waste Discharge Requirements (WDR) for Sanitary Sewer Systems. The WDR defines eleven mandatory SSMP elements and associated monitoring, record keeping, reporting, and public notification requirements, all of which are addressed in the SSMP. The SSMP outlines all sanitary sewer management programs, plans, and expectations of the MCSD. The recommended capacity improvement projects were for the following: Line 5 between manholes (MH) 5-2 and 5-3 (middle crossing), Line 6.3 between MH 6-17 and MH 6-6 (section of pipe along McKinleyville Avenue that runs south from the intersection with Hiller Road for approximately 380 feet), and Line 6 between MH 6-3 and 6-4 (section of pipe along Hiller Road between Walker Avenue and Taves Avenue). However, these sections of the system (aside from the middle crossing) were not identified as areas of concern in the SHN modeling analyses.

1.2.4 McKinleyville Capital Improvement Plan, HSU Student Capstone Project – May 2015

A group of Humboldt State University (HSU) engineering students prepared the McKinleyville Capital Improvement Plan as part of a school project. Among other information and analyses, the report provides recommendations for infrastructure upgrades of MCSD's water distribution and sewer collection systems, preliminary designs for specific projects, and a schedule and estimated costs for systematically replacing the entire sanitary sewer collection and water distribution systems, accounting for expansion of each system to accommodate projected population growth. This report also analyzed how the "full buildout" scenario (developed based on potential rezoning and projected population growth per the Humboldt County General Plan) would affect the capacity and performance of each system.

This report developed design parameters for replacement of the aforementioned, under-capacity Lines 3 (south crossing) and Line 5 (middle crossing). The report recommended replacement of



1,300 feet of Line 3 with 15" high density polyethylene (HDPE) pipe at a slope of 1.8%. The report noted that the portion of new pipe that would be under the highway would need to be inside a 250-foot-long 21" steel casing to comply with Caltrans requirements. The report recommended replacing the southern crossing with 24" HDPE pipe at the original slope. The 250-foot portion of this new pipe that went under the highway would be inside a 30" steel casing. The report notes that even with this replacement, Line 5 would still surcharge near the lift station west of the highway (Hiller lift station), likely due to undersized pumps in the lift station.

The recommended replacement schedule for the entire collection system was broken into two sections, replacing 6,500 ft/year until 2060 and then 4,200 ft/year until 2096. The total present worth cost for replacement of the sewer collection system was given as \$24 million.

Model results showed that the current collection system is not sufficient to accommodate the "full buildout" scenario, which included RDII from a 25-year design storm. The largest problem was surcharging at the south Highway 101 crossing, and model results showed surcharging in the area of the middle crossing as well. The report notes that the lift station downstream of the south crossing (Fischer Road lift station) is undersized to accommodate this scenario, and that a 1,500 gpm increase in capacity is required to prevent surcharging in the south crossing.

1.2.5 Water and Sewer Capacity Fee Study, Willdan Financial Services – September 2011

Willdan Financial Services (Willdan) prepared a Water and Sewer Capacity Fee Study for MCSD in September 2011. Capacity fees are one-time charges that are collected as a condition of establishing a connection to the District's systems. These fees are proportional and related to the capital facility demands of new development. Capacity fees are collected separately from connection fees, which are used to offset the costs associated with the physical connection to the utility. Willdan recommended a sewer capacity fee of \$4,497 per equivalent residential unit (ERU), which is defined as any single-family residential structure. This was an increase from the previously existing sewer capacity fee of \$1,761 per ERU, which was established in 1999.

1.2.6 Sewer Rate Analysis, Willdan Financial Services – May 2015

Willdan prepared a Sewer Rate Analysis (Rate Analysis) for MCSD in May 2015. The Rate Analysis was largely prepared to propose an increased rate structure to ensure sufficient funding to repay debt for the construction of upgrades to the WWMF, as well as to pay for projected increased operation costs after construction. The existing sewer charges for single family residences at the time the Rate Analysis was prepared (fiscal year 2014/2015) included a fixed monthly charge of \$17.57 and a variable monthly charge of \$1.49 per hundred cubic feet (HCF) of water used. The recommended sewer rates increase annually through fiscal year 2019/20. The recommended charges for fiscal year 2019/20 include monthly fixed charge of \$33.94 and a variable charge of \$2.84 per HCF of water used.



1.3 Anticipated Growth

It is important to consider future demand when planning future rehabilitation and replacement of sewer main pipelines. Appropriate growth considerations can be used to determine if a pipe should be replaced in kind, or if the size should be increased to provide additional capacity.

The 2002 McKinleyville Community Plan (a subsection of the Humboldt County General Plan) notes that the most probable growth projection for McKinleyville was 1.8%, based on the growth trends at the time. The McKinleyville Community Plan has not since been updated.

McKinleyville had a population of 13,599 in 2000 (based on the 2000 census) and 15,177 in 2010 (based on the 2010 census). Based on data from the American Community Survey (ACS) 5-year Estimate performed by the United States Census Bureau, McKinleyville had a population of 16,291 in 2015. Using these figures, population growth from 2000 to 2015 was approximately 1.21% per annum, and growth from 2010 to 2015 was approximately 1.43% per annum. The District has indicated that they would consider using a rate of 1% per annum for growth projections when considering future development potential within District service boundaries.

The only major subdivision development that has occurred since 2010 was the Central Estates Subdivision. Any population increase that resulted from this subdivision likely would have been captured in the 2015 ACS 5-year Estimate, and the contributing flows from this subdivision were also included in the sewer modeling that was performed by SHN (as presented in the 2012 Wastewater Facilities Plan and the 2013 Sewer Capacity Analysis). Additionally, the Humboldt County General Plan has not been updated since the sewer modeling was performed. Modeling scenarios described in the Wastewater Facilities Plan included projected flows for 2030 that were developed based on a 1.8% annual increase in population, which is conservative when considering the recent population growth trends described above.

1.4 Overview of Master Planning Effort

This Master Plan effort includes an analysis of all of the sewer mains and manholes in the District's sanitary sewer collection system. While sewer lift stations and the wastewater management facility (WWMF) are mentioned in this report, they are discussed in the context of the overall wastewater system. No analyses of lift stations or the WWMF are provided as a part of this study, and they are being addressed under separate Capital Improvement Planning (CIP) efforts.

The overall Master Plan was developed through multiple major phases of effort which culminated in the development of this Final Sewer Main Line Rehabilitation Master Plan (Final Master Plan). This document supersedes the Phase 1 and Phase 2 reports and summarizes the effort and recommendations from the three phases of master planning:

- Phase 1: High-level overview of sewer collection main lines and more detailed review of selected known issues
- Phase 2: More detailed cost analysis and phasing of the systematic replacement of sanitary sewer main lines
- Phase 3: Revise and update replacement prioritization and schedule through physical assessment of some sewer collection main lines and risk analysis



The Phase 1 effort included the results of the high-level assessment of the District's collection system for use in initial planning for replacement, rehabilitation, and upgrades. The Phase 1 effort helped to quantify the overall nature, scope, and magnitude of long-term main line maintenance and replacement.

The Phase 1 study focused on the following:

- General overview of MCSD and the existing collection system
- Summary of previous related studies and findings that pertain to rate structure, capacity, maintenance and repair requirements, and other identified limitations of system components
- Description of the anticipated growth for the McKinleyville area
- Discussion on areas anticipated to have capacity issues within the next approximately ten years
- Discussion on areas of excessive maintenance and excessive infiltration and inflow (I&I)
- Summary of MCSD's existing collection system main lines, including information pertaining to size, age, material, and condition
- Discussion on considerations for replacement of the collection system main lines
- Preliminary design of an upgrade for the middle sewer crossing, including a presentation of alternatives, construction cost estimates for each alternative, and a recommended replacement alternative
- Long-term replacement analysis with associated costs for systematically replacing the entire collection system
- Financial analysis to assess the rate impacts to pay for the long-term systematic replacement of the entire system. It is important to note that we are not recommending the rate increases presented in the financial analysis section of the Phase 1 document, but merely assessing what it would cost to systematically replace the entire distribution system over a period of time.
- Rehabilitation plan with costs for projects that are recommended to be completed in the near-term (i.e. within the next approximately ten years)

Phase 2 of the Master Plan effort built upon the system knowledge presented in Phase 1 to develop more detailed phasing information for the systematic replacement of the sewer mains.

Based on planning with District staff, the Phase 2 effort focused on the following:

- Discussion of appropriate replacement methodologies (e.g. lining, bursting, or direct replacement) with associated construction cost estimates
- Determination of an appropriate yearly project cost based on the Phase 1 system requirements and recent Willdan Rate Study
- Development of a schedule for the first 50 years of main line replacement for the MCSD sewer collection system
- An MCSD budget including costs for these projects for the next 100 years, and review of the financial analysis of forecasted rates necessary to fund these replacements.



This Phase 3 effort consists of direct physical assessment of portions of the system to determine the condition of the pipe and revision of the replacement schedule established under Phase 2 based on risk assessment. Phase 3 of the Master Plan provides the following:

- Determination of pipe condition through physical testing of pipe samples
- Evaluation of prioritization based on risk considering all of the triple bottom line categories: social, environmental, and financial
- Discussion and comparison of performing construction work in-house or through contract with associated construction cost estimates
- Refinement of the appropriate yearly project cost based on the updated system requirements and financial analysis
- Revision of the schedule for the first 50 years of main line replacement for the MCSD sewer collection system based on the risk assessment

1.5 Key Points from the Phase 1 Report

MCSD is a community service district providing parks, recreation, water, wastewater, and streetlight services to residents of McKinleyville in Humboldt County, California. The MCSD boundary encompasses approximately 19 square miles, ranging from North Bank Road on the south to Patrick Creek on the north, of which a large majority is provided sewer service

The original sewer system was constructed in 1976. All sewage for MCSD's approximately 5,180 active sewer customers (as of July 2017) is treated at the wastewater management facility (WWMF) at Hiller Park. MCSD maintains approximately 73 miles of sewer mains (including 1.7 miles of force mains) that convey water to the WWMF. The District also operates and maintains five sewer lift stations (Fischer Rd, B St, Letz Ln, Kelly Ave, and Hiller Rd lift stations).

The majority of the system is currently in good condition with a few near-term areas of concern:

- Both the middle and southern Highway 101 crossings have known capacity issues that will need to be addressed in the near future. The District applied for and was awarded a FEMA Hazard Mitigation Grant to replace both these and the northern Highway 101 crossings. Work on phase one of this project has been completed.
- An 8-inch asbestos cement pipe (ACP) on Central Avenue from Sutter Road to Hiller Road has become severely corroded by hydrogen sulfide gas. If the problem is not addressed in the near term (next approximately 5-10 years), this section of pipe could present serious issues with I&I and pipe failure.
- Approximately half of the force mains in the system are over 40 years old, and the majority of the force mains are ACP. If one of the force mains were to fail, it would pose a very serious issue for the District. It would be very difficult and time-consuming to bypass flows around the failed force main to allow for repair. The lift station associated with the failed force main would likely overflow with sewage within hours, which would also cause backup within the pipe network. This could lead to serious environmental impacts as well as fines imposed on the District.



- The original sewer collection system was constructed in 1976, making it 42 years old in 2018. The original piping comprises 55% of the current total collection system piping and is predominately composed of ACP. With an ACP design life of 50-70 years, the original system piping will likely have corrosion and failure issues in the next 10 to 30 years if the District does not begin the process of replacing system main lines.

The total cost estimate for replacing the entire sewer collection system is \$142 million in today's dollars. The multi-year pro forma analysis on the MCSD sewer system found that MCSD could not afford replacement of the sewer collection without an increase in rates. Using a phased-in approach of rate increases, it is projected that replacing the entire system over 50, 75, or 100 years would require annual rate increases of 7.25%, 6.10%, or 5.50%, respectively.

1.6 Key Points from the Phase 2 Report

The District can replace all critical portions of the MCSD sewer collection system in the next 50 years with a reasonable adjustment to user rates. Spending an average of \$1 million (2019 dollars) per year on the system will allow replacement of all near term projects of concern, 100% of 8-inch or larger ACP, and 70% of 6-inch ACP depending on pipe conditions. Note that the replacement schedule from Phase 2, which prioritized replacement of the larger diameter ACP, is updated in Phase 3.

It is critical that the District begin planning and budgeting for upgrades and replacement of system components. The approved rates from Phase 2 anticipated that MCSD would begin putting aside \$1 million (2019 dollars) a year starting in 2019. With rate adjustments approved, the project financing is securely in place, allowing MCSD to begin the planning and design process for the early proposed projects so that construction can begin in 2024. It should be noted that a Hazard Mitigation Grant application was awarded to fund 75% of the replacement of the three Highway 101 undercrossings and two of the projects are in process. Initial studies have been completed and currently FEMA is developing the NEPA documents. The grant being awarded for these projects frees up additional money to replace the other sections of ACP sooner.

The three replacement methods assessed during Phase 2 are:

- direct replacement,
- pipe bursting, and
- pipe lining.

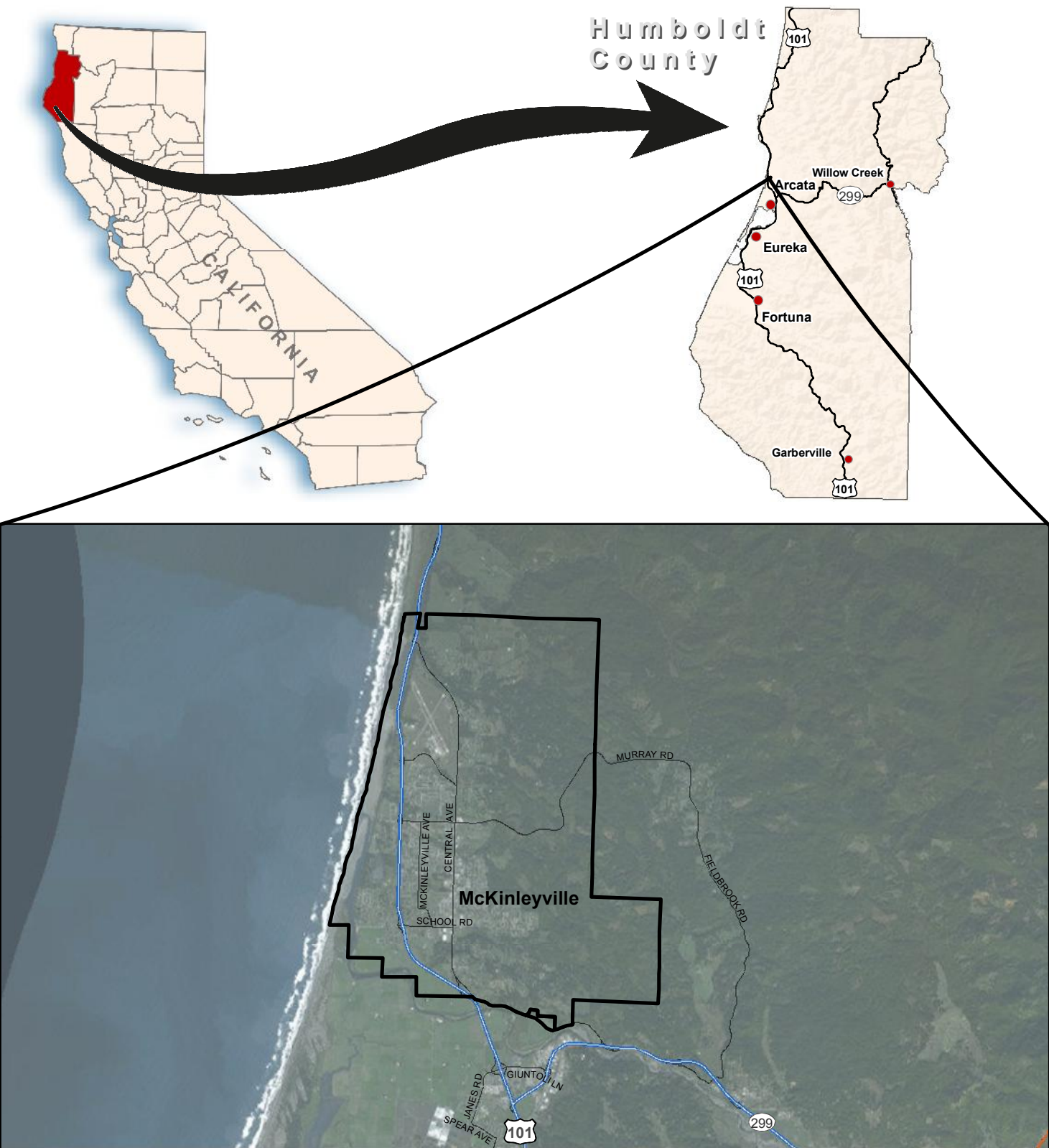
For direct replacement, the entire pipe length is trenched, old pipe is removed, and new pipe is installed. Pipe bursting accesses the section for replacement with an entrance and exit pit on both ends of the section. A bursting tool then breaks up the existing pipe while pulling the new pipe into place. Pipe lining also uses an entrance and exit pit to access the pipe, the existing pipe is cleaned out and a liner is either pulled or inverted through the existing pipe. Since pipe lining uses the existing pipe, it is only possible if the existing pipe has general structural integrity.

Direct replacement is often the most costly of the three due to the increase in earth movement, additional paving, and traffic control costs. Replacing ACP has added costs for the handling and disposal of asbestos material. The District could choose to self-perform the direct replacement,

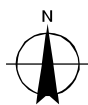
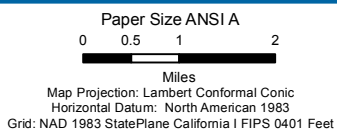


which could reduce labor costs by 10 to 15% or more. However, performing the work in-house will require special consideration for staffing requirements, material and equipment procurement and the rehabilitation plan. Pipe bursting or lining requires special equipment and expertise, and the District would likely contract out those services. Costs for each method were determined on a linear foot basis to estimate project costs in the yearly replacement schedule.

A major unknown in Phase 2 was the condition of the AC pipes, which affects the chosen replacement method and the prioritization. Further refinement and final recommendations for the actual extent of main line replacement and scheduling using a risk-based approach and results from physical testing was performed in Phase 3 of the Master Planning effort and supersedes the Phase 2 schedule. It is recommended that pipelines scheduled for replacement in the first 10 to 20 years be physically assessed in Phase 3 to confirm replacement methods.



 McKinleyville Community Services District Boundary

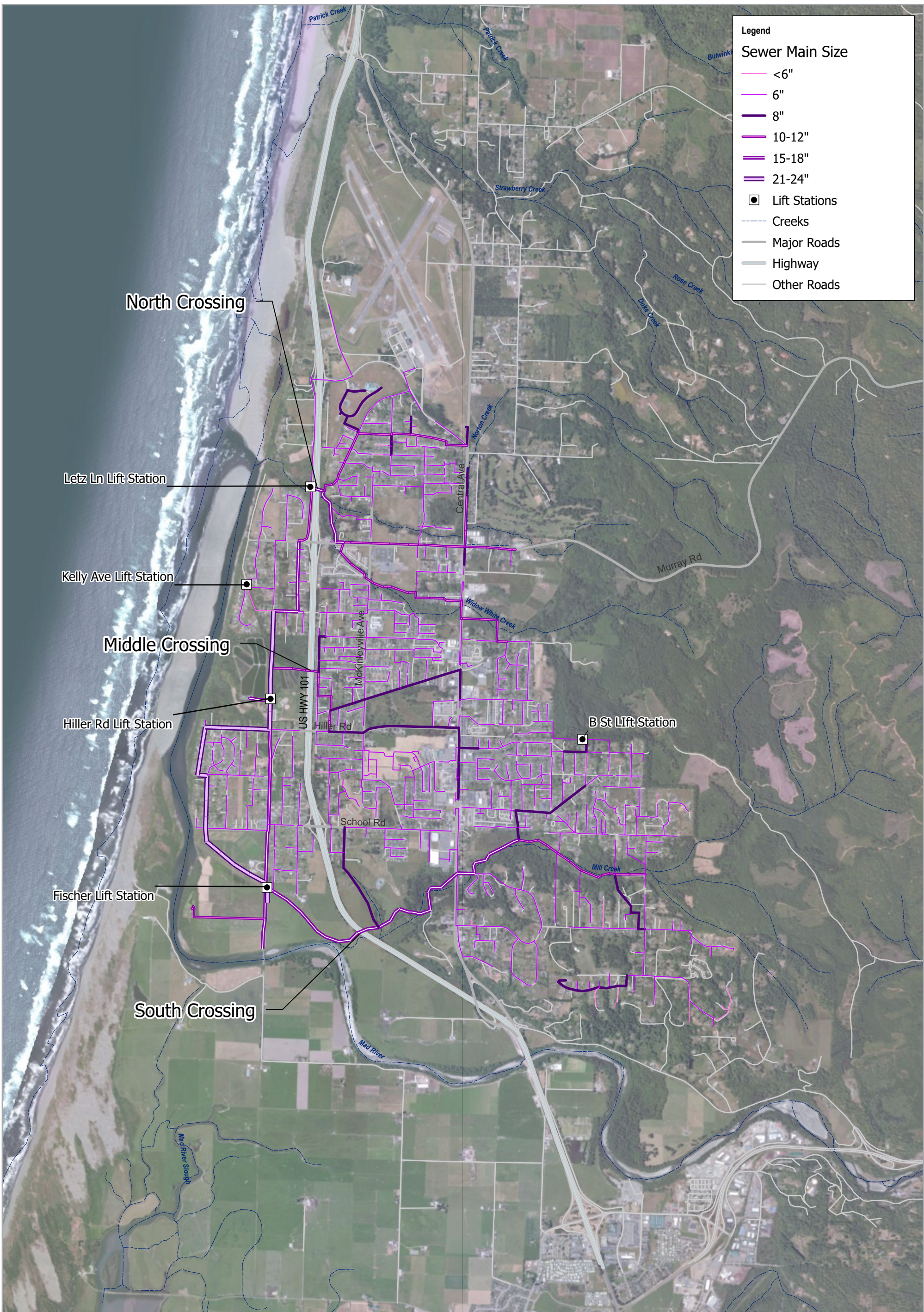


McKinleyville Community Services District
Sanitary Sewer Main Line Rehabilitation Master Plan (Phase 1)

Job Number | 11125090.03
Revision | 1
Date | 17 Oct 2017

Project Vicinity and Location Map

Figure 1

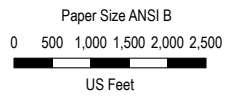


Legend

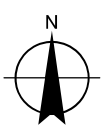
Sewer Main Size

- <6"
- 6"
- 8"
- 10-12"
- 15-18"
- 21-24"

- Lift Stations
- Creeks
- Major Roads
- Highway
- Other Roads



Map Projection: Lambert Conformal Conic
 Horizontal Datum: North American 1983
 Grid: NAD 1983 StatePlane California I FIPS 0401 Feet

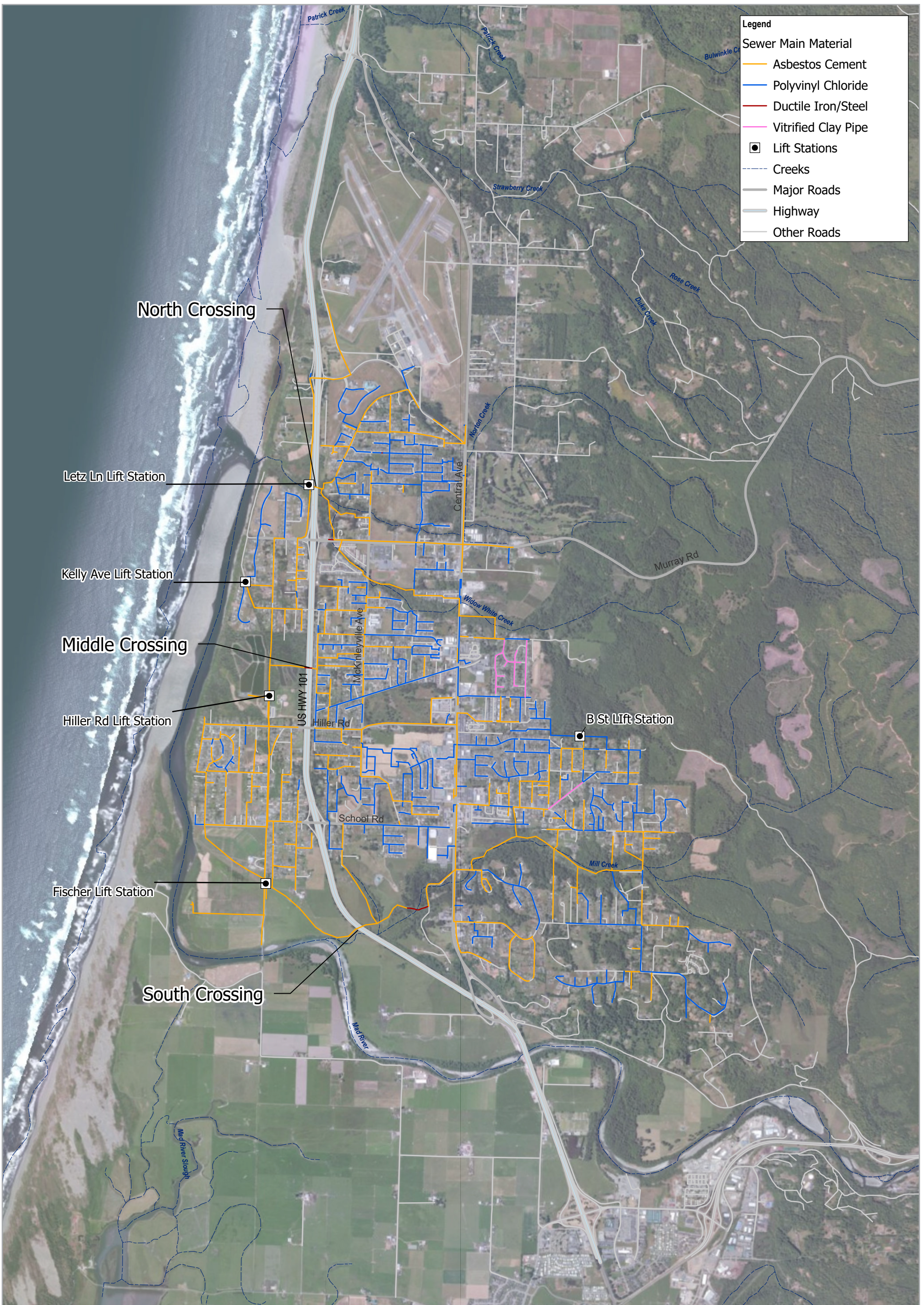


McKinleyville Community Service District
Sanitary Sewer Main Line Rehabilitation
Master Plan (Phase 3)

Project No. 11228420
 Revision No. -
 Date Jan 2022

Sewer System Overview
by Pipe Material

FIGURE 2



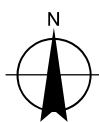
Legend

Sewer Main Material

- Asbestos Cement
- Polyvinyl Chloride
- Ductile Iron/Steel
- Vitrified Clay Pipe
- Lift Stations
- - - Creeks
- Major Roads
- Highway
- Other Roads

Paper Size ANSI B
 0 500 1,000 1,500 2,000 2,500
 US Feet

Map Projection: Lambert Conformal Conic
 Horizontal Datum: North American 1983
 Grid: NAD 1983 StatePlane California I FIPS 0401 Feet



McKinleyville Community Service District
Sanitary Sewer Main Line Rehabilitation
Master Plan (Phase 3)

Project No. 11228420
 Revision No. A
 Date Jan 2022

Sewer System Overview
by Pipe Material

FIGURE 3



2. Risk Assessment and Prioritization Process

During Phase 3 of the master planning effort, GHD and the District developed a Risk Framework that was applied to all the sewer pipes in order to update the material- and diameter- based rehabilitation prioritization approach from Phase 2. This section describes the risk assessment methodology and prioritization of rehabilitation of the collection system.

2.1 Physical Testing

As part of Phase 3, soil sampling was conducted to support the assessment and development of an Engineer's opinion of present-day pipeline condition within the sewer (as well as the water) system with respect to the proposed schedule for the District's future replacement. Twenty-one (21) soil samples were obtained by GHD staff on December 2, 3 and 5, 2019 and sent to an independent California certified laboratory for analysis. MCSD provided equipment and labor related to excavation.

Based on soil sample results, a pipe sample collection plan was prepared, and three (3) pipe samples obtained by GHD on April 14, 15 and 17, 2020 with excavation equipment and labor provided by MCSD. The pipe samples obtained were delivered to an independent analytical laboratory for analysis. AC pipe samples were analyzed for the following characteristics: interior and exterior hardness; pH profile; and crush strength.

Based on the laboratory evaluation of the AC pipe samples, it was concluded that:

1. Based on dimensional measurements obtained as a part of the laboratory testing, the AC pipe tested is likely pressure Class 150.
2. Internal degradation, not external degradation, of AC pipe is the limiting factor in AC pipe fitness for continued service
 - a) The exterior depth of loss of alkalinity is nominal
 - b) The exterior loss of hardness is nominal
 - c) The interior depth of loss of alkalinity, greater than 50% of total pipeline wall thickness of Sample AC3, is significant.
 - d) The interior loss of hardness of all samples tested is significant.
3. The crushing strength of the three samples varied significantly and relates, as expected, to pipeline wall thickness. The measured crushing strength relationship with respect to the design crushing strength, as itemized in Table 7, is related to pipeline wall thickness. Wall thickness increases as pipeline diameter increases. Based on the data available, pipes with nominal wall thickness of 0.635 inches or less, corresponding to pipeline diameters of 8-inches or less, have experienced significant reduction in residual crushing strength; and pipes with nominal wall thickness of 1.040 inches or more, corresponding to pipeline diameters of 12-inches or greater, have not experienced significant reduction in residual crushing strength. Although there is presently no laboratory data for crushing strength on 10-inch diameter (0.910 inch wall thickness pipe), 10-inch pipe is considered to have likely retained much of the design crushing strength and is classified along with AC pipe of larger diameters.



The establishment of, and broad delineation based on, risk categories is a result of the destructive analysis of three (3) pipe samples. The extent of laboratory analysis was limited and the resulting classifications are therefore limited. Additional destructive evaluation, specifically of pipeline crushing strength, may result in a resolution of data facilitating development of additional risk categories and/or revision to the risk categories presented herein.

In addition to the destructive sampling of AC pipe, non-destructive assessment of ductile iron (DI) pipe was performed at two (2) locations. Ultrasonic thickness (UT) testing was performed at one location on the 18-inch water main near N. Bank Road and Hunts Drive by the Mad River Crossing. This location was selected, in part, based on the corrosivity of soils identified. Pipeline wall thickness was measured at twelve (12) circumferential locations. The UT measurement of pipeline wall thickness identified substantial remaining wall thickness and minor loss of wall thickness. CCTV was performed on a segment of sewer pipe, approximately 212 linear feet, at the middle crossing on Highway 101 near Thiel Road and Hiller East Field. CCTV footage was reviewed by a qualified engineer. Internal lining degradation of ductile iron pipe was identified, and with respect to ductile iron pipe, and with respect to the extremely limited nature of the sample size, may be indicative of mortar lining performance of similar vintage and time in service.

For additional information on the physical testing and laboratory results, refer to the *Phase 3b: Water and Sewer Mainline Replacement and Rehabilitation Master Plans Letter Report* dated July 6, 2020 which included in Appendix A.

2.2 Probability of Failure

Probability of Failure (PoF) of an asset is the chance that the asset will failure to serve it's intended purpose and is directly related to its failure mode. Failure may include physical failure (i.e. break, fracture, or collapse), hydraulic capacity failure which can lead to sanitary sewer overflows, level of service failures such as odor issues or not meeting regulations, or efficiency failures when operational costs exceed alternative actions. The probability of physical breakdown and the probability of capacity reduction for a particular asset may not be similar. Asset failure modes are explained in the following subsection.

2.2.1 Modes of Failure

An important component of asset management is to identify and manage the imminent and dominant failure modes of an individual asset. From an asset management perspective, assets can fail in one of four ways shown in Table 1.



Table 1: Modes of Failure Descriptions

Failure Mode	Definition	Tactical Aspects	Management Strategies
Physical Mortality	Consumption of asset reduces performance below acceptable level	Physical deterioration due to age, usage, and acts of nature	O&M optimization, renewal or replacement
Capacity	Demand exceeds capacity	Growth, evolving usage, climate change	Redesign or replacement
Level of Service	Functional requirements not met	Regulations, codes, permits, safety, noise, odors, etc.	O&M optimization, renewal or replacement
Efficiency	Operation costs exceed that of feasible alternatives	Pay-back period for alternatives	Replacement

Understanding the **imminent failure mode** of an asset allows an organization to apply the right strategy option in order to maximize the service benefit per cost spent. Each failure mode, where appropriate, has a time period associated with it. For example, an asset could have 20 years remaining before physical failure, five years before level of service failure, and 10 years before financial failure, but two years remaining before capacity failure. In this scenario, the remaining useful life of the asset would be two years, and the appropriate strategy might be to increase the capacity of the asset through redesign.

The **dominant failure mode** for an asset is the failure mode that results in the greatest consequence of failure. Generally, the dominant failure mode is physical mortality.

The risk framework was developed to evaluate MCSD’s sewer systems and prioritize known capacity deficiencies identified in earlier phases of the master planning effort and physical mortality deficiencies based on condition assumptions from the physical testing described in Section 2.1 above.

2.2.2 PoF Scoring Criteria

Each linear asset was assigned a score of 1-5, with 1 being very good condition and 5 being very poor condition. The score for each asset is provided in the asset register in Appendix B. The Probability of Failure scores for each pipe were assigned as follows:

1. Pipes identified as having hydraulic capacity deficiencies in previous phases of the master planning effort were give a score of 5 (i.e. if they fell in CIP years 1-10)
2. From Phase 3 physical testing:
 - a) AC pipes with diameter of 8-inches or less were given a score of 4
 - b) AC pipes with diameter greater than 8-inches were given a score of 3
 - c) DI pipes were given a score of 2



2.3 Consequence of Failure

The consequence of failure (CoF) for an asset is determined by first setting the context of a potential failure that can be expressed in Triple Bottom Line (TBL) categories as shown in Table 2 below.

Table 2: Consequence of Failure Triple Bottom Line Elements

Category	Associated Elements
Social / Community	Health & Safety
Financial	Cost of Failure
Environmental/Regulatory	Sanitary Sewer Overflows (SSOs), Regulatory (Permit) Compliance

2.3.1 CoF Scoring Criteria

Table 3 shows CoF scoring table developed for the MCSD sewer system. The table includes CoF elements associated with each TBL category and the associated value definitions for CoF scores of 1 to 5, with 1 indicating a low consequence and 5 indicating a high consequence. When determining thresholds for scores, it is best to begin with threshold that results in a score of 4. As an asset moves from a score of 3 to a score of 4, the asset crosses the tolerable threshold to the intolerable. The orange shading of scores 4 and 5 indicates intolerable thresholds.



Table 3: Consequence of Failure Scoring Table – Wastewater Collection System

Social / Community						
Health & safety	The direct or indirect impact on individual(s)' health & safety (including employees) as a result of the failure. This is measured in terms of the potential for detrimental impacts on individual(s) health and safety.	No impact	No impact	No impact	Potential for low impact	Potential for severe impact
	Definition	1	2	3	4	5
Financial						
Cost of failure	The total direct and indirect cost (including labor, equipment, fines etc.) to restore the service as a result of the failure. This is not the replacement cost of a failed asset.	<=\$5,000	\$5,001-\$20,000	\$20,001-\$50,000	\$50,001-\$100,000	\$100,000+
	Definition	1	2	3	4	5
Environment / Regulatory						
SSOs	The category (1, 2 or 3) associated with a Sanitary Sewer Overflow (SSO)	No impact	Category 3	Category 2	Category 1 < 50,000 gallons	Category 1 ≥ 50,000 gallons
	Regulatory (permit) compliance	Regulatory permit compliance by Mandatory Minimum Penalty (MMP)	No impact	Potential MMP	MMP	Multiple MMP
Definition		1	2	3	4	5



2.3.2 CoF Score Assignment

Proximity analysis using geospatial data is used to assign consequence of failure scores. Different attributes that help measure the impact associated with each of the elements shown in Table 3. In the case of buried assets (e.g., pipes), attributes shown in Table 4 can be used to estimate the consequence of failure ratings for each of the elements shown in Table 3. Not every pipe attribute applies to every element and the relationship (when exists) between the attributes and the elements are shown with an “X” in Table 4. GHD reviewed data available in the GIS database for the sewer system, as well as data available online for the consequence of failure analysis. The findings and data availability of key layers are summarized in Table 5. The GIS data layers used for the proximity analysis are shown in Figure 6 at the end of this Chapter.

Table 4: Consequence of Failure Scoring Element Attribute

Attributes	Consequence of Failure Elements				
	Public Health & Safety	Loss of Service	Cost of Failure	SSOs	Regulatory Compliance
Critical Customers (hospitals, schools, fire stations, etc)		X			
Proximity to other utilities (stormwater)	X		X		X
Proximity to roads (and type of road)	X		X		
Proximity to environmentally sensitive areas (rivers, streams, open water)	X		X	X	X
Proximity to buildings	X	X	X		
Repair costs (material, diameter, depth)			X		
Zoning and land use		X		X	

As part of the risk-based prioritization approach, each asset in wastewater collection systems is scored using geospatial proximity analysis and the scoring criteria defined in the Risk Framework. All CoF scores for each pipe are provided in the asset register in Appendix B.



Table 5: Consequence of Failure Element Attribute Data Sources

Attributes	Source	Data Availability
Date of installation	GIS	No - Water - 1973 No - Sewer - 1976
Material	GIS	Yes
Size/Diameter	GIS	Yes
Length	GIS	Yes
Proximity to roads	GIS online	Yes
Proximity to other utilities	ArcGIS Online – Humboldt County Public Works	“McKinleyville Storm Drain 180918”
Proximity to environmentally sensitive areas (e.g., wetlands, open water)	GIS online	Yes
Critical customers (hospital, schools, fire stations, etc)	Create	None exist but could be created Fire Stations - https://humboldt.gov/276/GIS-Data-Download
Proximity to other buildings	Remote sensing data online	Web layer created via remote sensing, so many need verification

2.3.3 Dominant CoF Score

Assets are assigned scores from 1 to 5 for each of the four elements. The highest individual score across these elements for each asset is the Dominant CoF score. Dominant CoF score range from 1 to 5.

2.3.4 Triple Bottom Line CoF Score

TBL CoF score also uses the score from 1 to 5 for each of the four CoF elements, but instead of taking the highest individual CoF score, TBL adds together the highest score in each of the three triple bottom line categories, social/community, financial, and environmental/regulatory. TBL CoF score ranges from 3 to 15.

2.4 Risk and Rehabilitation Prioritization

The Business Risk Exposure (BRE) framework provides a process by which risk can be categorized, and activities to mitigate risk can be prioritized (i.e. rehabilitation and renewal) which helps management teams focus on high-risk assets. A BRE framework provides a set of rules for

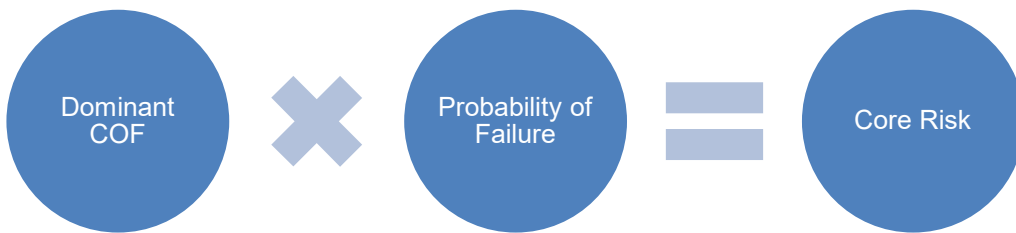


determining the direct and indirect consequences of the failure of an asset and facilitates the prioritization of assets for targeted renewal, rehabilitation, and inspection investment with available capital funds. For this project, GHD performed a risk assessment that considers Probability of Failure (PoF) and Consequence of Failure (CoF) of an asset. The probability of failure component of the risk assessment is a function of asset condition, which incorporates physical mortality (physical life), levels of service (service life; efficiency), and capacity (capacity life) related issues. Any available risk mitigation is also considered.

This section describes how Core Risk and Business Risk Exposure are calculated from the Probability of Failure and Consequence of Failure scores described in the preceding Section 3.3 and how the risk scores are used to prioritize rehabilitation of the wastewater system. All risk scores and priority ranking are provided for each pipe in the asset register in Appendix B.

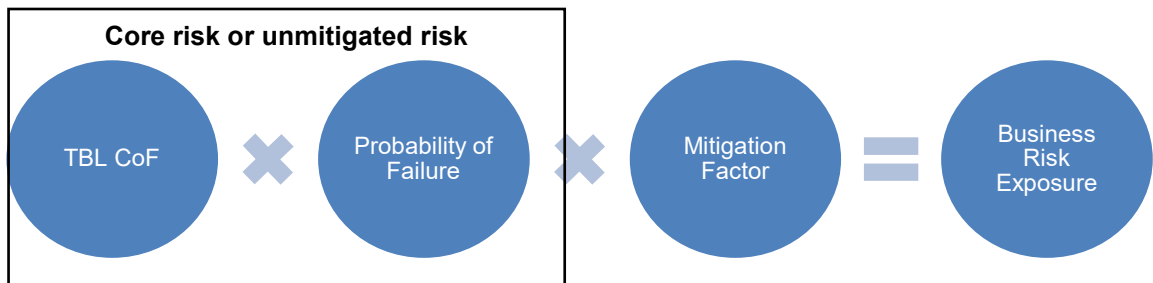
2.4.1 Core Risk Score

The product of the probability of failure and consequence of failure is defined as the core risk. The core risk rating assigned to the assets can be used to drive O&M activities and decisions. The dominant CoF score is used to calculate the dominant core risk score.



2.4.2 BRE Score

Unlike the core risk score, the BRE score uses the TBL CoF score instead of the dominant CoF score and the mitigation factor. The main mitigation factor considered is available, either installed or spare, asset redundancy. Other mitigation factors of note would be actions such as the development of emergency response plans, setting up contracts with external parties in order to facilitate faster reaction or implementing a standard operating procedure for manual operations. For linear assets, the mitigation factor is 1. When identifying management strategies, agencies might consider emergency response plans or monitoring in SCADA as a strategy to reduce risk.





2.4.3 Risk Zones

Once the non-tolerable risk is identified, a BRE chart can be plotted with the unmitigated consequence of failure on the x-axis and the probability of failure on the y-axis. The BRE chart can be segmented into management zones based on what a utility's threshold is for acceptable risk. BRE chart is then used to identify assets that fall into each management zone, including those that are in non-tolerable zones, i.e., those assets that would result in unacceptable impact on service delivery upon failure. Figure 4 shows the BRE chart as a result of the assessment of MCSD's sewer system and the different management strategies for each of the zones. The BRE zones are described as follows:

Zone 5: Non-tolerable risk zone that contains assets that their failure can impose significant risk to the organization. In general, these assets are approaching the end of their useful life and upon failure, may cause significant social, financial, and environmental impacts. Assets in this zone need to be addressed immediately. Appropriate management strategies must be carried out so that the number of assets in Zone 5 are minimized.

Zone 4: Contains assets that have high consequence of failure but have not deteriorated enough to be included in the non-tolerable risk zone (Zone 5). Increased visual and/or predictive condition assessments may be justified as their condition deteriorates and as they move vertically in the graph approaching Zone 5 over time.

Zone 3: Contains assets that would experience failure consequences that can be made tolerable through designed redundancy and operational mitigation such as spares and condition monitoring. Zone 3 assets can also migrate into Zone 5 over time and as such require additional focus by management.

Zones 2 & 1: Contains assets with lower consequences of failure. Applicable management strategies to consider for these assets may be run to fail and maintenance optimization.

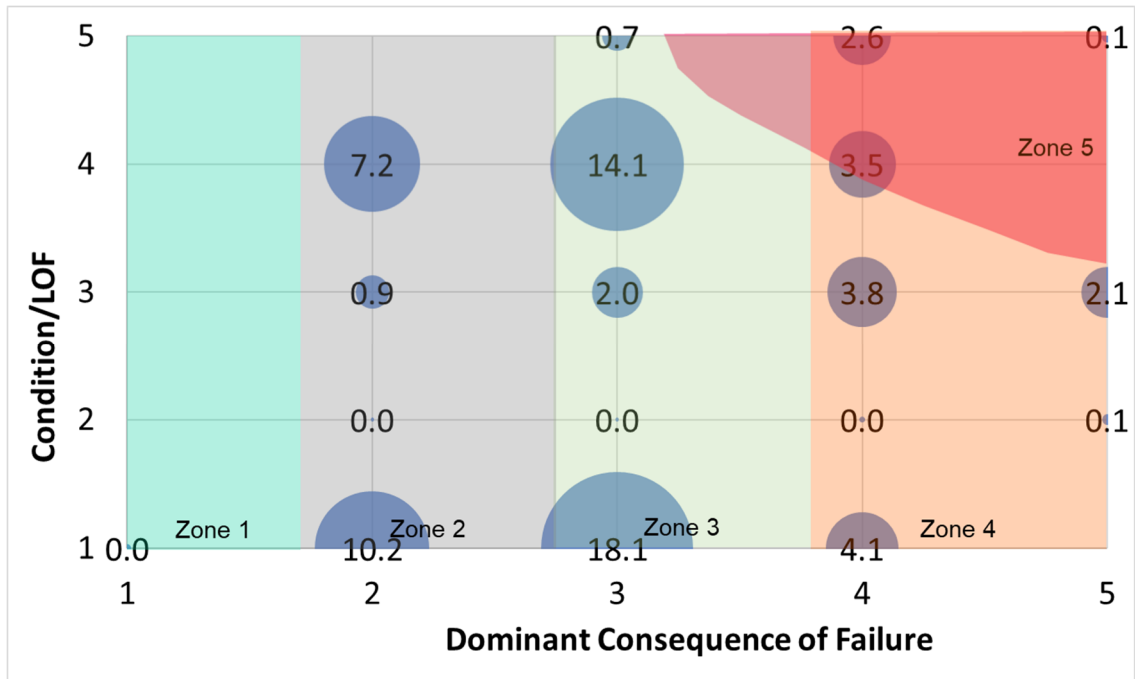


Figure 4: Business Risk Exposure Plot¹

Notes:

1. Bubble size and number correspond to the length of pipe with that combination of LOF and Dominant COF (in miles of pipe).

2.4.4 Prioritization

Risk Zone is calculated from unmitigated CoF and Core Risk scores. There are five risk zones; Risk Zone 5 is the highest risk, Risk Zone 1 the lowest. In the plot shown in Figure 4:

Risk Zone 5: Core Risk score greater than or equal to 16

Risk Zone 4: CoF score greater than or equal to 4

Risk Zone 3: CoF score greater than or equal to 3

Risk Zone 2: CoF score greater than or equal to 2

Risk Zone 1: CoF less than 2

Assets are organized into four 'priority buckets' based on risk zone and condition. Assets that do not meet the requirements below are not assigned to a priority bucket. Figure 5 shows the priority buckets on the BRE Chart.

Priority Bucket 1: Risk Zone 5

Priority Bucket 2: Risk Zone 3 or 4 AND Condition greater than or equal to 4

Priority Bucket 3: Risk Zone 2 AND Condition greater than or equal to 4

Priority Bucket 4: Risk Zone 1 AND Condition equal to 5

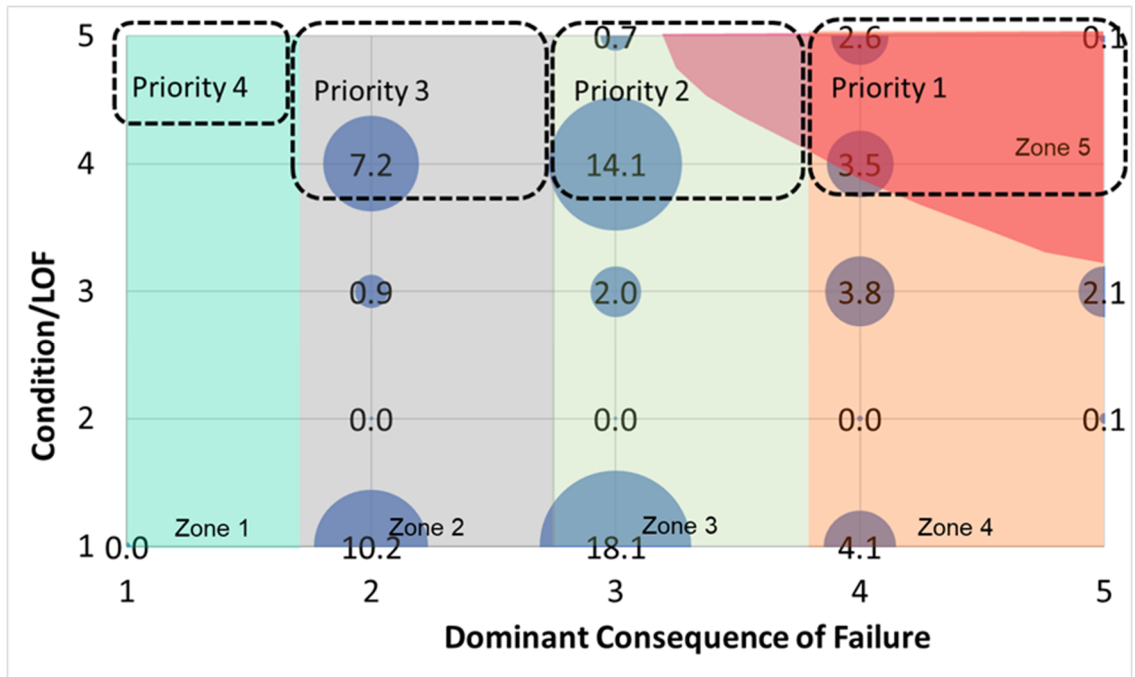
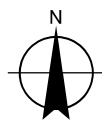
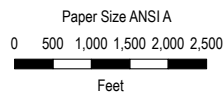
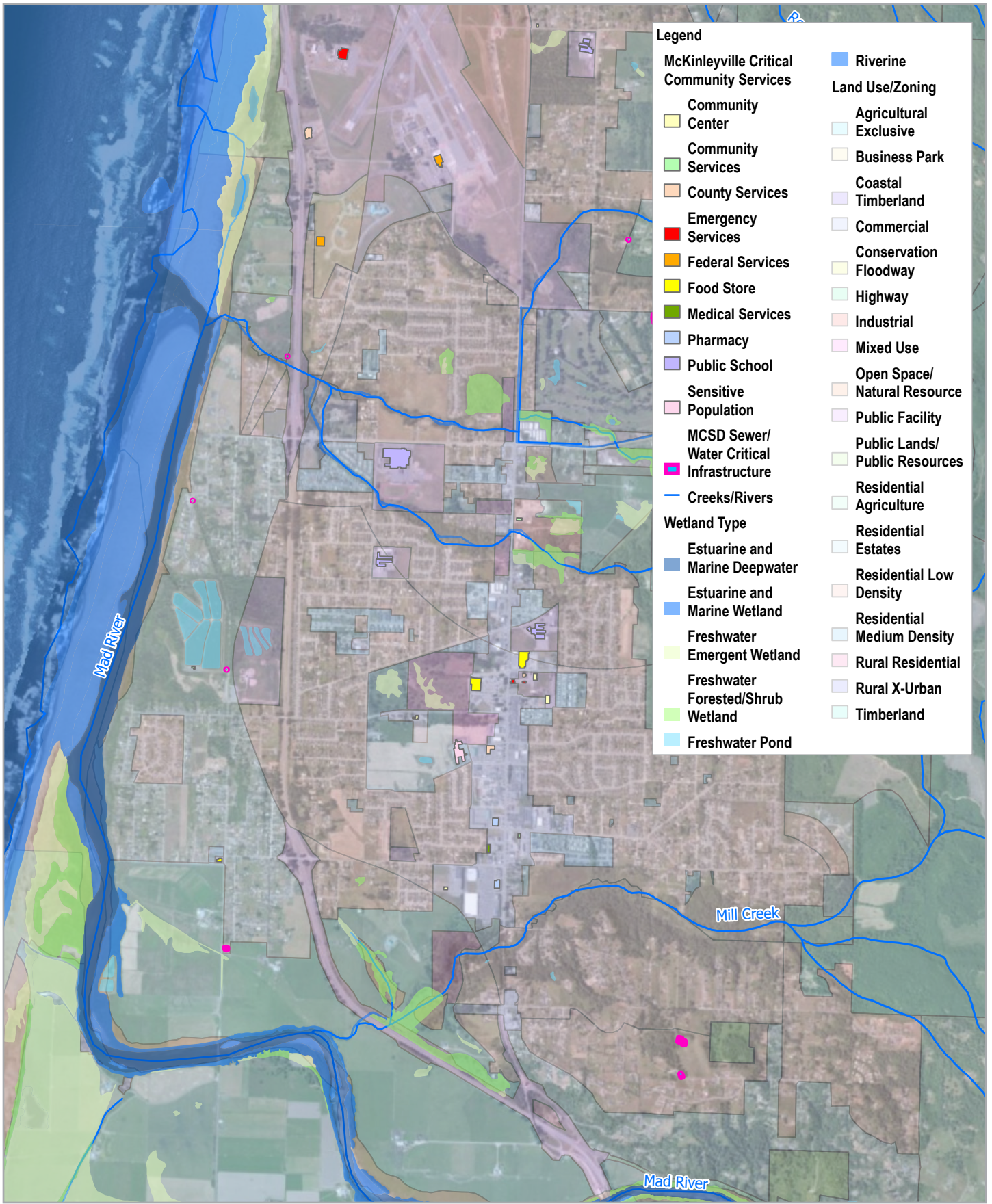


Figure 5: BRE Chart with Priority Buckets

Note that there are no pipes with a dominant COF equal to 1 and therefore no assets in the Priority 4 bucket. Within each priority bucket, the BRE score is used to prioritize replacement. The BRE score considers all triple bottom line categories, effectively prioritizing pipes with higher combined score across all categories and not the single highest, i.e. could have social, financial and environmental consequences.



Map Projection: Lambert Conformal Conic
Horizontal Datum: North American 1983
Grid: NAD 1983 StatePlane California 1 FIPS 0401 Feet



McKinleyville Community Service District
Sanitary Sewer Main Line Rehabilitation
Master Plan (Phase 3)

Project No. 11218420
Revision No. -
Date July 2021

**Proximity Analysis
Attribute Layers**

FIGURE 6



3. Replacement Methods and Costs

This section describes three replacement methods that were assessed for the MCSD sewer system rehabilitation plan, direct replacement, pipe bursting, and pipe lining.

3.1 Opinions of Probable Cost

The opinions of probable cost for each asset is included in the asset register in Appendix B and should be considered as order-of-magnitude estimates for planning purposes only. The total project cost consists of the construction cost, design and technical effort, construction management effort, and a contingency fund. Land acquisition and/or City degradation fees are not included. Construction costs are based on a Class 5 (planning-level) estimate of probable cost as defined by the Association for the Advancement of Cost Engineering, International (AACE). AACE defines the “Class 5” estimate as follows:

Generally prepared on very limited information, where little more than proposed plan type, its location, and the capacity are known, and for strategic planning purposes such as but not limited to market studies, assessment of viability, evaluation of alternate schemes, project screening, location and evaluation of resource needs and budgeting, long-range capital planning, etc. Some examples of estimating methods used would include cost/capacity curves and factors, scale-up factors, and parametric and modeling techniques. Typically, very little time is expended in the development of this estimate. The typical expected accuracy ranges for this class estimate are -20% to -50% on the low side and +30% to +100% on the high side.

Construction costs are based on the July 2021 Engineering News Record Construction Cost Index (ENR CCI) for San Francisco, CA (13,762.01).

3.2 Direct Replacement

Direct replacement is the most traditional pipe replacement method. It involves digging a trench along the entire length of pipe to be replaced, installing a new parallel pipeline, connecting the new pipeline to the existing laterals, likely removing and disposing of the existing piping, backfilling the trench, and repaving the street. Trenching for direct replacement of piping in roadways interrupts normal traffic flow in the project area more than trenchless methods. Additionally, the large amount of earth movement required for trenching, potential dewatering, the additional traffic control and paving, and the special handling and disposal of the asbestos containing pipes can add significant cost to this method as opposed to trenchless methods. Due to the higher associated costs, direct replacement costs were estimated in Phase 1 to allow for conservative scenario budgeting in the preliminary Master Planning financial analysis.

Values from the overall long-term replacement cost estimate from Phase 1 were updated for 2021 dollars and compared with recent bids in California and used develop per linear foot costs to apply to individual projects for Phase 3. There are construction costs associated with replacing MCSD main lines that would generally be represented as a percentage of the material and installation (which includes excavation and backfill) cost. The first step was determining an industry standard percentage of material and installation costs for these base cost items. Through experience working



with clients across California, GHD compiled the following assumptions for various construction activities as shown in Table 6 below.

Table 6: Assumptions for construction costs as a percent of pipe material and install cost.

Item	Description	Percent of Project Cost
1	General Conditions, including: Mobilization/Demobilization Construction Staking Temporary Traffic Control Bypass Pumping Stormwater Pollution Prevention Plan (SWPPP)	20% (Construction Subtotal)
2	Contingency (10% change order, 15% estimating allowance)	25% (Construction Subtotal)
3	Design / Survey / Geotechnical / Environmental Review / Permitting	25% (Construction)
4	Inspection / Construction Management / Engineering Services During Construction (ESDC)	20% (Construction)

Construction subtotal percentages are applied to the material and installation unit costs for pipes (\$/lf) and manholes (\$/manhole based on depth) to form the construction subtotal to which the construction percentages are then applied. The material, installation, excavation, backfill and paving costs for direct replacement are summarized in Table 7.

Table 7: Direct replacement total project cost per linear foot by pipe size.

Size (in)	Pipe & Install (\$/lf)	Excavation/ Backfill (\$/lf)	Paving (\$/lf)	Total Cost (\$/lf)
<=4	185	42	23	250
6	185	42	23	250
8	229	42	29	300
10	279	42	29	350
12	304	42	29	375
15	309	57	34	400
18	384	57	34	475
24	453	57	40	550

3.3 Pipe Bursting

Pipe bursting is a trenchless pipe replacement method. The process involves digging an access pit on both ends of the pipe to be replaced. Then, most typically, a pneumatic system with a pipe bursting tool breaks up the existing pipe as the new pipe is pulled into place behind the pipe bursting tool. Lastly the access pits are backfilled and repaved. For this method the existing pipe is left broken up in the ground around the new pipe. This is particularly helpful in reducing construction risk when replacing old ACP, which is a brittle material that is difficult to excavate around and



requires special handling and disposal due to its asbestos content. Furthermore, this method requires approximately 80% less digging than traditional direct replacement. This significant reduction in earth movement, paving, and ACP handling is the reason why pipe bursting tends to cost between 15 to 35% less than direct replacement. The large variation in savings is due to variation in location, soil types, pipe depth, contractor schedules, etc.

Pipe bursting costs (Table 8) were obtained from recent bid comparisons for northern California construction projects and the result is 8-31% less than the Phase 3 calculated direct replacement costs shown in Table 7.

Table 8: Pipe bursting total project cost per linear foot by pipe size.

Size (in)	Total Cost (\$/lf)
<=4	204
6	204
8	207
10	251
12	345
14	345
16	345
18	444

3.4 Pipe Lining

Pipe lining, also known as cured in place pipe (CIPP), is a trenchless pipe rehabilitation method. An entry and exit access pit is excavated at the ends of the section to be rehabilitated, similar to pipe bursting, but typically smaller. The existing pipe is then cleaned out using high velocity water pressure jets. When the existing pipe passes inspection, the pipe liner is either pulled through the pipe or inverted into the pipe section. The pipe liner is a resin saturated tube typically made of polyester or fiberglass cloth. The liner is then cured in place over a day or two, the process can be hastened with hot water. Once cured, a special cutting tool is used to reinstate lateral connections. The new CIPP acts just like a new pipe, adding strength and resilience while reducing friction factors in the pipe. Since the process utilizes the existing pipe, it is important that the existing pipe be in an acceptable condition to support the CIPP. Small cracks are generally acceptable, but the pipe must maintain structural integrity.

Costs per linear foot were obtained from recent bid comparisons for northern California construction projects to provide a per linear foot cost for various pipe sizes as detailed in Table 9. It should be noted that 4-inch CIPP is not possible given the limited space inside the pipe and existing 4-inch pipe would have to be replaced via pipe bursting or direct replacement.



Table 9: Pipe lining total project cost per linear foot by pipe size.

Size (in)	CIPP (\$/lf)
4 ¹	n/a
6	50
8	47
10	59
12	60
14	195
16	206
18	233
¹ 4-inch pipe is too small to allow for pipe lining	



4. Replacement Plan

This section presents the prioritization for systematic replacement of the District’s sewer collection system. The Phase 3 replacement plan only includes replacement of the assets falling within a priority bucket based on the risk assessment. The goal of the replacement plan is to include replacement of all the critical portions of the system and addressing the greatest risk first. Replacement of smaller diameter (8-inch and smaller) ACP was prioritized given that half of the system is ACP that will be 48 years old at the proposed start of the replacement schedule in year 2024 and physical testing of sample portions indicated that smaller diameter ACP pipes had less wall thickness remaining.

Rehabilitation methods presented in this master plan are used to estimate opinion of probable construction cost. The rehabilitation method will depend on the condition of the pipe and site conditions and therefore should be determined in the design phase. Rehabilitation method for ACP, which the majority of the system is, will also be impacted by the District’s preferred method of handling asbestos containing pipe, i.e. pipe bursting and leaving in ground or direct replacement and removal of the asbestos containing pipe.

4.1 Yearly Budget

A yearly budget for the replacement plan was determined in discussion with District staff and approved by the MCSD Board of Directors during Phase 2. Based on the Phase 1 financial analysis, the plan is to replace the system over 100 years to minimize rate adjustments to users. The Phase 1 analysis also determined that the District does not need to replace the entire collection system. There are sections where it would be much more cost effective to repair the occasional leak rather than replace the whole section of main line, particularly in less densely populated areas with smaller pipes. An analysis of the existing system revealed the following:

- 15% of the system is PVC that is less than 20 years old, and
- 17% of the sewer main lines serve 10 or fewer users.

These portions of the system were deemed less critical for replacement, per District staff recommendation the MCSD Board of Directors decided to budget for 80% system replacement over the 100-year replacement plan to reduce the total project cost. Based on the Phase 1 cost estimate, this amount of replacement would require spending an average of \$1 million per year (in 2019 dollars).

4.2 Replacement Schedule

Figure 7 shows the replacement plan for all priority assets, while Figures 7.1-7.5 show the replacement plan by priority bucket, with Priority 2 further broken down into three groups based on replacing pipes with the highest BRE scores first. The costs for replacing each group are summarized in Table 10. Note that the specific ordering and grouping pipes into capital projects will be done by the District with the Priority and BRE Scores as guides. The costs presented below assume each pipe segment is treated as a separate project; therefore, costs are conservative. The



Asset Register in Appendix B is listed in order of priority beginning with priority projects identified in Phase 1 of the Master Plan, and then prioritized by descending Priority bucket and BRE score.

Table 10: Priority Buckets based on Priority and BRE Score

Priority	BRE Score	Length (lf)	Cost (\$)
1	All	32,757	22.6M
2.1	>35	34,747	17.7M
2.2	30-35	29,188	17.0M
2.3	<30	17,068	9.6M
3	All	38,180	22.1M
Total		148,938	88.9M

The plan begins with the near-term projects identified in Phase 1 which are expected to be replaced in the first 10 years: Central Avenue main from Sutter Road to Hiller Road with known corrosion issues, the three Highway 101 crossings, and the four force mains. These projects are included in the Priority 1 bucket. The pipe along Central Avenue will need to be directly replaced via trenching or pipe bursting due to the poor existing pipe conditions. The four force mains will also require direct replacement, and the Highway 101 crossings are anticipated to be replaced via auger boring. It should be noted that Figure 7.1 shows all three crossings replaced and a FEMA Hazard Mitigation Grant (HMG) has been awarded and covers 75% of the cost to replace all three crossings. The original grant monies for 75% of the replacement of the three Highway 101 crossings comprise \$3,384,400 of the \$22.6M of the Priority 1 cost listed in Table 10. Note, the District is currently in the process of requesting a funding increase due to higher construction costs. In addition, Grace Park was identified by District staff as priority and pipes in this area were added to Priority Group 2.1.

After the near-term projects of concern are complete, the replacement plan begins the general replacement based on risk and the prioritization approach outlined in Section 3. The plan assumes that the existing pipes will be in sufficient condition to allow for pipe lining, the cheapest rehabilitation method. Pipe condition will need to be evaluated prior to the design of each project to confirm lining is a viable option. Should the pipes be degraded beyond the point where lining will be effective, which some likely will be, those segments will need to be replaced via pipe bursting or direct replacement.

The cost for replacement of all manholes and stream crossings were included for each project using the estimated costs of each item updated in Phase 3 based on bids for construction services received for projects in northern California. Cost for replacement of sewer service lines laterals was not included, as pipe lining does not require exposure or replacement of lateral connections. Should the sewer laterals be found to be a major source of inflow and infiltration, it would be prudent to also replace the sewer laterals from the mainline up to the meter.

With the proposed replacement schedule of all priority pipes, 100% (1.3 miles) of the District’s VCP, 100% (24.1 miles) of the 8-inch or smaller ACP, and 22% (2.5 miles) of the 10-inch and larger ACP will be replaced.



4.3 In-House vs Contracting Construction Projects

It was suggested in Phase 2 that completing the rehabilitation projects in-house could reduce project construction costs by approximately 15%. The District is interested in further evaluation of the costs and feasibility of performing the construction work in-house. This section aims to summarize the factors that MCSD should consider when making this decision. These considerations include: staffing and equipment, replacement project schedule and budget.

4.3.1 Staff and Equipment

Potential crew costs per year were calculated using MCSD provided cost of \$45/hour which includes salary, retirement, and health insurance. With 260 calendar days in a year, a 6-person crew would cost approximately \$562,000/year, which is a significant portion of the annual replacement budget. Although the productivity of a specific crew is difficult to estimate, a motivated and efficient 6-person contracted crew might complete roughly 400 feet of pipe per day. If \$562,000 is spent on labor costs, the balance of the \$1 million (2019 dollars) per year allocation could be dedicated to material. Assuming 8-inch pipe including foundation, bedding, trench zone material, and repair zone (asphalt) material at \$170/lf, the material budget would allow purchase of approximately 2,500 feet of pipe. If the crew can install approximately 400 feet per day, the installation might take two weeks. Allowing a couple of weeks at the start for layout and utility mark-out and a couple of weeks at the end for services and restoration would mean a six to seven-week project.

Excluding the percentage assumptions in Table 5 for general conditions and contingencies; assuming the same percentage of project cost applies for design, survey, geotechnical, environmental review and permitting (25%); and approximately half for inspection, construction management, engineering services during construction (ESDC) (10%); the annual cost for a crew working full time and having the materials for the work, is \$1.38M. This cost does not include personnel management, training, equipment procurement, or operational and maintenance costs. Balancing the available funding in a given year while keeping the crew busy with materials available can be a challenge for the District. This amount exceeds the annual budget of \$1M per year for sewer rehabilitation. The District could consider cross training the crew for water system rehabilitation work, thereby splitting the labor cost between the sewer and water system budgets.

If only half of the crew cost was allocated to the annual sewer project, the \$1M budget would then also cover the design, survey, geotechnical, environmental review, permitting, materials testing, and project management costs associated with installation of approximately 2,500 feet of pipe. Similarly, for the water line installation, the crew should be able to install the annual length of pipe in less than three months. Any potential cost savings associated with using in-house staff, is lost because the crew is only productive for roughly half of the year.

Additionally, some projects require specialized skills and equipment which, assuming not all staff have the same skills, could present project delays with a particular crew members absence for training, vacation, sick leave, or other leave. Additional cost uncertainties that make construction efforts potentially risky are equipment costs. Typical equipment would include an excavator, a back hoe, material transport vehicles, a loader, pick-up trucks, shoring, dewatering pumps, and various accessories and smaller tools. A failed piece of equipment or damaged material can cause costly



delays for an in-house crew while a contractor will likely have resources available for spare equipment or materials. Relationships with local suppliers will be essential for an in-house crew.

4.3.2 Project Schedule and Budget

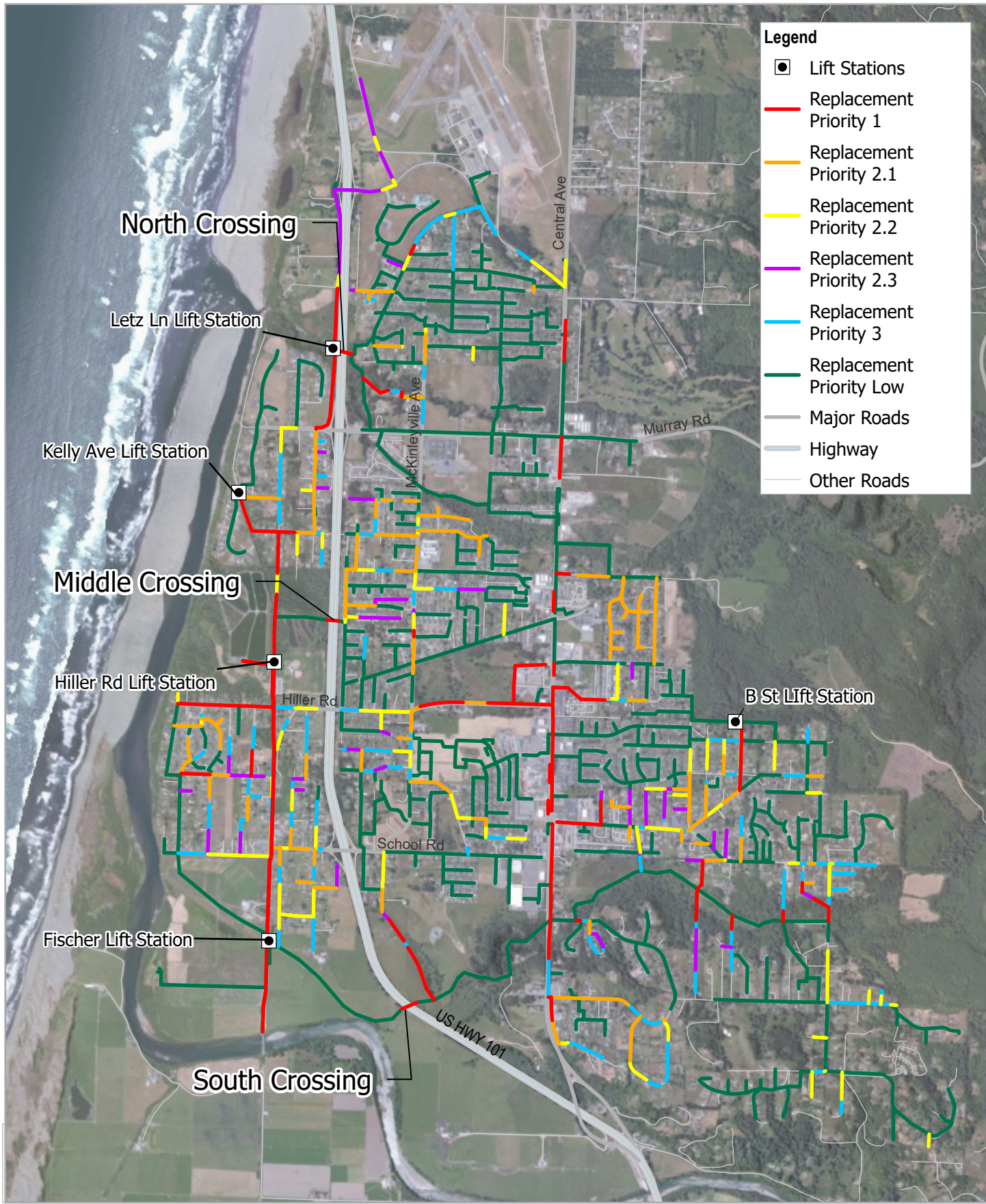
Based on the recommended rehabilitation plan, the projects in the first eight years, identified as priority projects in Phase 1 of the master planning effort are summarized in Table 11.

Table 11: CIP Year 1-10 Projects

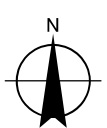
Year	Project Description	Project Detail
1	Central Ave from Sutter Rd to Hiller Rd	2,020 feet of 8-inch pipe
2-4	North, Middle, and South Highway 101 Crossings	895 feet of Highway 101 Crossings
5	Kelly Ave Force Main and B St Force Main	1,280 feet of 4-inch pipe / 1,416 feet of 6-inch pipe
6&7	Fischer Rd Force Main	5,858 feet of 12-inch pipe
8	Letz Force Main	1,729 feet of 10-inch pipe

The projects in the first 8 years vary in character, requiring different equipment and skills. The 8-inch pipe the first year is straightforward, but then the highway crossings in years 2-4 require expensive specialized equipment and skilled operators. Smaller pipes are then required (4- and 6-inches) in year 5, and mid-sized pipe 10-12-inches in years 6 through 8. Because of the specialized skills needed and the variability, the early program is not well suited for completing with a small dedicated in-house team. The District could evaluate performing the construction in-house after the first 8 years of CIP projects when the work becomes less varied. Sharing a crew with another nearby district might be a means of reducing labor costs and avoiding either inefficient production or idle time.

Flexibility can be reduced when a utility has an in-house crew performing work. Projects with special circumstances may pose a challenge or risk to the in-house crew, or special equipment or training may be necessary in any given future year and may require contracting out the work. Staff costs and associated materials to maintain production are not easily reduced to accommodate special circumstances or unique projects that require specialized skills.



Paper Size ANSI A
 0 500 1,000 1,500 2,000 2,500
 Feet
 Map Projection: Lambert Conformal Conic
 Horizontal Datum: North American 1983
 Grid: NAD 1983 StatePlane California I FIPS 0401 Feet



McKinleyville Community Service District
 Sanitary Sewer Main Line Rehabilitation
 Master Plan (Phase 3)

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 Revision No. Rev A
 Date Jan 2022

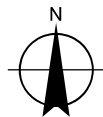
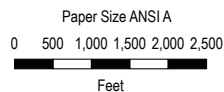
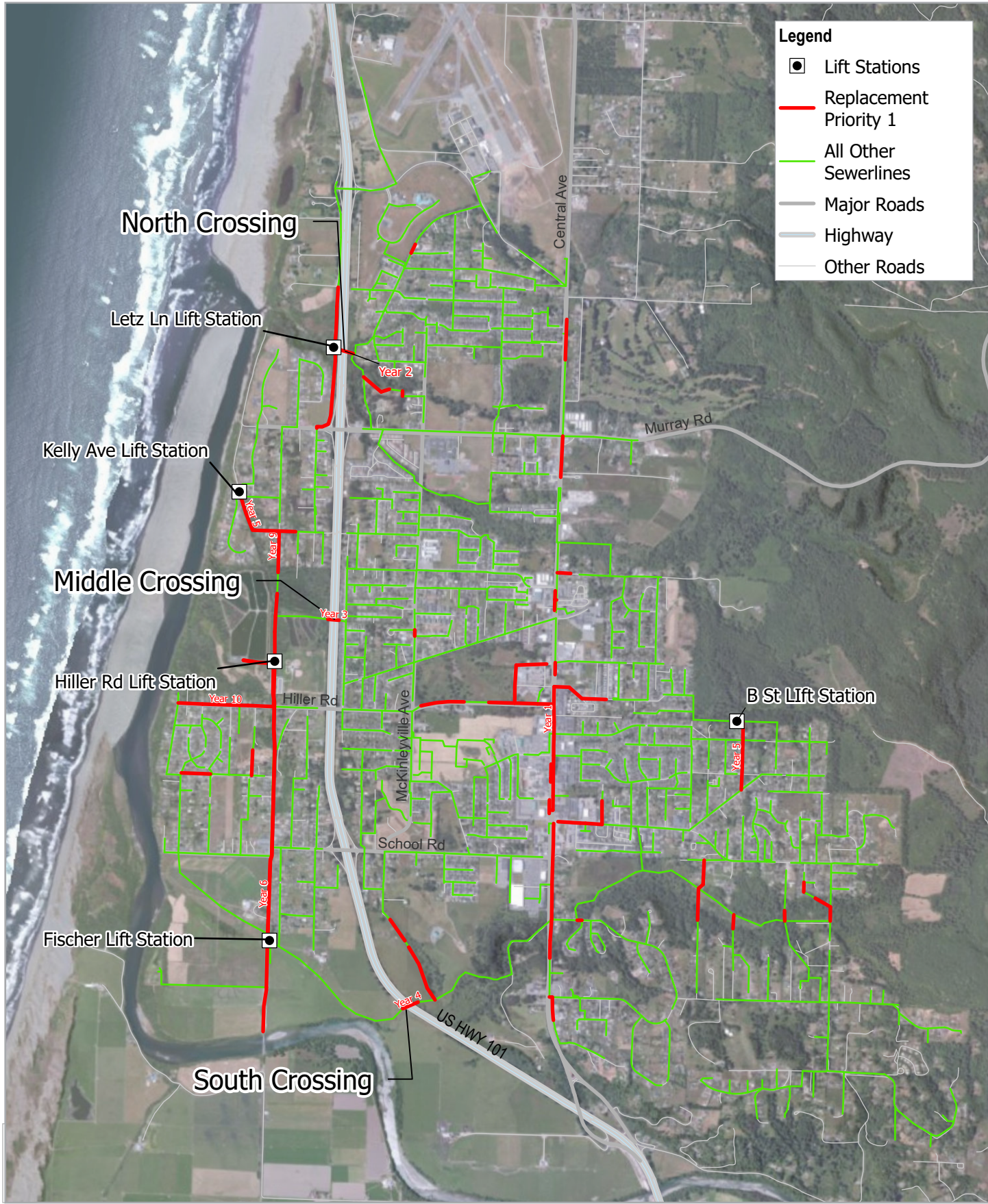
**Sewer Replacement Analysis
 All Priority Rankings**

FIGURE 7

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 Print date: 17 Jan 2022 - 12:33

Legend

- Lift Stations
- Replacement Priority 1
- All Other Sewerlines
- Major Roads
- Highway
- Other Roads

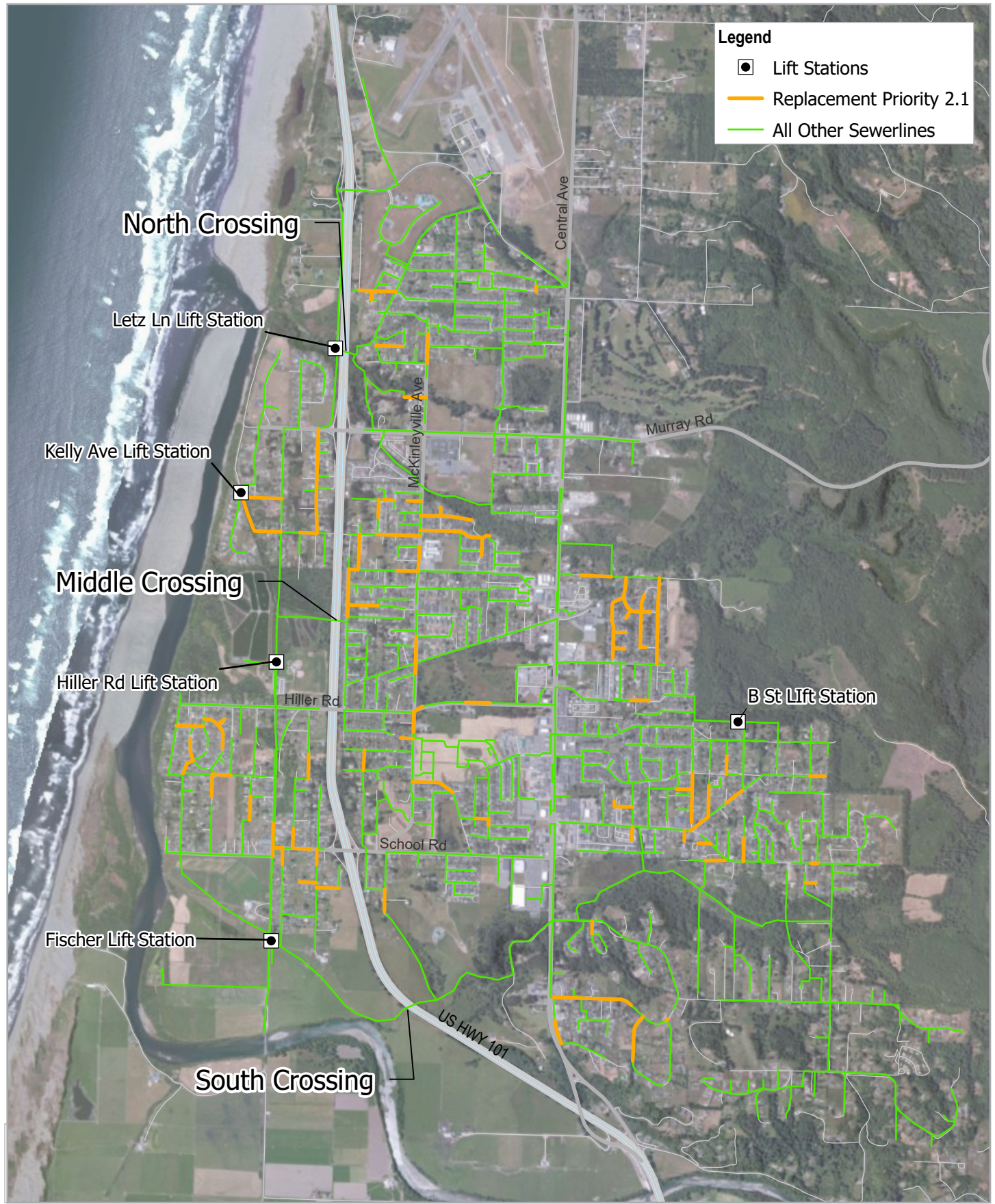


**McKinleyville Community Service District
Sanitary Sewer Main Line Rehabilitation
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Revision No. -
Date Dec 2021

**Sewer Replacement Analysis
Priority 1**

FIGURE 7.1



Legend

- ▣ Lift Stations
- Replacement Priority 2.1
- All Other Sewerlines

North Crossing

Letz Ln Lift Station

Kelly Ave Lift Station

Middle Crossing

Hiller Rd Lift Station

Fischer Lift Station

South Crossing

Central Ave

Murray Rd

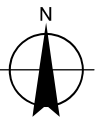
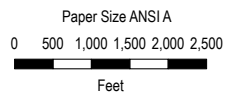
McKinleyville Ave

Hiller Rd

School Rd

B St Lift Station

US HWY 101



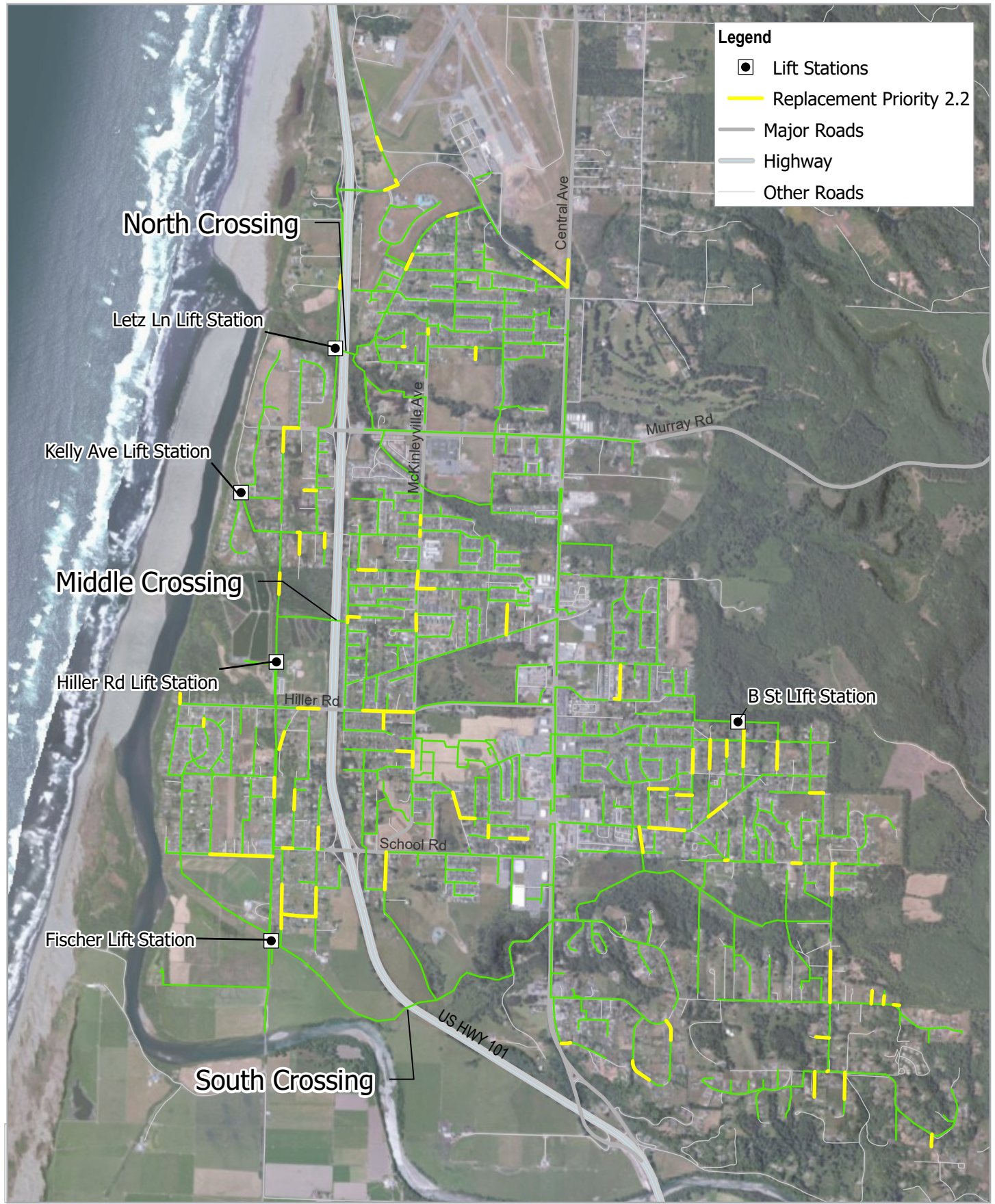
**McKinleyville Community Service District
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**Sewer Replacement Analysis
Priority 2.1 BRE > 35**

FIGURE 7.2

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Legend

- Lift Stations
- Replacement Priority 2.2
- Major Roads
- Highway
- Other Roads

North Crossing

Letz Ln Lift Station

Kelly Ave Lift Station

Middle Crossing

Hiller Rd Lift Station

Fischer Lift Station

South Crossing

Central Ave

McKinleyville Ave

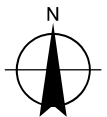
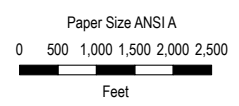
Murray Rd

Hiller Rd

School Rd

B St Lift Station

US HWY 101



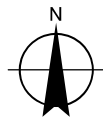
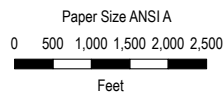
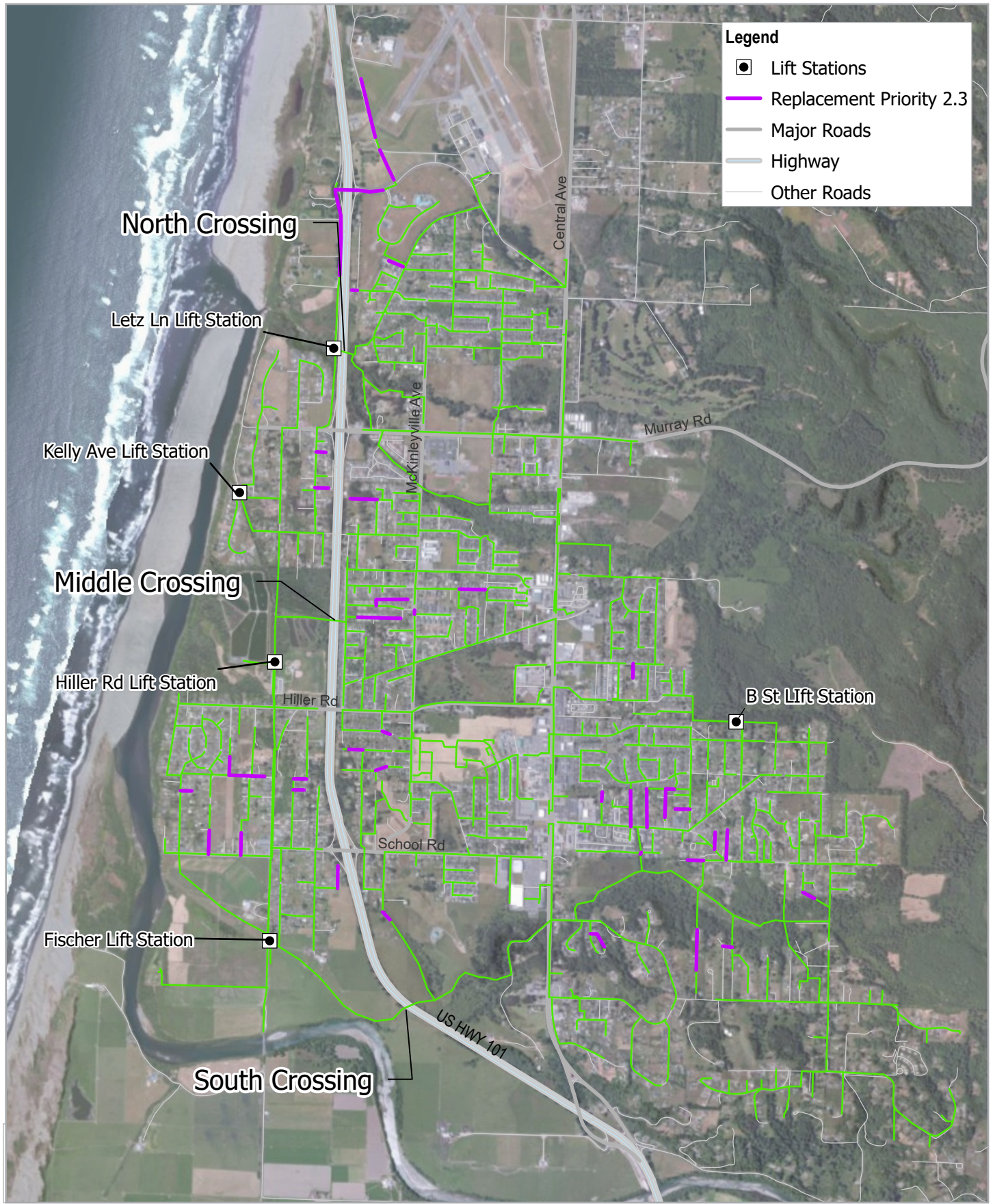
**McKinleyville Community Service District
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Master Plan (Phase 3)**

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Date Dec 2021

**Sewer Replacement Analysis
Priority 2.2 BRE 30-35**

FIGURE 7.3

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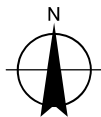
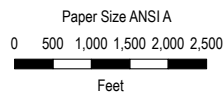
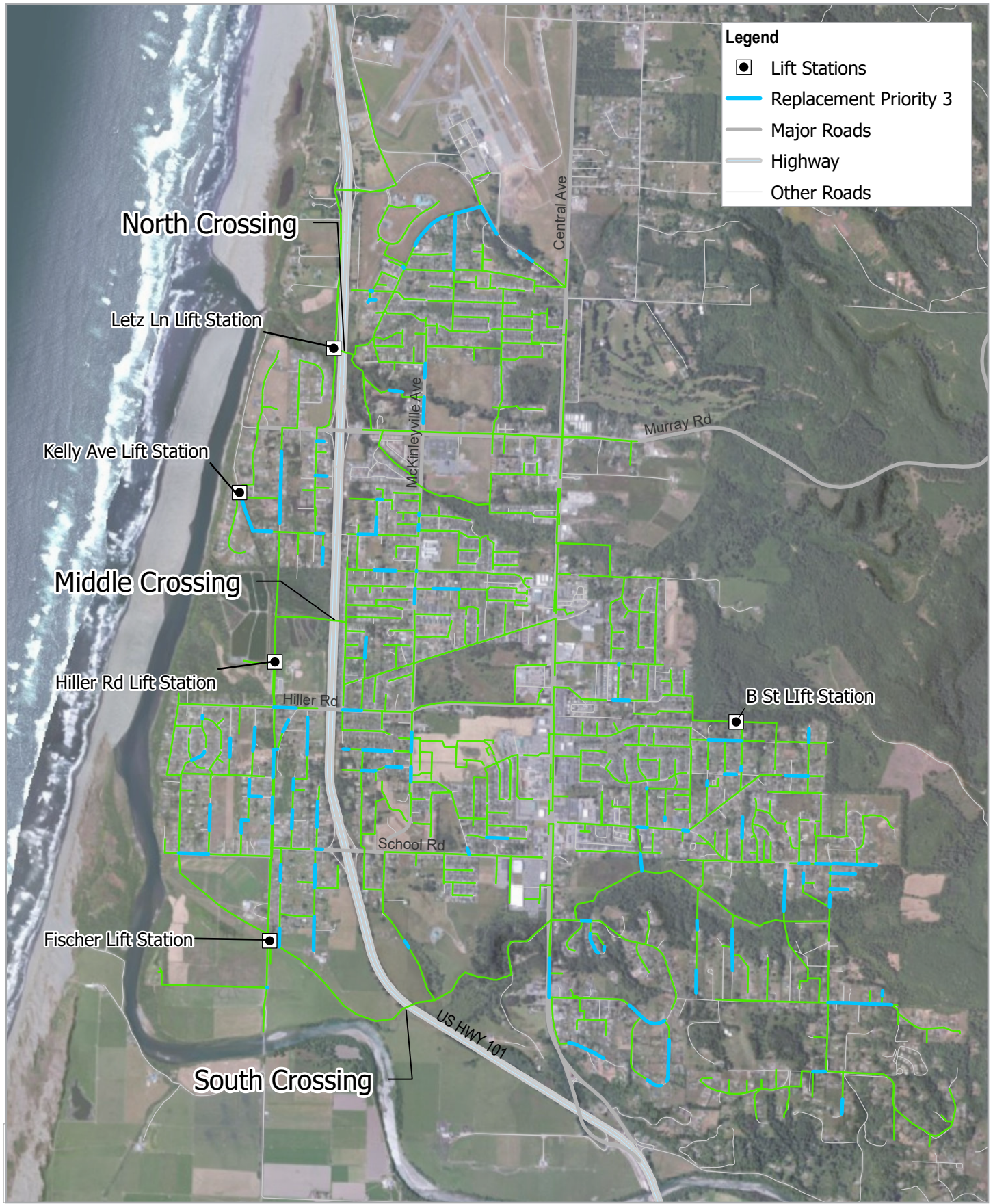


McKinleyville Community Service District
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Sewer Replacement Analysis
Priority 2.3 BRE < 30

FIGURE 7.4



McKinleyville Community Service District
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Sewer Replacement Analysis
Priority 3

FIGURE 7.5



5. Financial Analysis

Willdan Financial Services (Willdan) was retained by the District to develop a multi-year pro forma analysis for the sewer system reflecting the potential financial impact of the long-term systematic replacement of the entire collection system as discussed in Phase 1 of this Master Plan. The results of that analysis and the total projected project cost were used to determine a reasonable yearly budget of \$1 million (in 2019 dollars) for the replacement of the MCSD sewer system mainlines over 100 years. For Phase 2 of this Master Plan, Willdan was retained to prepare a rate study to see how MCSD ratepayers will be affected by the replacement of the sewer collection system main lines.

The rate study consisted of three main steps: a revenue requirement analysis, cost of service analysis, and a rate design analysis. The first step, revenue requirement analysis, provides a five-year plan comparing the utility revenues to expenses in order to determine the overall rate adjustment required to maintain the system. The second step, cost of service analysis, allots the revenue requirements established in the first step as functional components distributed to customers based upon usage. The final step is to apply the revenue allotments to propose a new rate structure that covers MCSD sewer system costs in both the near and long term.

Willdan produced a report that has been included as Appendix C. The report provides the following:

- The general approach of the analysis and the assumptions that were made
- Projected revenues and expenses
- Required rate adjustments to achieve a positive net income
- Distribution of expenditures with existing and proposed rates
- Proposed sewer rates by land use category

The rates proposed by Willdan were approved by the MCSD Board of Directors at their November 2018 meeting. A summary of the approved rates is provided in Table 12. With these rates MCSD can begin building adequate reserves to support the long-term replacement of the sewer system with \$1 million per year (in 2019 dollars).



Table 12: Proposed Sewer Rate Structure

	2019	2020	2021	2022	2023
Monthly Base Charge:					
All Customers	\$ 30.47	\$ 32.60	\$ 33.58	\$ 34.59	\$ 35.63
Volumetric Per 100 Cubic Feet (CCF):					
Apartment/Multi Unit (Each)	\$ 2.55	\$ 2.73	\$ 2.81	\$ 2.89	\$ 2.98
Bakery	\$ 10.43	\$ 11.79	\$ 12.79	\$ 13.81	\$ 14.90
Barber/Beauty Shop	\$ 2.63	\$ 2.78	\$ 2.84	\$ 2.89	\$ 2.98
Brewery	\$ 5.10	\$ 10.92	\$ 16.86	\$ 23.12	\$ 29.80
Car Wash	\$ 1.58	\$ 1.34	\$ 1.01	\$ 0.66	\$ 0.30
Church & Residence	\$ 4.39	\$ 4.20	\$ 3.82	\$ 3.41	\$ 2.98
Churches	\$ 3.06	\$ 3.14	\$ 3.09	\$ 3.03	\$ 2.98
Coast Guard Station/Airport	\$ 3.06	\$ 3.14	\$ 3.09	\$ 3.03	\$ 2.98
Coming Attractions	\$ 2.63	\$ 2.78	\$ 2.84	\$ 2.89	\$ 2.98
Dialysis Clinic	\$ 2.98	\$ 3.28	\$ 3.46	\$ 3.61	\$ 3.73
Fire Station/School	\$ 2.12	\$ 2.13	\$ 2.05	\$ 1.97	\$ 1.94
Gas Stations (No Market)	\$ 3.29	\$ 3.25	\$ 3.06	\$ 2.86	\$ 2.68
Laundromats	\$ 2.32	\$ 2.38	\$ 2.33	\$ 2.28	\$ 2.24
Market	\$ 10.00	\$ 10.78	\$ 11.18	\$ 11.56	\$ 11.92
Metered Septage Vault	\$ 4.39	\$ 4.15	\$ 3.71	\$ 3.24	\$ 2.98
Mobile Homes (Each)	\$ 2.55	\$ 2.73	\$ 2.81	\$ 2.89	\$ 2.98
Motels/Hotels	\$ 6.96	\$ 7.29	\$ 7.33	\$ 7.37	\$ 7.45
Office Building/Post Office	\$ 2.63	\$ 2.78	\$ 2.84	\$ 2.89	\$ 2.98
Restaurant/Tavern	\$ 10.43	\$ 11.79	\$ 12.79	\$ 13.81	\$ 14.90
Retail/Banks/Theater/Other	\$ 3.06	\$ 3.14	\$ 3.09	\$ 3.03	\$ 2.98
Round Table/Market	\$ 8.52	\$ 9.12	\$ 9.39	\$ 9.65	\$ 9.95
Sewer Only Accounts	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Sewer Units - Commercial	\$ 3.29	\$ 3.25	\$ 3.06	\$ 2.86	\$ 2.68
Single Family Residential	\$ 2.55	\$ 2.73	\$ 2.81	\$ 2.89	\$ 2.98
Two Sewer Units/Business	\$ 3.06	\$ 3.14	\$ 3.09	\$ 3.03	\$ 2.98
Two Sewer Units/Commercial	\$ 3.06	\$ 3.14	\$ 3.09	\$ 3.03	\$ 2.98
Two Sewer Units/Daycare	\$ 2.96	\$ 3.03	\$ 2.98	\$ 2.92	\$ 2.98

A bar graph comparing the approved rate structure to the other rates in the local region for a residential customer receiving 800 cubic feet per month in fiscal year 2018-2019 is provided in Figure 8. The approved MCSD sewer rate structure has a residential customer paying less than the average rates of other communities in the region.

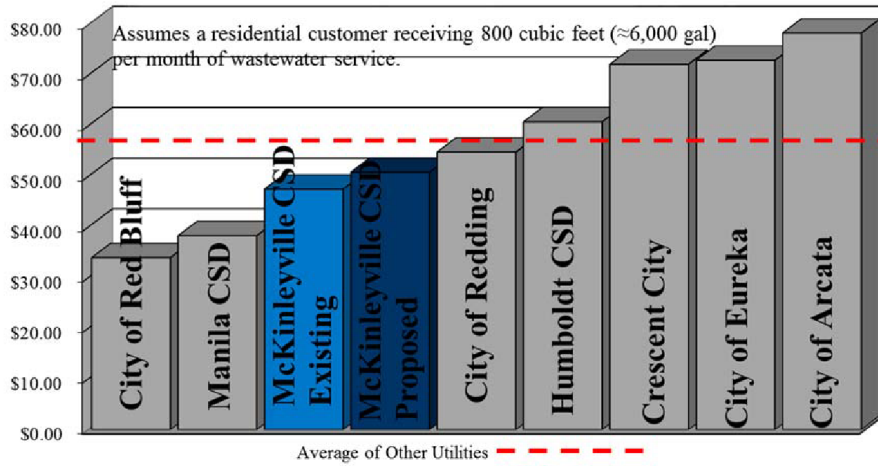


Figure 8: Residential Customer Regional Rate Comparison (800 Cubic Feet)



6. Conclusions, Recommendations, and Next Steps

This document presents a summary of all 3 phases of the MCSD Sanitary Sewer Main Line Replacement and Rehabilitation Master Plan, a high-level assessment of the District's sewer collection system for use in initial planning for rehabilitation and upgrades to the system.

Phase 3 has provided the following:

- Highlights of the Phase 1 system analysis
- Highlights of the Phase 2 information on viable replacement methods and financial analysis based on the Phase 2 proposed spending plan
- Discussion of in-house or contracting of construction work and comparison of costs
- Summary of physical testing results
- Risk Framework for evaluating the District's system
- Updated replacement plan using a risk-based prioritization approach

This final section presents conclusions, recommendations, and information on the next steps in the overall process.

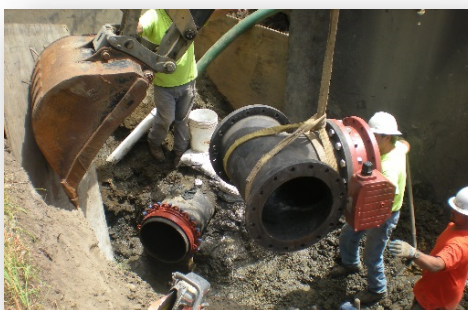
6.1 Conclusions

The District can replace all critical portions of the MCSD sewer collection system in the next 50 years with a reasonable adjustment to user rates. Spending an average of \$1 million (2019 dollars) per year on the system will allow for completion of all the near-term projects of concern. Replacement of all pipes identified as Priority Group 1-3 would be replacement of 100% of the District's VCP, 100% of the 8-inch or smaller ACP, and 22% of the 10-inch and greater ACP. However, how much of this the District is able to replace will also depend on pipe conditions and confirmation of the appropriate replacement method during the design phase of each project.

6.2 Recommendations and Next Steps

This Master Plan presents a Risk Framework for evaluating and assigning priority for the replacement of MCSD's sewer collection system. Asset condition is largely based on the 3 samples collected and physically tested and then assigned to subsets of assets based on material and diameter; however, condition within a subset can vary. A robust monitoring program including inflow and infiltration (I/I) monitoring, and CCTV inspection is recommended to monitor and update the condition of the assets, as well as additional physical testing. Pre- and post- flow monitoring can be used to measure project success, especially in areas of high I/I concern.

It is critical that the District begin planning and budgeting for upgrades and replacement of system components. The approved rates from Section 4 state that MCSD will begin putting aside \$1 million (2019 dollars) a year starting in 2019. With rate adjustments approved, the project financing is securely in place, allowing MCSD to begin the planning and design process for the early proposed projects so that construction can begin in five years or in 2024.



FINAL Water Main Line Replacement and Rehabilitation Master Plan

McKinleyville Community Services District

GHD | 718 3rd Street, Eureka, California
11218420 | January 2022



Executive Summary

Introduction

The Water Main Line Rehabilitation Master Plan (Master Plan) has been prepared to provide a schedule for implementing replacements, rehabilitation, and upgrades to the McKinleyville Community Service District's (MCSD or District) water distribution system main lines and appurtenances (distribution system) for the next 50 years. This Master Plan effort includes an analysis of all of the pipelines, service laterals, blow-off assemblies, and valves (including isolation, air release, and pressure reducing valves) in the District's water distribution system. No analyses of booster stations or storage tanks are provided as a part of this study.

The original water distribution system was constructed in 1973. The average life expectancy of asbestos cement (AC) pipe which constitutes the majority of the original system is 50 to 70 years. Given the current age of the system is 47 years, the District can anticipate increased pipeline failures and leaks in the next five to ten years. As the system continues to age, replacement and rehabilitation of existing infrastructure will be necessary to maintain an effective, functional system. This report serves as the third and final phase of the master planning effort. The work on the various phases culminates in this Final Water Main Line Rehabilitation Master Plan (Final Master Plan). The Final Master Plan will serve as a final planning and budgeting outline to ensure the District is able to continue their high level of service to the community well into the future.

Phase 1 of the Master Plan includes a review and analysis of available information that was used to produce a planning-level long-term replacement plan. The development of a near-term rehabilitation plan was also considered. This near-term plan would include any areas identified as having performance or capacity constraints that need to be resolved in the next ten years; however, there are currently no such cases in the water distribution system. The District does currently have plans and has budgeted for the construction of a new water storage tank, but that planning effort is being done outside the scope of this document.

Phase 1 of the Master Plan provides the following:

- Overview of the existing distribution system
- Summary of previous related studies
- Information on anticipated population growth
- Preliminary needs assessment
- Long-term replacement analysis including cost and scheduling information
- Financial analysis based on the replacement cost estimates
- Conclusions, recommendations, and next steps

Phase 2 of the Master Plan effort builds on the system knowledge obtained in Phase 1 to create more detailed phasing information for the systematic replacement of the water mains.

Phase 2 of the Master Plan provides the following:



- Discussion of appropriate replacement methodologies (e.g. lining, bursting, or direct replacement) with associated construction cost estimates
- Determination of an appropriate yearly project cost based on the Phase 1 system requirements and financial analysis
- Outlining a schedule for the first 50 years of main line replacement for the MCSD water distribution system
- A financial analysis to forecast rates necessary to fund these replacements

Phase 3 of the master planning effort consists of direct physical assessment of portions of the system to determine the condition of the pipe and update the schedule established under Phase 2 based on physical testing of pipe samples and a risk-based prioritization.

Phase 3 provides the following:

- Determination of pipe condition through physical testing of pipe samples
- Evaluation of the prioritization based on risk considering all of the triple bottom line categories: social, environmental, and financial
- Discussion and comparison of performing construction work in-house or through contract with associated construction cost estimates
- Refinement of the appropriate yearly project cost based on the updated system requirements and updated opinion of probable costs
- Revision of the schedule for the first 50 years of main line replacement for the MCSD sewer collection system based on the risk assessment

Risk Assessment

A Risk Framework was developed and applied to the linear assets in the MCSD sewer system. The Risk Framework considers the Probability of Failure and Consequence of Failure and assigns scores to each pipe. Probability of Failure considers the physical mortality failure and uses condition information from physical testing of sample pipes to assign scores. Consequence of Failure considers Triple Bottom Line categories (social, environmental and financial) and assigns values to each pipe using geospatial analysis and proximity to various data layers; for example, critical customers and sensitive habitats like rivers and waterbodies.

Rehabilitation Prioritization Probability of Failure and Consequence of Failure scores are then used to calculate the Core Risk and Business Risk Exposure scores. The risk scores are used to prioritize the rehabilitation of the system. Based on the results of the physical testing of sample pipes, it was determined that asbestos cement (AC) pipe with diameter 8-inch and smaller had less remaining wall thickness and therefore should be addressed prior to 10-inch and larger AC pipe. This drives the Probability of Failure score and therefore is a factor in the prioritization.



Conclusions, Recommendations, and Next Steps

This Master Plan presents a Risk Framework for evaluating and assigning priority for the replacement of MCSD's sewer collection system. The District can replace the most critical portions of the MCSD water distribution system in the next 50 years with a reasonable adjustment to user rates by using the risk-based prioritization presented in this master plan.

Following the prioritization presented in this master plan, spending an average of \$1 million (2019 dollars) per year on the system will allow Priority 1 and over half of Priority 2 pipes to be replaced which equates to 18.6 miles of the District's 8-inch or smaller AC pipe in 50 years. This represents 50% of the District's 8-inch or smaller AC pipe, or 22% of the entire system. Replacement activities will help to ensure the continued high quality of service to their customers. Actual construction costs may differ and will depend on pipe conditions. Confirmation of the appropriate replacement method during the design phase of each project.

While there are currently no high-priority, near-term projects required for the distribution system, it is critical that the District begin planning and budgeting for upgrades and replacement of system components. The approved rates from Section 4 were made assuming that MCSD would begin putting aside \$860,000 to \$960,000 for each of the next four years starting in 2019 and then reserving the full \$1 million (2019 dollars) per year after that period. With rate adjustment approved, the project financing is securely in place and it is recommended that MCSD execute the replacement of its water system beginning with the pipe segments identified as Priority 1 followed by Priority 2 and then Priority 3. Within the Priority groups, it is recommended that Business Risk Exposure (BRE) scores be used to prioritize projects. The District should begin the planning and design process for the early proposed projects so construction can begin around 2024.

Asset condition for the risk assessment performed as part of this master plan is largely based on the 3 AC pipes samples collected and physically tested, one segment of ductile iron (DI) pipe CCTV-ed, and one location of DI pipe with ultrasonic thickness testing. Results of physical testing were then extrapolated to subsets of assets based on material and diameter; however, condition within a subset can vary. Additional physical testing could be performed to refine and update the condition of the assets, as well as additional physical testing. As pipes are replaced, condition scores should be updated to reflect the improvements.

This master plan focuses on the District's capital expenditures and using the risk assessment to prioritize capital projects. However, in addition to the capital project recommendations, the District can use the risk assessment results to identify appropriate maintenance activities and intervals for the water distribution system assets depending on the criticality of the pipe segment and appurtenances. Maintenance activities should include flushing of water lines and exercising of valves to ensure best performance and functionality.

Lastly, this master plan and the associated risk model is considered a living plan that should be updated as additional condition information is known or as replacement projects are completed. Condition scores and probability of failure can be updated at the asset level to obtain updated prioritization.



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Appendix B Asset Register with LOF, COF, Risk Scores and Priority

Appendix C MCSD Water & Wastewater Rate Study (Willdan Financial Services, 2018)



1. Introduction and Background

The purpose of the McKinleyville Community Services District (MCSD, District) Water Main Line Rehabilitation Master Plan (Master Plan) is to provide a framework for planning, funding, and implementing replacements, rehabilitation, and upgrades to the District's water distribution system main lines and appurtenances (distribution system) for the next 50+ years. This type of master planning helps the District provide orderly, long-term maintenance and replacement of key elements of the distribution system, and to manage the timing of major capital projects to secure revenue needed to achieve District goals.

1.1 Overview of Existing System

MCSD is a special service district providing parks, recreation, water, wastewater, and streetlight services to residents of McKinleyville in Humboldt County, California (see Figure 1: Project Vicinity and Location Map). The MCSD boundary encompasses approximately 19 square miles, ranging from North Bank Road on the south to Patrick Creek on the north.

The original water distribution system was constructed in 1973. MCSD purchases wholesale treated water from the Humboldt Bay Municipal Water District (HBMWD), which diverts water from its one-million-gallon reservoir at the Turbidity Reduction Facility to MCSD's Grant A Ramey Pump Station (Ramey Pump Station) at the intersection of North Bank and Azalea Roads. Water is pumped into the rest of the District's system from the Ramey Pump Station. Water is distributed to the District's approximately 6,448 water services (as of November 2021) through approximately 91 miles of water mains (excluding private laterals). The MCSD water system also includes six storage tanks that provide a total of 5.25 million gallons (MG) of storage.

There are four pressure zones in the system. Pressure Zone 1 (approximately 13% of the system) includes all services west of Highway 101 and is fed from Pressure Zone 2 through four pressure reducing valve (PRV) stations. Pressure Zone 2 (approximately 84% of the system) includes two tanks at the Norton Road tank site (1 MG and 1.5 MG) and two tanks at the Cochran Road tank site (1 MG and 1.5 MG). There is a booster station near the Cochran Road tanks that pumps water up to the two McCluski Hill redwood tanks (0.1 MG and 0.15 MG) which serve the McCluski Hill area (Pressure Zone 3, approximately 3% of the system). Pressure Zone 4, along Blake Road, is a small specialty zone that services approximately 12 customers and is fed by a hydro-pneumatic tank from Pressure Zone 2.

An overview of the District's water system is shown in Figures 2 and 3. Figure 2 symbolizes the water mains with respect to size, and Figure 3 symbolizes the water mains with respect to material.

1.2 Summary of Previous Studies

Elements of the MCSD distribution system have been evaluated since the system was originally constructed. This section presents background information, findings, and recommendations from the following recent documents and studies regarding the MCSD distribution system:



- MCSD Water Distribution System – Preliminary Assessment – Revision 3, SHN – August 2011
- MCSD Water Model Technical Report, North Coast Mapping Solutions – July 2012
- McKinleyville Capital Improvement Plan, HSU Student Capstone Project – May 2015
- Water and Sewer Capacity Fee Study, Willdan Financial Services – September 2011
- Updated Water Rate and Financial Analysis, Willdan Financial Services – February 2014 (Note that the Rate Study was updated during previous phases of the master planning effort in 2018 which is described in Chapter 5)

These previous studies are summarized in this report to provide additional context and highlight conclusions that can be drawn from work that has already been done. While more in-depth assessment of the distribution system is a part of this Master Plan effort, synthesizing information provided in previous studies is an appropriate way to begin this effort. Recent assessment of the water distribution system was started with a 2011 study that is summarized in the following section.

1.2.1 MCSD Water Distribution System – Preliminary Assessment – Revision 3, SHN – August 2011

SHN Consulting Engineers & Geologists, Inc. (SHN) prepared a report titled *MCSD Water Distribution System – Preliminary Assessment* (Assessment) in August 2011. The Assessment provides an overview of the current and future MCSD water system and storage requirements to aid in the planning of future additional storage for the system, as well as aid in the development of the MCSD water distribution model, which is summarized in Section 1.2.2. Current water needs were established using data from 2010 and methods outlined in Title 22 California Code of Regulations (CCR) Section 64554(b)(3)(A-D). It was calculated that MCSD has an average daily demand (ADD) of 1.51 million gallons per day (MGD), a max daily demand (MDD) of 3.41 MGD, and a peak hourly demand (PHD) of 0.21 MG.

The California Department of Public Health (CDPH) and CCR 22 CA ADC 64554 require water storage equal to four hours of PHD plus the MDD at all times, which would require MCSD to have 4.25 MG of storage. MCSD desires to achieve a more stringent storage criterion of 5 days of ADD plus storage for fire flows, given the vulnerability of the main water supply transmission line and a lack of redundancy in water supply. Meeting this criterion would require 7.6 MG of storage under current system demands. Currently MCSD has 5.25 MG of available water storage, which is sufficient to meet CDPH standards, but insufficient for meeting MCSD standards.

In addition to the current system demands, the Humboldt County General Plan (General Plan) has proposed high-density housing that will increase the MCSD population by approximately 1,800 equivalent residential units (ERUs). With a demand of 254 gallons/ERU (calculated in the Assessment), this would require an additional 2.3 MG of storage to meet the MCSD storage goals, in addition to the current storage deficit of 2.3 MG. This would mean a total required storage of 9.8 MG, implying the MCSD needs to increase its current water storage by approximately 4.5 MG. The assessment presents conceptual cost estimates for the design and installation of one 4.5-MG tank at \$5,647,460 and for two 2.25-MG tanks at \$8,597,108.



Additionally, the Assessment outlines other requirements and specifications for the MCSD water system as follows:

- Minimum storage level is approximately 20 feet in each storage tank to account for fire flows and/or minimum pressure requirements.
- Maximum fire hydrant spacing is 500 feet in residential areas and 300 feet in commercial areas. A maximum of one hydrant is allowed on 6-inch mains between intersecting lines, and a maximum of two hydrants are allowed on 8-inch mains between intersecting lines.
- Minimum operating pressure of 40 pounds per square inch gauge (psig) available to residents with a lowered minimum of 20 psig available during fire flow demands.
- Minimum fire flows are 1,000 gpm and 2,000 gpm over a 2-hour period for residential and commercial areas, respectively. Note that a fire on September 16, 2002 lasted for 10 hours and consumed nearly 1.3 MG of water.

1.2.2 MCSD Water Model Technical Report, North Coast Mapping Solutions – July 2012

The *MCSD Water Model Technical Report* was prepared by North Coast Mapping Solutions with review and stamped approval by SHN. The report summarizes the District’s water system as well as MCSD and State of California water system regulatory criteria and standards as presented in the *MCSD Water Distribution System – Preliminary Assessment* (see Section 1.2.1). The report then outlines the development of a WaterCAD V8i water model for the District’s water distribution system piping, tanks, and booster stations. The report includes a discussion on model limitations and components, rule-based operations used to define the model simulations, how demand was allocated throughout the system, and model calibration. Lastly, the report presents results for various scenarios to determine the system’s adequacy for maintaining required flows, pressure, and storage per MCSD and State of California minimum requirements and regulations (see Section 1.2.1). The report presents model results for four scenarios:

1. Existing system
2. Addition of a 4.5-MG storage tank at the Cochran Road tank site
3. Addition of a 4.5-MG tank at the Cochran Road tank site and a 2.5-MG tank at the northeast end of Mather Road (Dows Prairie area)
4. Water system requirements to meet the growth projections for MCSD
 - a. This scenario was modeled with the additional 4.5-MG tank at the Cochran Road tank site and a 2.5-MG tank at the end of Mather Road
 - b. This scenario included demands based on population growth projections for years 2020 and 2030 (using a growth rate of 1.8% per year)

Each scenario analysis included the following:

- Steady state analysis testing pressures, flows, and fire flow availability



- Extended period simulation (EPS) testing storage capacity and pressures
- Extenuating circumstances testing each scenario under “earthquake” conditions
 - Under this scenario, the assumption is made that a natural disaster isolates MCSD’s system from HBMWD’s system and causes fires within the MCSD service area. With MCSD no longer connected to HBMWD’s system, water is provided solely by the storage in MCSD’s tanks.
- Results for a high-density build-out scenario with demands added into the model based on population growth projections in the General Plan

1.2.2.1 Steady State Analysis

The steady state analysis results showed that during peak hour demand plus a 2,000 gpm industrial fire event on Central Avenue, the existing system is able to provide adequate pressure (20 psi or greater) to all service connections except one junction at the end of Mather Road (Dows Prairie area), which is at a high elevation and is known as a low pressure region. With the addition of the 4.5-MG storage tank, all service connections are able to provide adequate pressure under maximum daily demand plus a 2,000 gpm fire event on Central Avenue.

With regard to fire flow, under maximum daily demand, the existing system failed to supply the required residential fire flow of 1,000 gpm to 9 junctions in the high elevation portions of the system, particularly in the Dows Prairie and McCluski Hill areas. The addition of the 4.5-MG storage tank improves fire flows, but there are still 7 junctions that do not receive adequate fire flow under this scenario. With the additional 2.5-MG storage tank, the system fails to provide 1,000 gpm to three junctions, but all are above 920 gpm. Under the year 2020 and year 2030 projected maximum daily demands, the addition of a 2.5-MG tank in the high elevation Dows Prairie area allowed for adequate fire flow above 1,000 gpm at all junctions.

Under all steady state scenarios, flow velocities throughout the system were below 5 ft/sec, and three junctions had pressures exceeding 100 psi. Those junctions are found at low elevations along Patrick Creek Drive and Little River Drive, and the modeled pressures are consistent with District field measurements.

1.2.2.2 Extended Period Simulation (EPS)

As it would be expected, the EPS showed that higher pressures are found in low elevation areas and low pressures are found in high elevation areas, particularly the Dows Prairie area. As the storage tank levels decreased, the number of junctions that failed to provide the minimum pressure of 20 psi of course increased. Under existing conditions, and employing the MCSD protocol minimum tank level of 20 feet, only two junctions failed to provide 20 psi (one in the McCluski Hill area and one at the end of Mather Road in the Dows Prairie area).

To determine the number of days of storage available, the main transmission line from HBMWD was set to closed, tank levels were set to full, and pumps were turned off. A 4-hour commercial fire (2,000 gpm) was set to occur along Central Avenue, and the assumption was made that water consumption was equal to average daily demand. There is less than two days of storage available



in the current system under this scenario. The addition of the 4.5-MG tank increases the available storage to four days, and the addition of the 2.5-MG tank increases the storage to five days.

1.2.2.3 Earthquake Scenario

Similar to the EPS scenarios, the addition of both the 4.5-MG and 2.5-MG storage tanks is necessary to provide the five-day storage of ADD and fire flows under the “earthquake” scenario.

1.2.2.4 High-Density Build-out Scenario

The addition of the 4.5-MG and 2.5-MG tanks only allows for 3.5 days of storage under the Humboldt County high-density build-out scenario. To meet the anticipated population growth projections, a minimum of 10.5 MG and 12 MG of additional storage is required for years 2020 and 2030, respectively. The population increase would also require additional or larger pumps to keep pace with the increase in demand.

1.2.3 McKinleyville Capital Improvement Plan, HSU Student Capstone Project – May 2015

A group of Humboldt State University (HSU) engineering students prepared the McKinleyville *Capital Improvement Plan* as part of a school project. Among other information and analyses, the report provides recommendations for infrastructure upgrades of MCSD’s water distribution and sewer collection systems, preliminary designs for specific projects, and a schedule and estimated costs for systematically replacing the entire sanitary sewer collection and water distribution systems, accounting for expansion of each system to accommodate projected population growth. This report also analyzed how the “full buildout” scenario (developed based on potential rezoning and projected population growth per the General Plan) would affect the capacity and performance of each system.

The report developed design parameters for the installation of a new storage tank at the Cochran Road site to meet the MCSD requirement of having five days of storage at average daily demand (negating fire flow considerations). The recommended alternative was one 5-MG pre-stressed concrete tank. The report recommended the tank have 12 in thick walls, an inner diameter of 160 feet, and a height of 35 feet in order to leave 12 inches of freeboard for seismic activity. The tank would require 24, 48-inch structural beams with a 27-foot spacing to serve as both support and baffling. It was also recommended to partially bury the tank 4 feet into the ground to avoid extra pumping costs and excess pressure in the distribution system. The total cost for the storage tank was estimated as \$3,864,000.

The recommended replacement schedule for the entire distribution system was broken into two sections, replacing 8,500 ft/year until 2060 and then 5,500 ft/year until 2096. The total present worth cost for replacement of the water distribution system was given as \$31.5 million.

Under the “full buildout” scenario, model results showed that the system was able to maintain pressures above 20 psi, and that most of the system can generally accommodate buildout. However, the pressure in many mains dropped below 40 psi, and the report notes that any substantial development would require additional analysis to remedy low pressures.



1.2.4 Water and Sewer Capacity Fee Study, Willdan Financial Services – September 2011

Willdan Financial Services (Willdan) prepared a *Water and Sewer Capacity Fee Study* for MCSD in September 2011. Capacity fees are one-time charges that are collected as a condition of establishing a connection to the District’s systems. These fees are proportional and related to the capital facility demands of new development. Capacity fees are collected separately from connection fees, which are used to offset the costs associated with the physical connection to the utility. The previous water capacity fee established in 1991 was \$154 per equivalent residential unit (ERU), which is defined as any single-family residential structure. Willdan recommended switching from a water capacity fee based on ERUs to one based on the size of the installed water meter. Table 1 shows the total recommended water capacity fee by water meter size. The total water capacity fee includes storage, discharge, and joint costs per account.

Table 1: Water Capacity Fees for MCSD by Water Meter Size

Water Meter Size	Total Water Capacity Fee
5/8"	\$ 2,616
3/4"	\$ 3,818
1"	\$ 6,221
1 1/2"	\$ 12,231
2"	\$ 19, 442
3"	\$ 36,268
4"	\$ 60,305
6"	\$120,399
8"	\$ 192,511
10"	\$ 276,642

The study notes that recent building code regulations require single-family homes to be sized with a 1-inch meter for fire protection systems. The study recommends all new single-family residential units with meter sizes up to 1 inch be charged the 5/8-inch meter fee to reflect their typical demand on the system.

1.2.5 Updated Water Rate and Financial Analysis, Willdan Financial Services – February 2014

Willdan prepared an Updated Water Rate and Financial Analysis for MCSD in February 2014 which was reviewed as part of the Phase 1 of the Master Plan and is summarized in this section. Note that the rate study was updated in 2018 as part of the master planning effort and is described in Chapter 5. Another update to the rate study is scheduled for 2022. The initial rate study was completed in 2012 to update MCSD’s water rates such that the full operation and maintenance of the current system and future upgrades to the system were covered. At the time, the District was running at a net loss. The initial analysis mistakenly failed to include the base cost of water purchased from HBMWD for resale to MCSD customers, leading to a drastic decrease in MSCD’s reserves because customers were not paying for the water purchased for their use. To recover the lost revenue, the analysis calls for a pass through charge of \$1.22 per hundred cubic feet (HCF) of



water used by each customer. This pass through charge is then adjusted each year based on the wholesale water charges from HBMWD. Additionally, the analysis recommends a recovery surcharge of \$3.66 per ERU per month through the end of fiscal year 2017. The analysis also includes new recommendations for monthly base charges (Table 2) and variable commodity rates (Table 3) which account for water purchased from HBMWD.

Table 2: Adjusted Monthly Base Charges in 2017 and 2018 for MCSD Customers by Meter Size

Water Meter Size	ERU	2017 Rate	2018 Rate
5/8"	1	\$ 14.57	\$ 15.39
3/4"	1.5	\$ 19.06	\$ 20.13
1"	2.5	\$ 28.03	\$ 29.60
1 1/2"	5	\$ 50.46	\$ 53.29
2"	8	\$ 77.38	\$ 81.72
3"	15	\$ 140.18	\$ 148.05
4"	25	\$ 229.93	\$ 242.81
6"	50	\$ 454.21	\$ 479.70
8"	80	\$ 723.38	\$ 763.98

Table 3: Adjusted Commodity Rates in 2017 and 2018 for MCSD Customers as a Volume Charged in Dollars per HCF Consumed

Tier	HCF	2017 Rate	2018 Rate
1	0-8	\$ 1.39	\$ 1.47
2	8.01 +	\$ 3.46	\$ 3.66

1.3 Anticipated Growth

It is important to consider future demand when planning future rehabilitation and replacement of water main pipelines. Water demand increases as population grows, which requires more water to be conveyed through the mains in the system. Appropriate growth considerations can be used to determine if a pipe should be replaced in kind, or if the size should be increased to provide additional capacity.

The 2002 McKinleyville Community Plan (a subsection of the General Plan) notes that the most probable growth projection for McKinleyville was 1.8%, based on the growth trends at the time. The McKinleyville Community Plan has since not been updated.

McKinleyville had a population of 13,599 in 2000 (based on the 2000 census) and 15,177 in 2010 (based on the 2010 census). Based on data from the American Community Survey (ACS) 5-year estimate performed by the United States Census Bureau, McKinleyville had a population of 16,291 in 2015 and 16,262 in the 2020 census. Using these figures, population growth from 2000 to 2015 was approximately 1.21% per annum, growth from 2010 to 2015 was approximately 1.43% per



annum, and growth of 0% from 2015 to 2020. The District has indicated that they would consider using a rate of 1% per annum for growth projections when considering future development potential.

The only major subdivision development that has occurred since 2010 was the Central Estates Subdivision. Any population increase that resulted from this subdivision likely would have been captured in the 2015 ACS 5-year estimate, and the demands from this subdivision were also included in the water modeling that was performed by North Coast Mapping Solutions (NCMS) in 2012. Additionally, the General Plan has not been updated since the water modeling was performed in 2012.

NCMS ran model scenarios for the years 2020 and 2030 using a growth rate of 1.8%, which is conservative when considering the recent population growth trends described above. The water modeling also included demands from high-density housing proposed in the General Plan.

1.4 Overview of Master Planning Effort

This Master Plan effort includes an analysis of all of the pipelines, blow-off assemblies, and valves (including isolation, air vacuum/release, and pressure reducing valves) in the District's water distribution system. While booster stations and storage tanks are mentioned in this report, they are discussed in the context of the overall water system, and no analyses of booster stations or storage tanks are provided as a part of this study.

The overall Master Plan is developed through multiple major phases of effort and culminates in the development of this Final Water Main Line Rehabilitation Master Plan (Final Master Plan). The three phases of the master planning effort are:

- Phase 1: High-level overview of water distribution main lines
- Phase 2: More detailed cost analysis and phasing of the systematic replacement of water distribution main lines
- Phase 3: Physical assessment of some water distribution main lines, risk evaluation, and update of the phase 2 schedule based on risk.

The Phase 1 effort included the results of the high-level assessment of the District's distribution system for use in initial planning for replacement, rehabilitation, and upgrades. The Phase 1 effort helped to quantify the overall nature, scope, and magnitude of long-term main line maintenance and replacement.

The Phase 1 study focused on the following:

- General overview of MCSD and the existing distribution system
- Summary of previous related studies and findings that pertain to rate structure, capacity, maintenance and repair requirements, and other identified limitations of system components
- Description of the anticipated growth for the McKinleyville area
- Discussion on areas of the system that have pressure and fire flow issues
- Summary of MCSD's existing distribution system main lines, including information pertaining to size, age, material, and condition



- Discussion on considerations for replacement of the distribution system main lines
- Long-term replacement analysis with associated costs for systematically replacing the entire distribution system
- Financial analysis to assess the rate impacts to pay for the long-term systematic replacement of the entire system. It is important to note that we are not recommending the rate increases presented in the financial analysis section of the Phase 1 document, but merely assessing what it would cost to systematically replace the entire distribution system over a period of time.
- Conclusions, recommendations, and a summary of the next steps in the Master Plan process

Phase 2 of the Master Plan effort builds on the system knowledge presented in Phase 1 to develop more detailed phasing information for the systematic replacement of the water mains.

Based on planning with District staff, Phase 2 effort focuses on the following:

- Discussion of appropriate replacement methodologies (e.g. lining, bursting, or direct replacement) with associated construction cost estimates
- Determination of an appropriate yearly project cost based on the Phase 1 system requirements and financial analysis
- Development of a schedule for the first 50 years of main line replacement for the MCSD water distribution system
- Costs for these projects for the next 100 years, and a financial analysis to forecast rates necessary to fund these replacements.

Phase 3 of the effort consists of direct physical assessment of portions of the system to determine the condition of the pipe and revision of the schedule established under Phase 2 based on risk assessment. Phase 3 of the Master Plan provides the following:

- Determination of pipe condition through physical testing of pipe samples
- Evaluation of prioritization based on risk considering all of the triple bottom line categories: social, environmental, and financial
- Discussion and comparison of performing construction work in-house or through contract with associated construction cost estimates
- Refinement of the appropriate yearly project cost based on the updated system requirements and financial analysis
- Revision of the schedule for the first 50 years of main line replacement for the MCSD water distribution system based on the risk assessment

1.5 Key Points from the Phase 1 Report

The system is generally in good condition with no identifiable near-term problems or areas of concern. There are some minor issues with low pressure and inadequate fire flow in higher elevation areas, and high pressure in lower elevation areas, that the District has plans to address



outside of the scope of this Master Plan. The principal issue is that a majority of the system piping is approaching design life expectancies, meaning pipe failures will likely become an issue in the next 10 to 30 years if the District does not begin the process of replacing system main lines.

The original water distribution system was constructed in 1973, making it 50 years old in 2023. The original piping comprises 55% of the current total distribution system piping and is 90% asbestos cement (AC) pipe and 10% ductile iron (DI) pipe. With an AC pipe design life of 50-70 years and a DI pipe design life of 75-100 years, the original system piping will require replacement in the relatively near future. The remaining 45% of the system consists of some AC pipe, but is mostly polyvinyl chloride piping (PVC), installed since 1980, which has a design life of 50-100 years.

The total construction cost estimate for replacing the entire water distribution system is \$142 million in today's dollars. The multi-year pro forma analysis on the MCSD water system found that MCSD could not afford replacement of the water distribution without an increase in rates. Using a phased-in approach of rate increases, it is projected that replacing the entire system over 50, 75, or 100 years would require annual rate increases of 6.25%, 5.00%, or 4.10%, respectively.

1.6 Key Points from the Phase 2 Report

Phase 2 of this Water Main Line Rehabilitation Master Plan (Master Plan) was prepared to provide preliminary priorities and schedule for implementing replacements, rehabilitation, and upgrades to the McKinleyville Community Service District's (MCSD or District) water distribution system main lines and appurtenances (distribution system) for the next 50 years. This Master Plan effort includes an analysis of all of the pipelines, service laterals, blow-off assemblies, and valves (including isolation, air release, and pressure reducing valves) in the District's water distribution system. No analyses of booster stations or storage tanks are provided as a part of this study.

Given the current age of the system is over 45 years, the District can anticipate increased pipeline failures and leaks in the next five to ten years. As the system continues to age, replacement and rehabilitation of existing infrastructure will be necessary to maintain an effective, functional system. To ameliorate these coming failures, the District can replace all critical portions of the MCSD water distribution system in the next 50 years with a reasonable adjustment to user rates. Spending an average of \$1 million (2019 dollars) per year on the system will allow replacement of 97% of 10-inch or larger AC pipe, 85% of 8-inch AC pipe, and 100% of DI pipe in 50 years. Priority was based on replacing largest diameter pipes first, so no 6-inch or smaller AC pipe was included in the schedule for replacement during Phase 2.

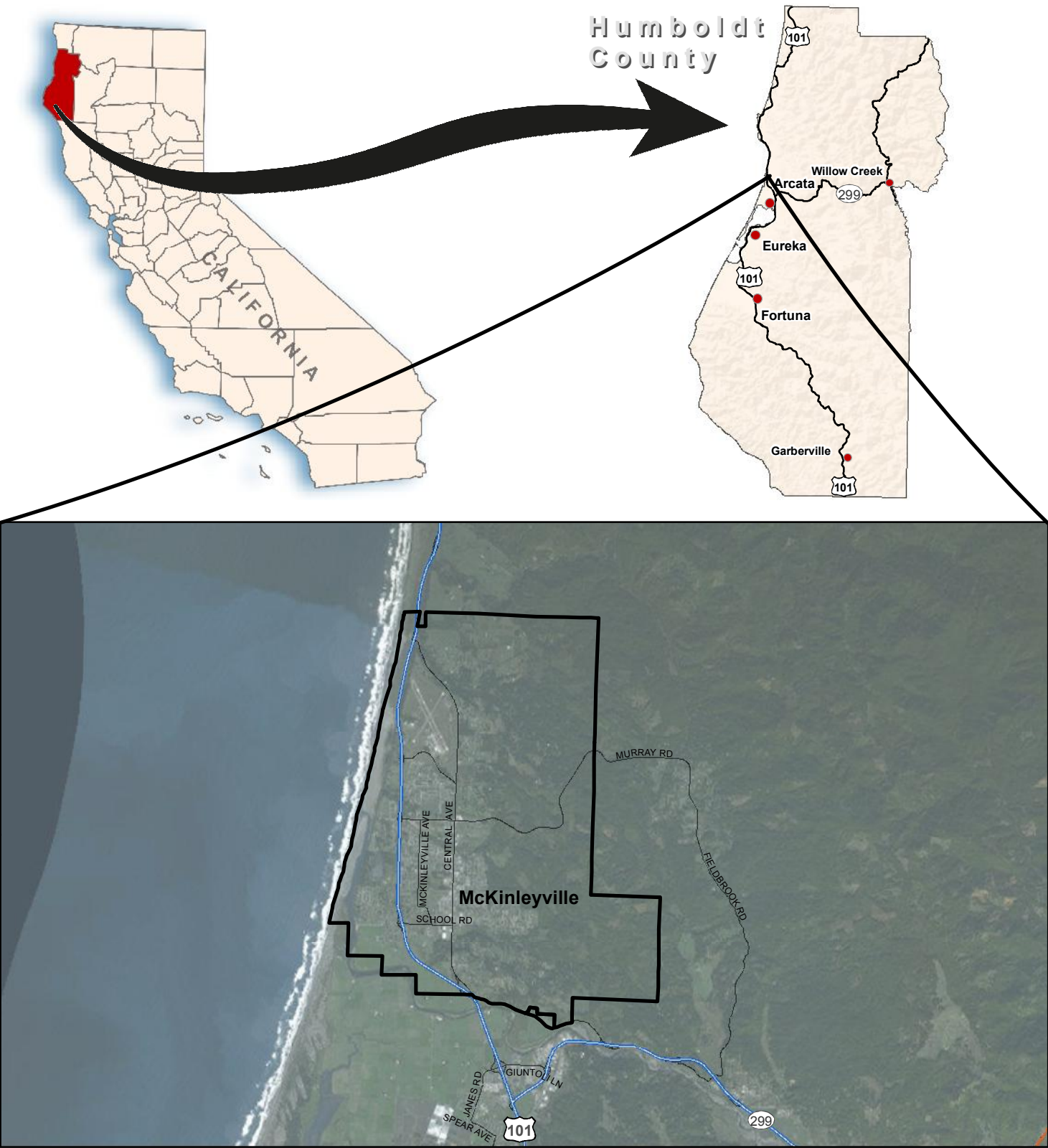
Phase 1 of the Master Plan included a review and analysis of available information that was used to produce a planning-level long-term replacement plan in Phase 2. The development of a near-term rehabilitation plan was also considered. This near-term plan would include any areas identified as having performance or capacity constraints that need to be resolved in the next ten years; however, there are currently no such cases in the water distribution system. The District does currently have plans and has budgeted for the construction of a new water storage tank, but that planning effort is being done outside the scope of this document.

While there are currently no high-priority, near-term projects required for the distribution system, it is critical that the District begin planning and budgeting for upgrades and replacement of system components. The approved rates from Section 5 (completed as part of Phase 2 in 2019) were made



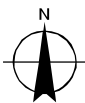
assuming that MCSD would begin putting aside \$860,000 to \$960,000 for each of the following four years and then reserving the full \$1 million (2019 dollars) per year after that period. With rate adjustment approved, the project financing is securely in place and MCSD can begin the planning and design process for the early proposed projects so construction can begin in 2023 four years after the completion of the Phase 2 report).

A major unknown following completion of Phase 2 is the condition of the DI pipe the runs from Humboldt Bay Municipal Water District, beneath the Mad River, to the intersection of Sutter Road and Central Avenue. This pipeline is the main source of water for MCSD. There is no cathodic protection on that piping, it has never been inspected, and it is possible it may require replacement sooner than anticipated. It was recommended during Phase 2 that this critical section of pipeline be physically assessed in Phase 3 to ensure it is replaced at an appropriate time. It should be noted that a Hazard Mitigation Grant, Notice of Interest was submitted in 2018, 2020 and 2021 for the replacement of the river crossing. As of the writing of this Master Plan, the District has not heard whether this project was approved for grant funding.



 McKinleyville Community Services District Boundary

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 Miles
 Map Projection: Lambert Conformal Conic
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 Grid: NAD 1983 StatePlane California I FIPS 0401 Feet

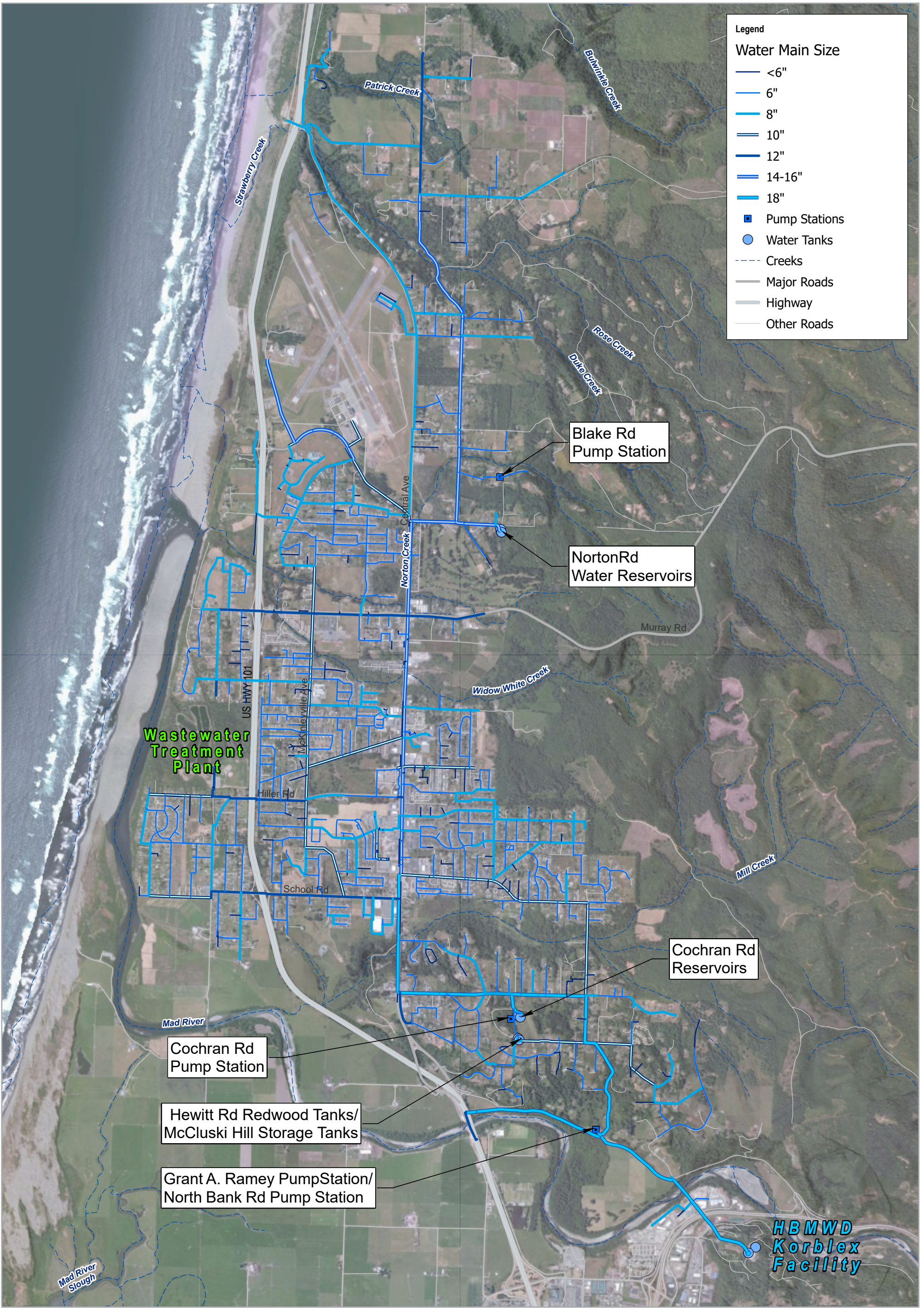


McKinleyville Community Services District
 Water Main Line Rehabilitation Master Plan (Phase 1)

Job Number | 11125090.04
 Revision | 1
 Date | 17 Oct 2017

Project Vicinity and Location Map

Figure 1

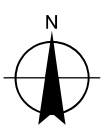
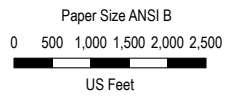


Legend

Water Main Size

- <6"
- 6"
- 8"
- 10"
- 12"
- 14-16"
- 18"

- Pump Stations
- Water Tanks
- Creeks
- Major Roads
- Highway
- Other Roads



Map Projection: Lambert Conformal Conic
 Horizontal Datum: North American 1983
 Grid: NAD 1983 StatePlane California 1 FIPS 0401 Feet

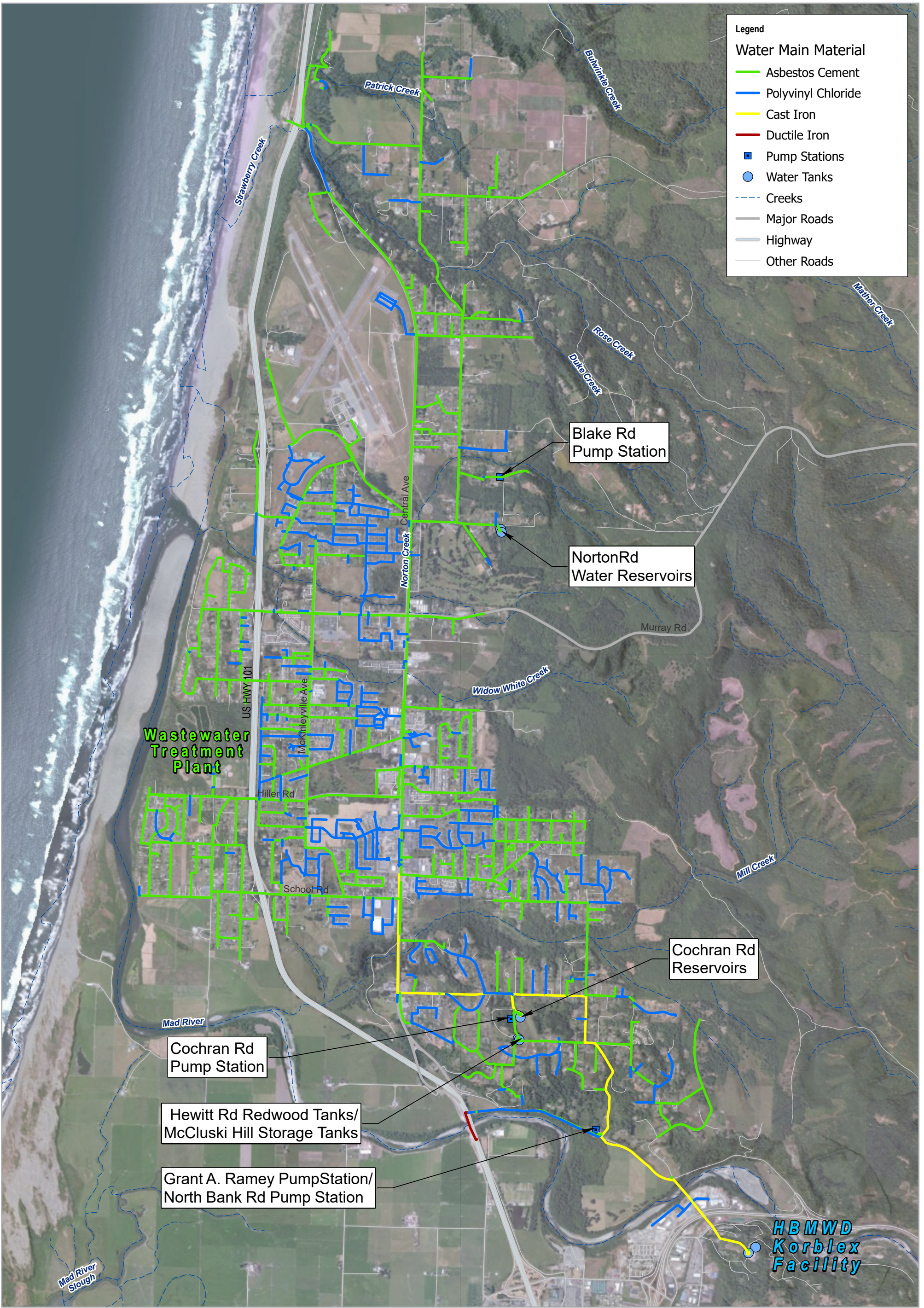


McKinleyville Community Service District
Sanitary Sewer Main Line Rehabilitation
Master Plan (Phase 3)

Project No. 11228420
 Revision No. A
 Date Jan 2022

Water System Overview
by Pipe Size

FIGURE 2

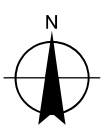


Legend

Water Main Material

- Asbestos Cement
- Polyvinyl Chloride
- Cast Iron
- Ductile Iron
- Pump Stations
- Water Tanks
- - - Creeks
- Major Roads
- Highway
- Other Roads

Paper Size ANSI B
 0 500 1,000 1,500 2,000 2,500
 US Feet



Map Projection: Lambert Conformal Conic
 Horizontal Datum: North American 1983
 Grid: NAD 1983 StatePlane California 1 FIPS 0401 Feet



McKinleyville Community Service District
Sanitary Sewer Main Line Rehabilitation
Master Plan (Phase 3)

Project No. 11228420
 Revision No. A
 Date Jan 2022

Water System Overview
by Pipe Material

FIGURE 3



2. Risk Assessment and Prioritization Process

During Phase 3 of the master planning effort, GHD and the District developed a Risk Framework that was applied to all the water pipes in order to update the rehabilitation prioritization approach from Phase 2 that was based on material and diameter. This section describes the risk assessment methodology and prioritization of rehabilitation of the water distribution system.

2.1 Physical Testing

As part of Phase 3, soil sampling was conducted to support the assessment and development of an Engineer's opinion of present-day pipeline condition within the water (as well as sewer) system with respect to the proposed schedule for the District's future replacement. Twenty-one (21) soil samples were obtained by GHD staff on December 2,3 and 5, 2019 and sent to an independent California certified laboratory for analysis. MCSD provided equipment and labor related to excavation.

Based on soil sample results, a pipe sample collection plan was prepared, and three (3) pipe samples obtained by GHD on April 14, 15 and 17, 2020 with excavation equipment and labor provided by MCSD. The pipe samples obtained were delivered to an independent analytical laboratory for analysis. AC pipe samples were analyzed for the following characteristics: interior and exterior hardness; pH profile; and crush strength.

Based on the laboratory evaluation of the AC pipe samples, it was concluded that:

1. Based on dimensional measurements obtained as a part of the laboratory testing, the AC pipe tested is likely pressure Class 150.
2. Internal degradation, not external degradation, of AC pipe is the limiting factor in AC pipe fitness for continued service
 - a) The exterior depth of loss of alkalinity is nominal
 - b) The exterior loss of hardness is nominal
 - c) The interior depth of loss of alkalinity, greater than 50% of total pipeline wall thickness of Sample AC3, is significant.
 - d) The interior loss of hardness of all samples tested is significant.
3. The crushing strength of the three samples varied significantly and relates, as expected, to pipeline wall thickness. The measured crushing strength relationship with respect to the design crushing strength, as itemized in Table 7, is related to pipeline wall thickness. Wall thickness increases as pipeline diameter increases. Based on the data available, pipes with nominal wall thickness of 0.635 inches or less, corresponding to pipeline diameters of 8-inches or less, have experienced significant reduction in residual crushing strength; and pipes with nominal wall thickness of 1.040 inches or more, corresponding to pipeline diameters of 12-inches or greater, have not experienced significant reduction in residual crushing strength. Although there is presently no laboratory data for crushing strength on 10-inch diameter (0.910 inch wall thickness pipe), 10-inch pipe is considered to have likely retained much of the design crushing strength and is classified along with AC pipe of larger diameters.



The establishment of, and broad delineation based on, risk categories is a result of the destructive analysis of three (3) pipe samples. The extent of laboratory analysis was limited and the resulting classifications are therefore limited. Additional destructive evaluation, specifically of pipeline crushing strength, may result in a resolution of data facilitating development of additional risk categories and/or revision to the risk categories presented herein.

In addition to the destructive sampling of AC pipe, non-destructive assessment of DI pipe was performed at two (2) locations. Ultrasonic thickness (UT) testing was performed at one location on the 18-inch water main near N. Bank Road and Hunts Drive by the Mad River Crossing. This location was selected, in part, based on the corrosivity of soils identified. Pipeline wall thickness was measured at twelve (12) circumferential locations. The UT measurement of pipeline wall thickness identified substantial remaining wall thickness and minor loss of wall thickness. CCTV was performed on a segment of sewer pipe, approximately 212 linear feet, at the middle crossing on Highway 101 near Thiel Road and Hiller East Field. CCTV footage was reviewed by a qualified engineer. Internal lining degradation of DI pipe was identified, and with respect to the extremely limited nature of the sample size, may be indicative of mortar lining performance of similar vintage and time in service.

For additional information on the physical testing and laboratory results, refer to the *Phase 3b: Water and Sewer Mainline Replacement and Rehabilitation Master Plans Letter Report* dated July 6, 2020 which is included in Appendix A.

2.2 Probability of Failure

Probability of Failure (PoF) of an asset is the chance that the asset will fail to serve its intended purpose and is directly related to its failure mode. Failure may include physical failure (i.e. break, fracture, or collapse), hydraulic capacity failure, level of service failures such as odor issues or not meeting regulations, or efficiency failures when operational costs exceed alternative actions. The probability of physical breakdown and the probability of capacity reduction for a particular asset may not be similar. Asset failure modes are explained in the following subsection.

2.2.1 Modes of Failure

An important component of asset management is to identify and manage the imminent and dominant failure modes of an individual asset. From an asset management perspective, assets can fail in one of four ways shown in Table 4.



Table 4: Modes of Failure Description

Failure Mode	Definition	Tactical Aspects	Management Strategies
Physical Mortality	Consumption of asset reduces performance below acceptable level	Physical deterioration due to age, usage, and acts of nature	O&M optimization, renewal or replacement
Capacity	Demand exceeds capacity	Growth, evolving usage, climate change	Redesign or replacement
Level of Service	Functional requirements not met	Regulations, codes, permits, safety, noise, etc.	O&M optimization, renewal or replacement
Efficiency	Operation costs exceed that of feasible alternatives	Pay-back period for alternatives	Replacement

Understanding the **imminent failure mode** of an asset allows an organization to apply the right strategy option in order to maximize the service benefit per cost spent. Each failure mode, where appropriate, has a time period associated with it. For example, an asset could have 20 years remaining before physical failure, five years before level of service failure, and 10 years before financial failure, but two years remaining before capacity failure. In this scenario, the remaining useful life of the asset would be two years, and the appropriate strategy might be to increase the capacity of the asset through redesign.

The **dominant failure mode** for an asset is the failure mode that results in the greatest consequence of failure. Generally, the dominant failure mode is physical mortality.

The risk framework was developed to evaluate MCSD’s water system and prioritize known pipe deficiencies identified in earlier phases of the master planning effort and physical mortality deficiencies based on condition assumptions from the physical testing described in Section 2.1 above.

2.2.2 PoF Scoring Criteria

Each linear asset was assigned a score of 1-5, with 1 being very good condition and 5 being very poor condition. The score for each asset is provided in the asset register in Appendix B. The Probability of Failure scores for each pipe were assigned as follows for consistency with scoring across systems, i.e. the water and sewer collection systems:

1. Pipes identified as having hydraulic capacity deficiencies in previous phases of the master planning effort were given a score of 5 (i.e. if they fell in CIP years 1-10). For the water system, no deficiencies were identified and therefore no pipes received a score of 5 for PoF.
2. From Phase 3 physical testing:
 - i) AC pipes with diameter of 8-inches or less were given a score of 4
 - ii) AC pipes with diameter greater than 8-inches were given a score of 3
 - iii) DI pipes were given a score of 2
 - iv) All other pipes (predominantly PVC) were given a score of 1



2.3 Consequence of Failure

The consequence of failure (CoF) for an asset is determined by first setting the context of a potential failure that can be expressed in Triple Bottom Line (TBL) categories as shown in Table 5 below.

Table 5: Consequence of Failure Triple Bottom Line Elements

Category	Associated Elements
Social / Community	Health & Safety, Loss of Service
Financial	Cost of Failure
Environmental/Regulatory	Regulatory (Permit) Compliance

2.3.1 CoF Scoring Criteria

Table 6 shows CoF scoring table developed for the MCSD water system. The table includes CoF elements associated with each TBL category and the associated value definitions for CoF scores of 1 to 5, with 1 indicating a low consequence and 5 indicating a high consequence. When determining thresholds for scores, it is best to begin with threshold that results in a score of 4. As an asset moves from a score of 3 to a score of 4, the asset crosses the tolerable threshold to the intolerable. The orange shading of scores 4 and 5 indicates intolerable thresholds.



Table 6: Consequence of Failure Scoring Table – Water Distribution System

Social / Community						
Health & safety	The direct or indirect impact on individual(s)' health & safety (including employees) as a result of the failure. This is measured in terms of the potential for detrimental impacts on individual(s) health and safety.	No impact	No impact	No impact	Potential for low impact	Potential for severe impact
	Loss of service	The maximum time an asset can be out of service due to external or internal drivers.	No impact	Asset can be out of service for extended period	Asset needs to be restored within a week	Asset needs to be restored within a day
Definition		1	2	3	4	5
Financial						
Cost of failure	The total direct and indirect cost (including labor, equipment, fines etc.) to restore the service as a result of the failure. This is not the replacement cost of a failed asset.	<=\$5,000	\$5,001-\$20,000	\$20,001-\$50,000	\$50,001-\$100,000	\$100,000+
	Definition	1	2	3	4	5
Environment / Regulatory						
Regulatory (permit) compliance	Regulatory permit compliance by Mandatory Minimum Penalty (MMP)	No impact	Potential MMP	MMP	Multiple MMP	Cease and Desist
	Definition	1	2	3	4	5



2.3.2 CoF Score Assignment

Proximity analysis using geospatial data is used to assign consequence of failure scores. Different attributes that help measure the impact associated with each of the elements shown in Table 7. In the case of buried assets (e.g., pipes), attributes shown in Table 7 can be used to estimate the consequence of failure ratings for each of the elements shown in Table 6. Not every pipe attribute applies to every element and the relationship (when exists) between the attributes and the elements are shown with an “X” in Table 7. GHD reviewed data available in the GIS database for the water distribution system, as well as data available online for the consequence of failure analysis. The findings and data availability of key layers are summarized in Table 8. The GIS data layers used for the proximity analysis are shown in Figure 6 at the end of this Chapter.

Table 7: Consequence of Failure Scoring Element Attribute

Attributes	Consequence of Failure Elements			
	Public Health & Safety	Loss of Service	Cost of Failure	Regulatory Compliance
Critical Customers (hospitals, schools, fire stations, etc)		X		
Proximity to other utilities (stormwater)	X		X	X
Proximity to roads (and type of road)	X		X	
Proximity to environmentally sensitive areas (rivers, streams, open water)	X		X	X
Proximity to buildings	X	X	X	
Repair costs (material, diameter, depth)			X	
Zoning and land use		X		

As part of the risk-based prioritization approach, each asset in water distribution system is scored using geospatial proximity analysis and the scoring criteria defined in the Risk Framework. All CoF scores for each pipe are provided in the asset register in Appendix B.



Table 8: Consequence of Failure Element Attribute Data Sources

Attributes	Source	Data Availability
Date of installation	GIS	No - Water - 1973 No - Sewer - 1976
Material	GIS	Yes
Size/Diameter	GIS	Yes
Length	GIS	Yes
Proximity to roads	GIS online	Yes
Proximity to other utilities	ArcGIS Online – Humboldt County Public Works	“McKinleyville Storm Drain 180918”
Proximity to environmentally sensitive areas (e.g., wetlands, open water)	GIS online	Yes
Critical customers (hospital, schools, fire stations, etc)	Create	None exist but could be created Fire Stations - https://humboldt.gov/276/GIS-Data-Download
Proximity to other buildings	Remote sensing data online	Web layer created via remote sensing, many need verification

2.3.3 Dominant CoF Score

Assets are assigned scores from 1 to 5 for each of the four elements. The highest individual score across these elements for each asset is the Dominant CoF score. Dominant CoF score range from 1 to 5.

2.3.4 Triple Bottom Line CoF Score

TBL CoF score also uses the score from 1 to 5 for each of the four CoF elements, but instead of taking the highest individual CoF score, TBL adds together the highest score in each of the three triple bottom line categories, social/community, financial, and environmental/regulatory. TBL CoF score ranges from 3 to 15.

2.4 Risk and Rehabilitation Prioritization

The Business Risk Exposure (BRE) framework provides a process by which risk can be categorized, and activities to mitigate risk can be prioritized (i.e. rehabilitation and renewal) which helps management teams focus on high-risk assets. A BRE framework provides a set of rules for

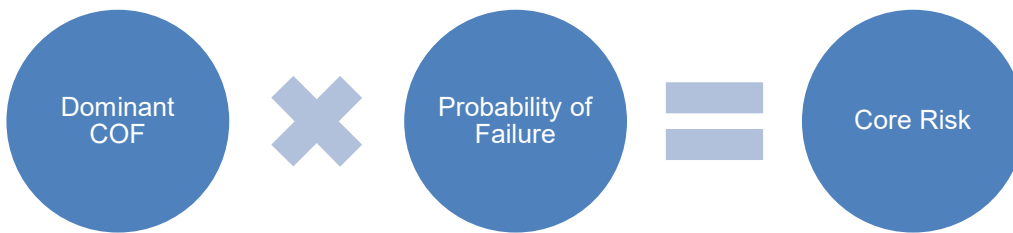


determining the direct and indirect consequences of the failure of an asset and facilitates the prioritization of assets for targeted renewal, rehabilitation, and inspection investment with available capital funds. For this project, GHD performed a risk assessment that considers Probability of Failure (PoF) and Consequence of Failure (CoF) of an asset. The probability of failure component of the risk assessment is a function of asset condition, which incorporates physical mortality (physical life), levels of service (service life; efficiency), and capacity (capacity life) related issues. Any available risk mitigation is also considered.

This section describes how Core Risk and Business Risk Exposure are calculated from the Probability of Failure and Consequence of Failure scores described in the preceding Section 3.3 and how the risk scores are used to prioritize rehabilitation of the water distribution system. All risk scores and priority ranking are provided for each pipe in the asset register in Appendix B.

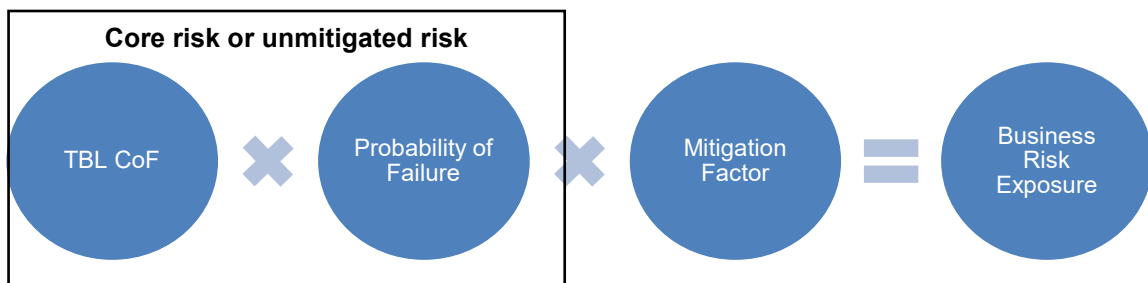
2.4.1 Core Risk Score

The product of the probability of failure and consequence of failure is defined as the core risk. The core risk rating assigned to the assets can be used to drive O&M activities and decisions. The dominant CoF score is used to calculate the dominant core risk score.



2.4.2 BRE Score

Unlike the core risk score, the BRE score uses the TBL CoF score instead of the dominant CoF score and the mitigation factor. The main mitigation factor considered is available, either installed or spare, asset redundancy. Other mitigation factors of note would be actions such as the development of emergency response plans, setting up contracts with external parties in order to facilitate faster reaction or implementing a standard operating procedure for manual operations. For linear assets, the mitigation factor is 1. When identifying management strategies, agencies might consider emergency response plans or monitoring in SCADA as a strategy to reduce risk.





2.4.3 Risk Zones

Once the non-tolerable risk is identified, a BRE chart can be plotted with the unmitigated consequence of failure on the x-axis and the probability of failure on the y-axis. The BRE chart can be segmented into management zones based on what a utility's threshold is for acceptable risk. BRE chart is then used to identify assets that fall into each management zone, including those that are in non-tolerable zones, i.e., those assets that would result in unacceptable impact on service delivery upon failure. Figure 4 shows the BRE chart as a result of the assessment of MCSD's water system and the different management strategies for each of the zones. The BRE zones are described as follows:

Zone 5: Non-tolerable risk zone that contains assets that their failure can impose significant risk to the organization. In general, these assets are approaching the end of their useful life and upon failure, may cause significant social, financial, and environmental impacts. Assets in this zone need to be addressed immediately. Appropriate management strategies must be carried out so that the number of assets in Zone 5 are minimized.

Zone 4: Contains assets that have high consequence of failure but have not deteriorated enough to be included in the non-tolerable risk zone (Zone 5). Increased visual and/or predictive condition assessments (thermal scanning, oil analysis, etc.) may be justified as their condition deteriorates and as they move vertically in the graph approaching Zone 5 over time.

Zone 3: Contains assets that would experience failure consequences that can be made tolerable through designed redundancy and operational mitigation such as spares and condition monitoring. Zone 3 assets can also migrate into Zone 5 over time and as such require additional focus by management.

Zones 2 & 1: Contains assets with lower consequences of failure. Applicable management strategies to consider for these assets may be run to fail and maintenance optimization.

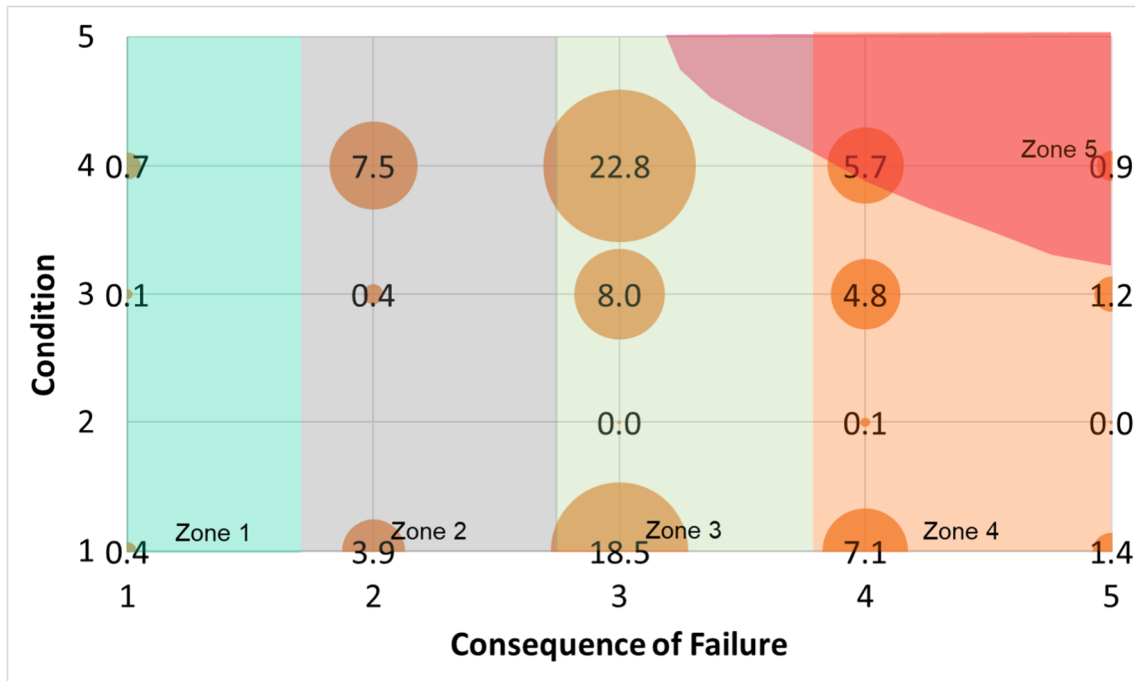


Figure 4: Business Risk Exposure Plot¹

Notes:

1. Bubble size and number correspond to the length of pipe with that combination of LOF and Dominant COF (in miles of pipe).

2.4.4 Prioritization

Risk Zone is calculated from unmitigated CoF and Core Risk scores. There are five risk zones; Risk Zone 5 is the highest risk, Risk Zone 1 the lowest. In the plot shown in Figure 4:

Risk Zone 5: Core Risk score greater than or equal to 16

Risk Zone 4: CoF score greater than or equal to 4

Risk Zone 3: CoF score greater than or equal to 3

Risk Zone 2: CoF score greater than or equal to 2

Risk Zone 1: CoF less than 2

Assets are organized into four 'priority buckets' based on risk zone and condition. Assets that do not meet the requirements below are not assigned to a priority bucket. Figure 5 shows the priority buckets on the BRE Chart.

Priority Bucket 1: Risk Zone 5

Priority Bucket 2: Risk Zone 3 or 4 AND Condition greater than or equal to 4

Priority Bucket 3: Risk Zone 2 AND Condition greater than or equal to 4

Priority Bucket 4: Risk Zone 1 AND Condition equal to 5

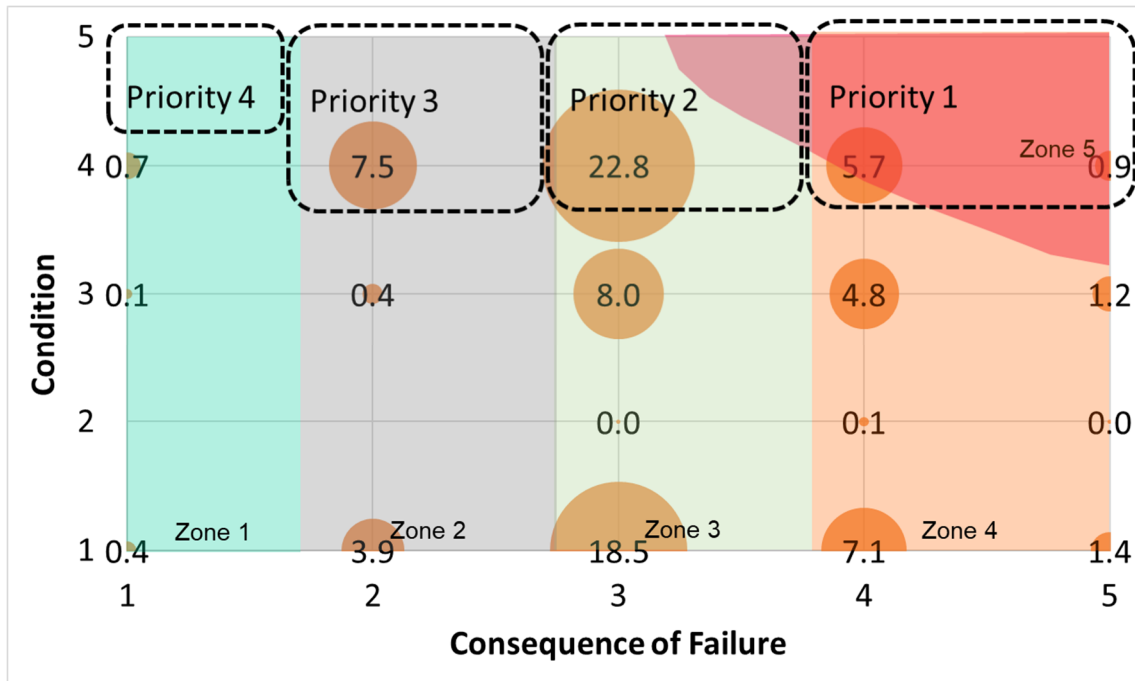
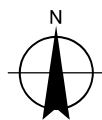
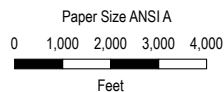
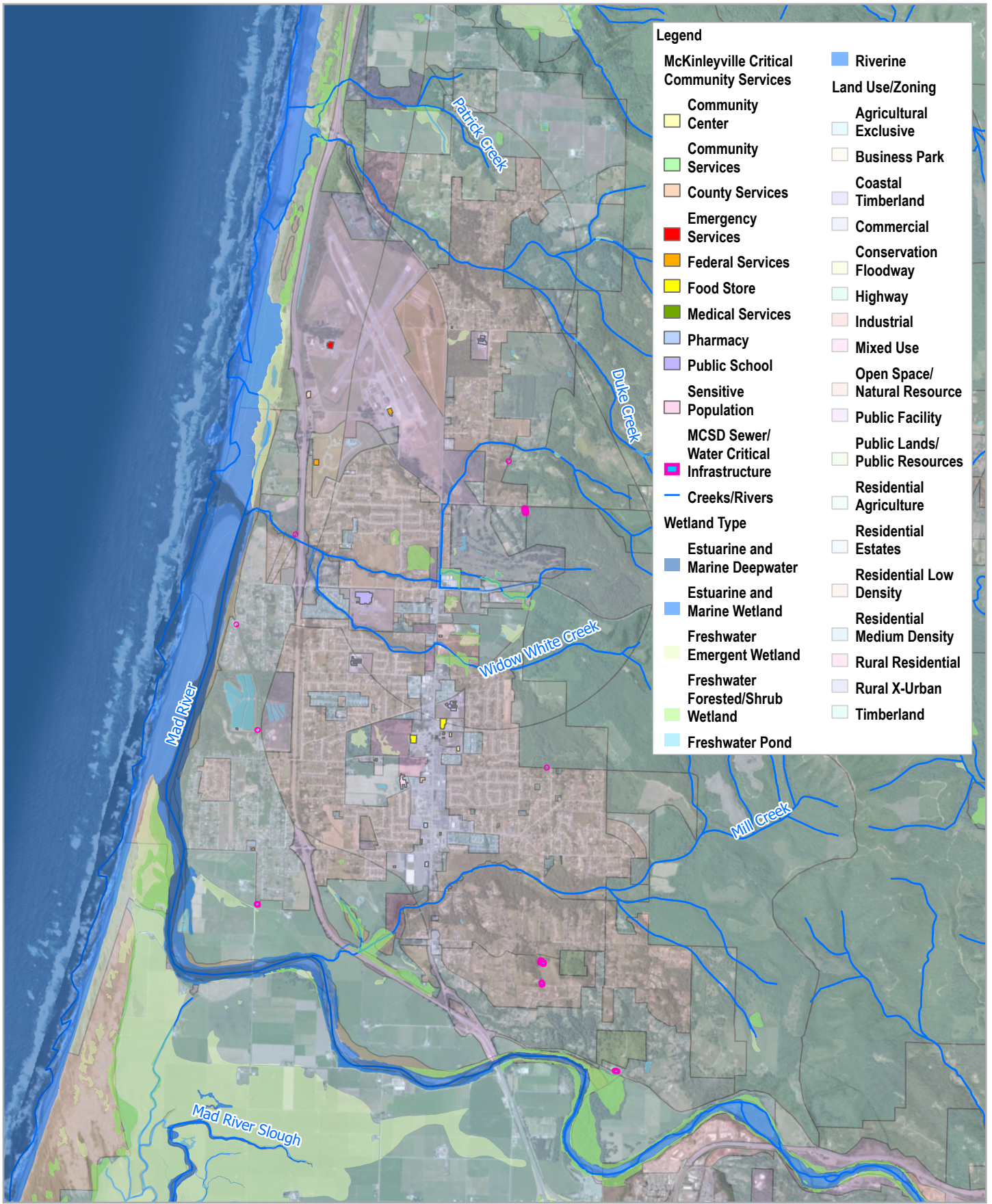


Figure 5: BRE Plot with Priority Buckets

Within each priority bucket, the BRE score is used to prioritize replacement. The BRE score considers all triple bottom line categories, effectively prioritizing pipes with higher combined score across all categories and not the single highest, i.e. could have social, financial and environmental consequences.



**McKinleyville Community Service District
Water Main Line Rehabilitation
Master Plan (Phase 3)**

Project No. 11218420
Revision No. -
Date Dec 2021

**Proximity Analysis
Attribute Layers**

FIGURE 6



3. Replacement Methods and Costs

This section describes two replacement methods that were assessed for the MCSD water system rehabilitation plan, direct replacement and pipe bursting. Pipe lining was also considered initially, but the process was determined to be cost prohibitive for water distribution systems.

3.1 Opinions of Probable Cost

The opinions of probable cost for each asset is included in the asset register in Appendix B and should be considered as order-of-magnitude estimates for planning purposes only. The total project cost consists of the construction cost, design and technical effort, construction management effort, and a contingency fund. Land acquisition and/or District degradation fees are not included. Construction costs are based on a Class 5 (planning-level) estimate of probable cost as defined by the Association for the Advancement of Cost Engineering, International (AACE). AACE defines the “Class 5” estimate as follows:

Generally prepared on very limited information, where little more than proposed plan type, its location, and the capacity are known, and for strategic planning purposes such as but not limited to market studies, assessment of viability, evaluation of alternate schemes, project screening, location and evaluation of resource needs and budgeting, long-range capital planning, etc. Some examples of estimating methods used would include cost/capacity curves and factors, scale-up factors, and parametric and modeling techniques. Typically, very little time is expended in the development of this estimate. The typical expected accuracy ranges for this class estimate are -20% to -50% on the low side and +30% to +100% on the high side.

Construction costs are based on the July 2021 Engineering News Record Construction Cost Index (ENR CCI) for San Francisco, CA (13,762.01).

3.2 Direct Replacement

Direct replacement is the most traditional pipe replacement method. It involves digging a trench along the entire length of pipe to be replaced, installing a new parallel pipeline, connecting the new pipeline to the existing laterals, removing or abandoning the existing piping in place, backfilling the trench, and repaving the street. Trenching for direct replacement of piping in roadways interrupts normal traffic flow in the project area more than trenchless methods. Cutting into or removing the AC pipe also requires special handling and disposal due to the presence of asbestos, which also increases costs. Additionally, the large amount of earth movement required for trenching can add significant cost to this method as opposed to trenchless methods. Due to the higher associated costs, direct replacement costs were estimated in Phase 1 to allow for conservative scenario budgeting in the preliminary Master Planning financial analysis.

Values from the overall long-term replacement cost estimate from Phase 1 were used to develop per linear foot costs to apply to individual projects for Phase 3. There are construction costs associated with replacing MCSD main lines that would generally be represented as a percentage of the material and installation (which includes excavation and backfill) cost. The first step was determining an industry standard percentage of material and installation costs for these base cost



items. Through experience working with clients across California, GHD compiled the following assumptions for various construction activities as shown in Table 9 below.

Table 9: Assumptions for construction costs as a percent of pipe material and install cost.

Item	Description	Cost
1	General Conditions, including: Mobilization/Demobilization Construction Staking Temporary Traffic Control Bypass Pumping Stormwater Pollution Prevention Plan (SWPPP)	20% (Construction Subtotal)
2	Contingency (10% change order, 15% estimating allowance)	25% (Construction Subtotal)
3	Design / Survey / Geotechnical / Environmental Review / Permitting	25% (Construction)
4	Inspection / Construction Management / Engineering Services During Construction (ESDC)	20% (Construction)

Construction subtotal percentages are applied to the material and installation unit costs for pipes (\$/lf) and manholes (\$/manhole based on depth) to form the construction subtotal to which the construction percentages are then applied. The material, installation, excavation, backfill and paving costs for direct replacement are summarized in Table 10.

Table 10: Direct replacement cost per linear foot by pipe size.

Size (in)	Pipe & Install (\$/lf)	Excavation/ Backfill (\$/lf)	Paving (\$/lf)	Total Cost (\$/lf)
2	185	42	23	250
4	185	42	23	250
6	185	42	23	250
8	229	42	29	300
10	279	42	29	350
12	304	42	29	375
14	309	57	34	400
16	334	57	34	425
18	384	57	34	475

3.3 Pipe Bursting

Pipe bursting is a trenchless pipe replacement method. The process involves digging an access pit on both ends of the pipe to be replaced. Then, most typically, a pneumatic system with a pipe bursting tool breaks up the existing pipe as the new pipe is pulled into place behind the pipe bursting tool. Lastly, the access pit areas are backfilled and repaved. For this method the existing pipe is left broken up in the ground around the new pipe. This is particularly helpful in reducing



construction risk when replacing old AC pipe, which is a brittle material that is difficult to excavate around. Furthermore, this method requires approximately 80% less digging than traditional direct replacement. This significant reduction in earth movement is the reason why pipe bursting tends to cost between 15 to 35% less than direct replacement. The large variation in savings is due to variation in location, soil types, pipe depth, contractor schedules, etc. Pipe bursting costs (Table 11) were obtained from recent bid comparisons for northern California construction projects and the result is 8-31% less than the Phase 3 calculated direct replacement costs shown in Table 10.

Table 11: Pipe bursting cost per linear foot by pipe size.

Size (in)	Total Cost (\$/lf)
2 ¹	204
4	204
6	204
8	207
10	251
12	345
14	345
16	345
18	444

¹ Typically replaced with 4-inch pipe in pipe bursting operations



4. Replacement Plan

This section presents the prioritized replacement plan for systematic replacement of the District's water distribution system. The goal of the replacement plan is to include replacement of all the critical portions of the system. Replacement of AC pipe was prioritized given that half of the system is AC pipe that will be 51 years old at the proposed start of the replacement schedule in 2024 and physical testing of sample portions indicated that smaller diameter AC pipes had less wall thickness.

Rehabilitation methods presented in this master plan are used to estimate opinion of probable construction cost. For purposing of financial planning for the replacement of water mains, pipe bursting is assumed to be the replacement method if the pipe segment is less than 750 linear and not DI. For any pipe with length greater than 750 feet, or of DI material, direct replacement is assumed. The actual rehabilitation method will depend on the condition of the pipe and site conditions and therefore should be determined in the design phase. Rehabilitation method for AC pipe, which the majority of the system is, will also be impacted by the District's preferred method of handling asbestos containing pipe, i.e. pipe bursting and leaving in ground or direct replacement and removal of the asbestos containing pipe.

4.1 Yearly Budget

A yearly budget for the replacement plan was determined in discussions with District staff and approved by the MCSD Board of Directors during Phase 2. Based on the Phase 1 financial analysis, the initial desire was to replace the system over 100 years to minimize rate adjustments to users. The Phase 1 analysis also determined that the District does not need to replace the entire distribution system. There are sections where it would be much more cost effective to repair the occasional leak rather than replace the whole section of main line, particularly in less densely populated areas with smaller pipes. An analysis of the existing system revealed the following:

- 15% of the system is PVC that is less than 20 years old, and
- 16% of the water main lines serve 10 or fewer users.

These portions of the system were deemed less critical for replacement, per District staff recommendation the MCSD Board of Directors decided to budget for 80% system replacement over the 100-year replacement plan to reduce the total project cost. Based on the Phase 1 cost estimate, this replacement would require spending an average of \$1 million per year (in 2019 dollars).

4.2 Replacement Schedule

Figure 7 shows the replacement plan for all priority assets, while Figures 7.1-7.5 show the replacement plan by priority bucket, with Priority 2 further broken down into three groups based on replacing pipes with the highest BRE scores first. The costs for replacing each group are summarized in Table 12. Note that the specific ordering and grouping pipes into capital projects will be done by the District with the Priority and BRE scores as guides. The costs presented below assume each pipe segment is treated as a separate project; therefore, costs are conservative. The Asset Register is in Appendix B prioritized by descending Priority bucket and BRE score.



Table 12: Priority Buckets based on Priority and BRE Score

Priority	BRE Score	Length (lf)	Cost (\$)
1	All	34,677	17.4M
2	>30	63,546	32.5M
2	25-30	21,128	10.7M
2	<25	35,602	18.1M
3	All	39,586	20.4M
Total		194,539	99.1M

As no near-term projects were identified in Phase 1, the replacement schedule begins with the general replacement based on risk and the prioritization approach outlined in Section 2. The plan assumes that pipe-bursting is a suitable replacement method if the material is not DI and is not greater than 750 linear feet in length. Note that no DI pipe is prioritized for replacement in this plan. Pipe and site conditions will need to be evaluated prior to the design of each project to confirm replacement method. The first section chosen for replacement is aligned with the required near-term replacement of the damaged sewer line on Central Avenue to minimize road disturbance. The only deviation from this prioritization is the replacement of the water system pipes in Grace Park, Wavecrest Avenue and the area of Fernwood Drive and Parkside Drive. The water system in these areas of McKinleyville are identified as areas of concern and are therefore prioritized by the District and placed in group 2.1.

The 18-inch DI pipe from the Humboldt Bay Municipal Water District is a very critical segment of the system. The condition of the segment of pipe was assessed via ultrasonic thickness testing as part of Phase 3 of this master plan, it is recommended that the condition of the pipe be monitored every 5 years because of its criticality. There is no cathodic protection on that piping and no additional engineered measures for external corrosion control is presently recommended. It should also be noted that a Hazard Mitigation Grant, Notice of Interest was submitted in 2018, 2020 and 2021 for the replacement of the river crossing. As of the writing of this Master Plan, the District has not heard whether this project was approved for grant funding.

With the proposed replacement prioritization, 98% of the District's 8-inch or smaller AC pipe, will be replaced.

4.3 In-House vs Contracting Construction Projects

It was suggested in Phase 2 that completing the replacement projects in-house could reduce project construction costs by approximately 10 to 15%. The District is interested in further evaluation of the costs and feasibility of performing the construction work in-house. This section aims to summarize the factors that MCSD should consider when making this decision. These considerations include: staffing and equipment, replacement project schedule and budget.

4.3.1 Staffing and Equipment

Potential crew costs per year were calculated using MCSD provided cost of \$45/hour which includes salary, retirement, and health insurance. With 260 calendar days in a year, a 6-person crew would cost approximately \$562,000/year, which is a significant portion of the annual



replacement budget. Although the productivity of a specific crew is difficult to estimate, a motivated and efficient 6-person contracted crew might complete roughly 400 feet of pipe per day. If \$562,000 is spent on labor costs, the balance of the \$1 million (2019 dollars) per year allocation could be dedicated to material. Assuming 8-inch pipe including foundation, bedding, trench zone material, and repair zone (asphalt) material at \$170/lf, the material budget would allow purchase of approximately 2,500 feet of pipe. If the crew can install approximately 400 feet per day, the installation might take two weeks. Allowing a couple of weeks at the start for layout and utility mark-out and a couple of weeks at the end for services and restoration would mean a six to seven-week project.

Excluding the percentage assumptions in Table 5 for general conditions and contingencies; assuming the same percentage of project cost applies for design, survey, geotechnical, environmental review and permitting (25%); and approximately half for inspection, construction management, engineering services during construction (ESDC) (10%); the annual cost for a crew working full time and having the materials for the work, is \$1.38M. It should be noted that smaller projects that District Staff could do and wouldn't require bidding, would have little to no Engineering, Survey, Geotech, CM etc. Costs associated with them and this overall cost may come in closer to \$1M per year. However, this cost does not include personnel management, training, equipment procurement, or operational and maintenance costs. Balancing the available funding in a given year while keeping the crew busy with materials available can be a challenge for the District. This amount exceeds the annual budget of \$1M per year for water rehabilitation. The District could consider cross training the crew for sewer system rehabilitation work, thereby splitting the labor cost between the sewer and water system budgets.

If only half of the crew cost was allocated to the annual water project, the \$1M budget would then also cover the design, survey, geotechnical, environmental review, permitting, materials testing, and project management costs associated with installation of approximately 2,500 feet of pipe. Similarly, for the sewer line installation, the crew should be able to install the annual length of pipe in less than three months. Any potential cost savings associated with using in-house staff, is lost because the crew is only productive for roughly half of the year.

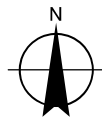
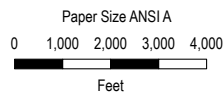
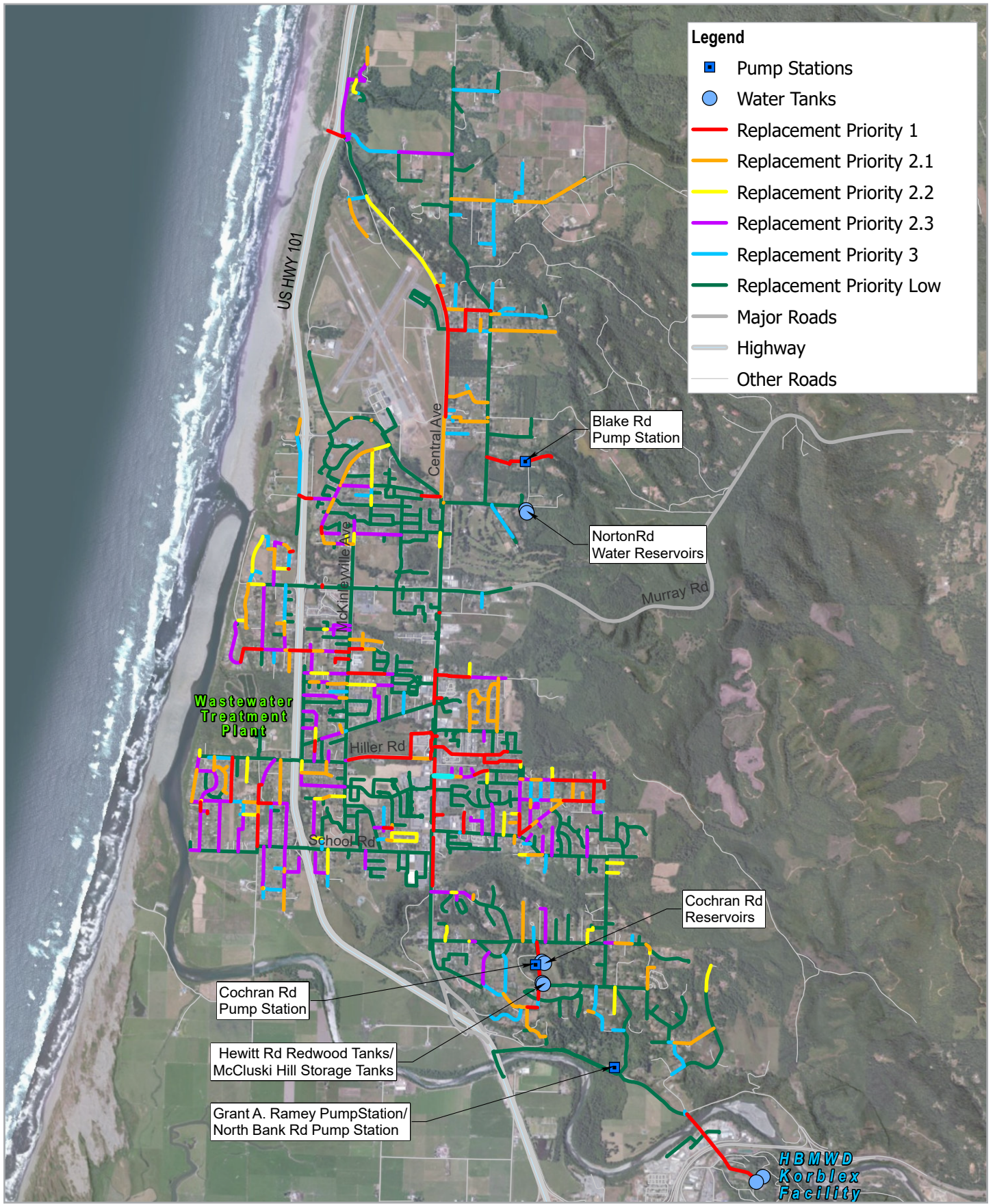
Additionally, some projects require specialized skills and equipment which, assuming not all staff have the same skills, could present project delays with a particular crew members absence for training, vacation, sick leave, or other leave. Additional cost uncertainties that make construction efforts potentially risky are equipment costs. Typical equipment would include an excavator, a backhoe, material transport vehicles, a loader, pick-up trucks, shoring, dewatering pumps, and various accessories and smaller tools. A failed piece of equipment or damaged material can cause costly delays for an in-house crew while a contractor will likely have resources available for spare equipment or materials. Relationships with local suppliers will be essential for an in-house crew.

4.3.2 Project Schedule and Budget

Flexibility can be reduced when a utility has an in-house crew performing work. Projects with special circumstances may pose a challenge or risk to the in-house crew, or special equipment or training may be necessary in any given future year and may require contracting out the work. Staff costs and associated materials to maintain production are not easily reduced to accommodate special circumstances or unique projects that require specialized skills.



Note that the project schedule for the water system does not identify any projects with special circumstances; however, they may arise due to site and pipe conditions. The sewer system master plan noted a number of priority projects in the first 8 years which vary in character and require different equipment and skills. Because of the specialized skills needed and the variability, the early sewer replacement program is not well suited for completing with a small dedicated in-house team. Therefore, an in-house crew would be limited to water system projects in the near term, negating any savings from cross training crews in sewer and water projects during this period. The District could evaluate performing the construction in-house after the first 8 years of CIP projects when the sewer work becomes less varied. Sharing a crew with another near-by district might be a means of reducing labor costs and avoiding either inefficient production or idle time.

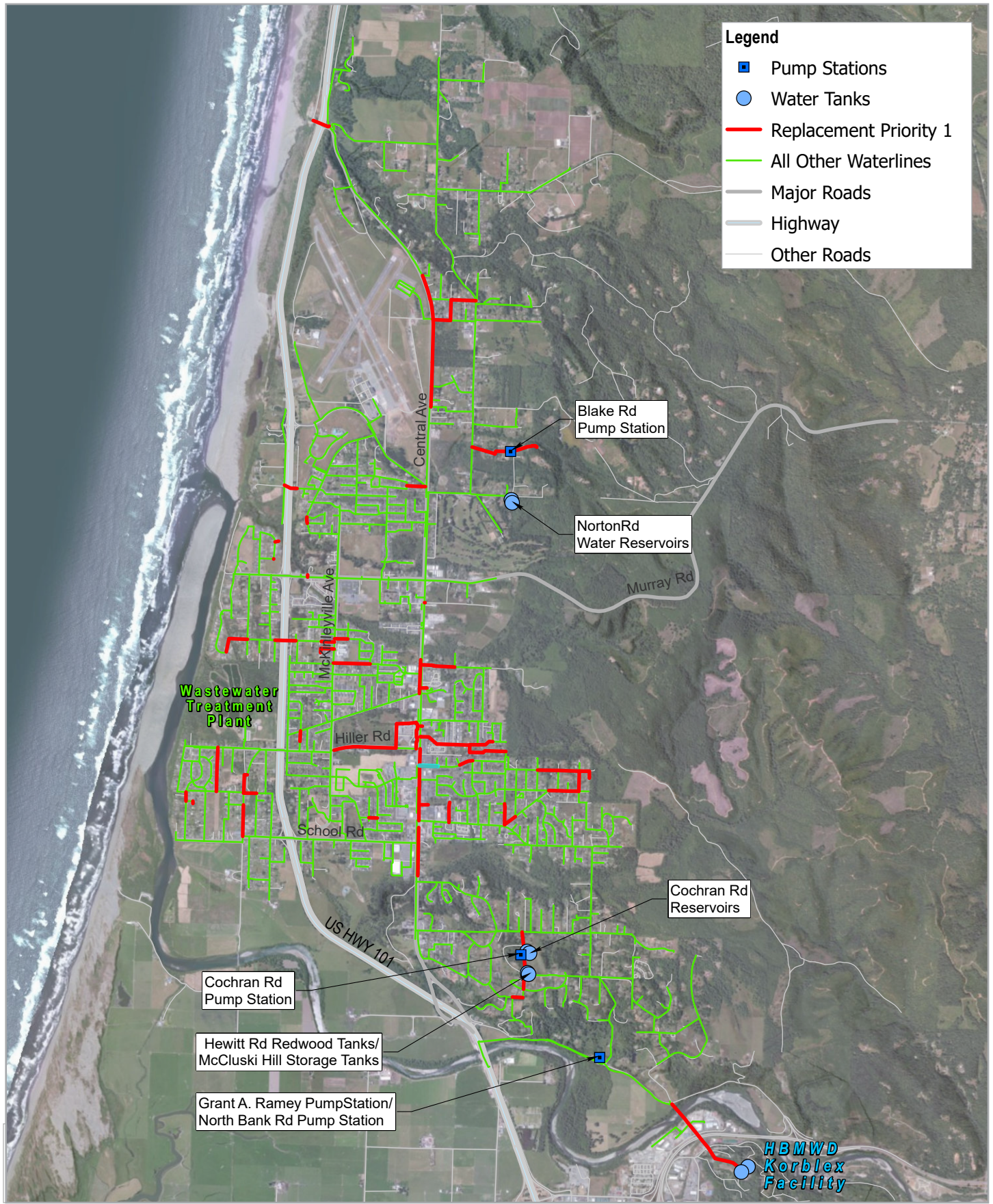


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Water Main Line Rehabilitation
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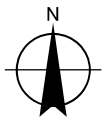
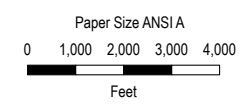
Water Replacement Analysis
All Priority Rankings

FIGURE 7



Legend

- Pump Stations
- Water Tanks
- Replacement Priority 1
- All Other Waterlines
- Major Roads
- Highway
- Other Roads



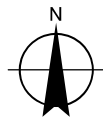
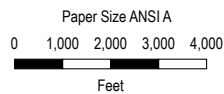
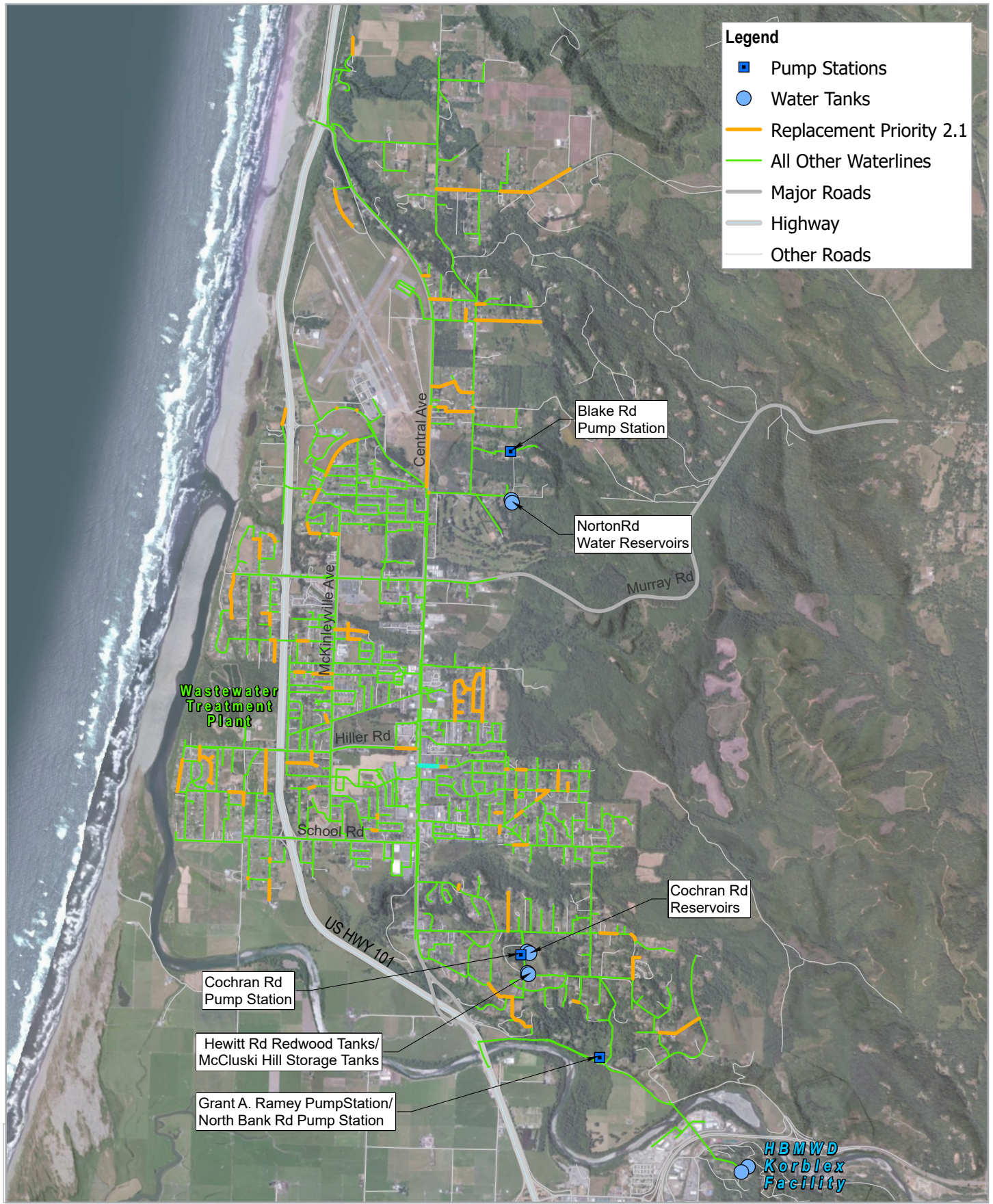
**McKinleyville Community Service District
Water Main Line Rehabilitation
Master Plan (Phase 3)**

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Date Dec 2021

**Water Replacement Analysis
Priority 1**

FIGURE 7.1

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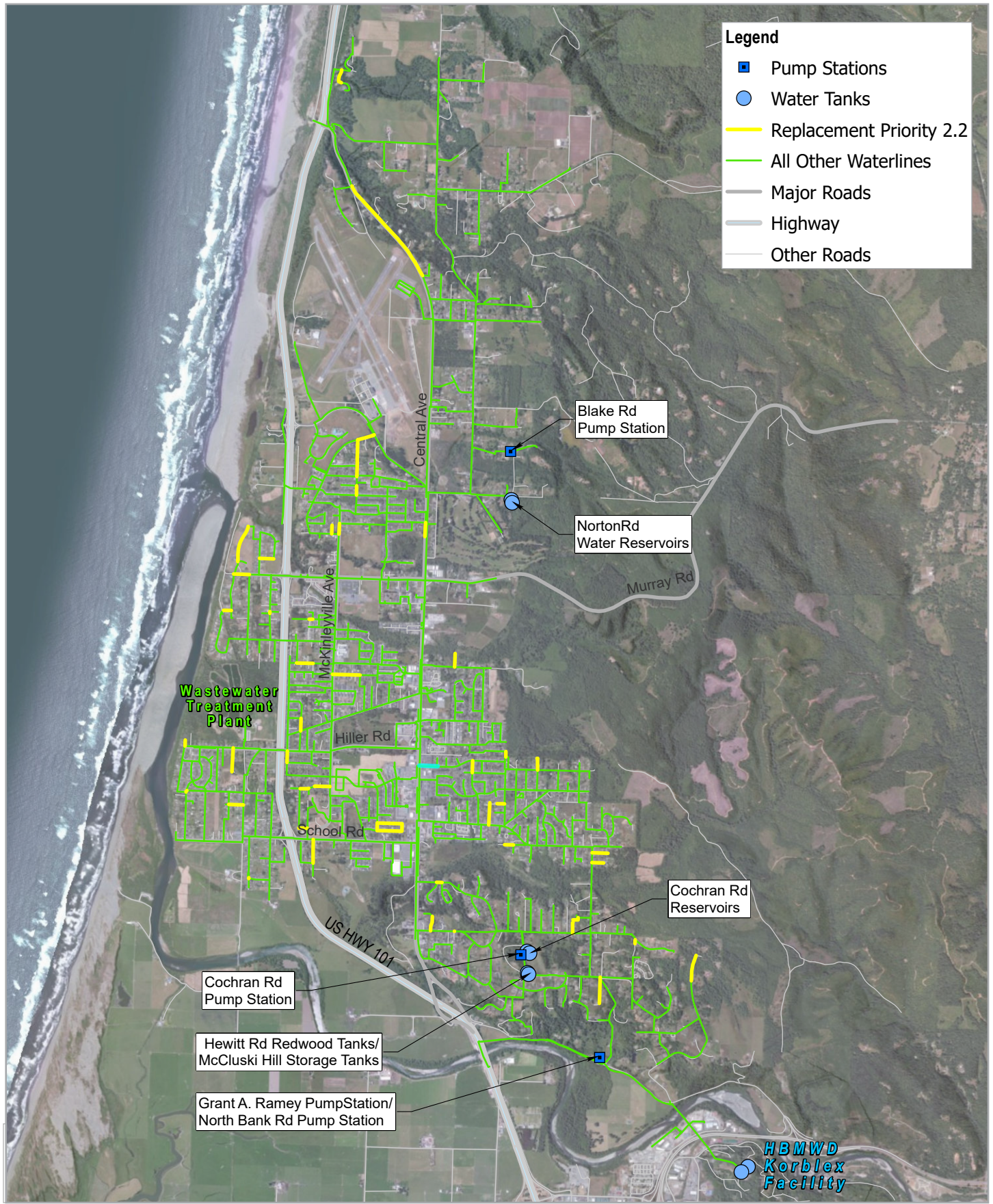


McKinleyville Community Service District
Water Main Line Rehabilitation
Master Plan (Phase 3)

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Date Dec 2021

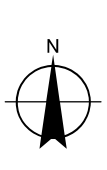
Water Replacement Analysis
Priority 2.1 BRE > 30

FIGURE 7.2



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 0 1,000 2,000 3,000 4,000
 Feet

Map Projection: Lambert Conformal Conic
 Horizontal Datum: North American 1983
 Grid: NAD 1983 StatePlane California I FIPS 0401 Feet



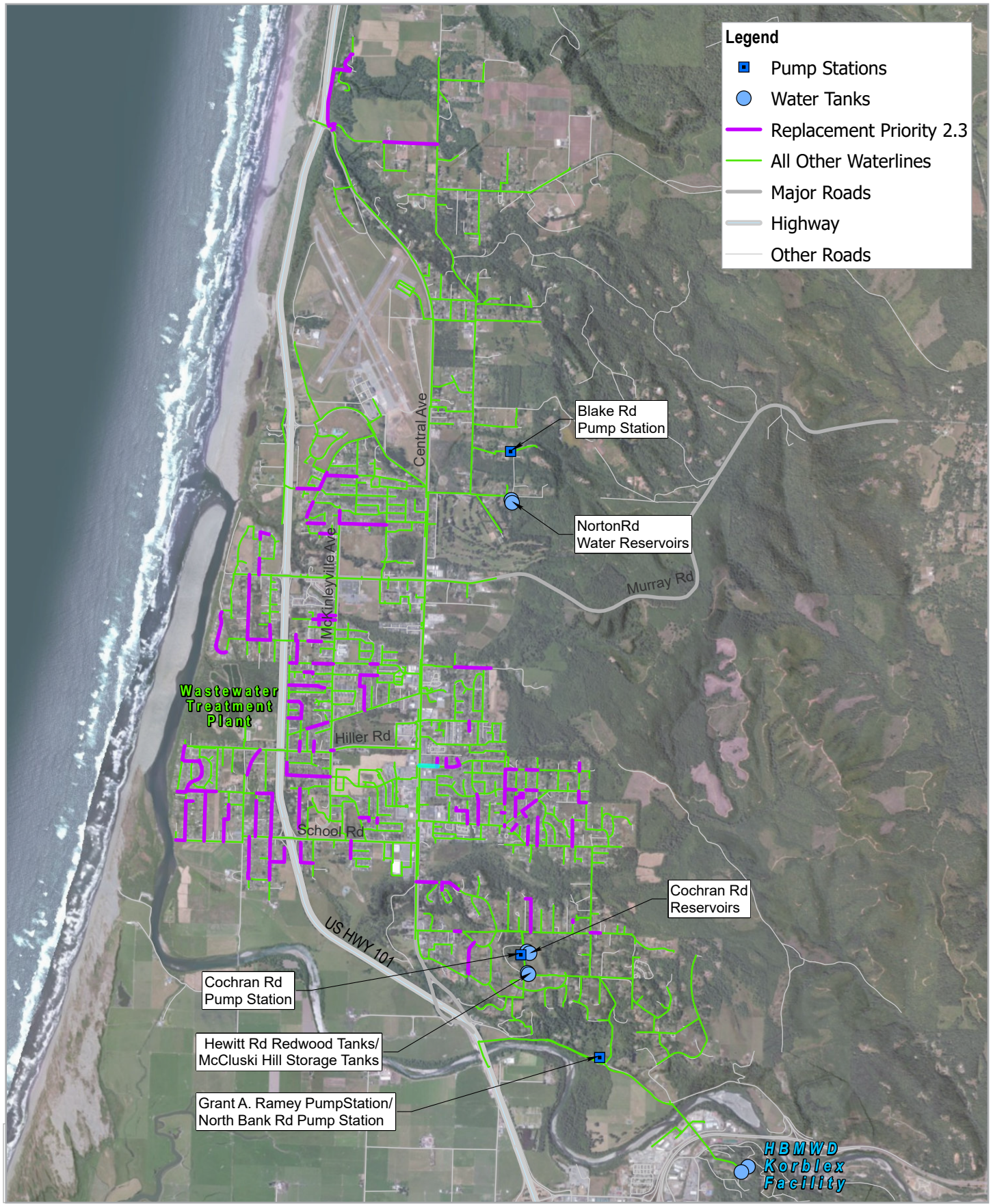
McKinleyville Community Service District
 Water Main Line Rehabilitation
 Master Plan (Phase 3)

Water Replacement Analysis
 Priority 2.2 BRE 25-30

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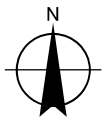
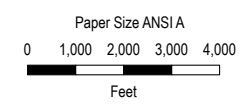
FIGURE 7.3

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Legend

- Pump Stations
- Water Tanks
- Replacement Priority 2.3
- All Other Waterlines
- Major Roads
- Highway
- Other Roads



Map Projection: Lambert Conformal Conic
Horizontal Datum: North American 1983
Grid: NAD 1983 StatePlane California I FIPS 0401 Feet



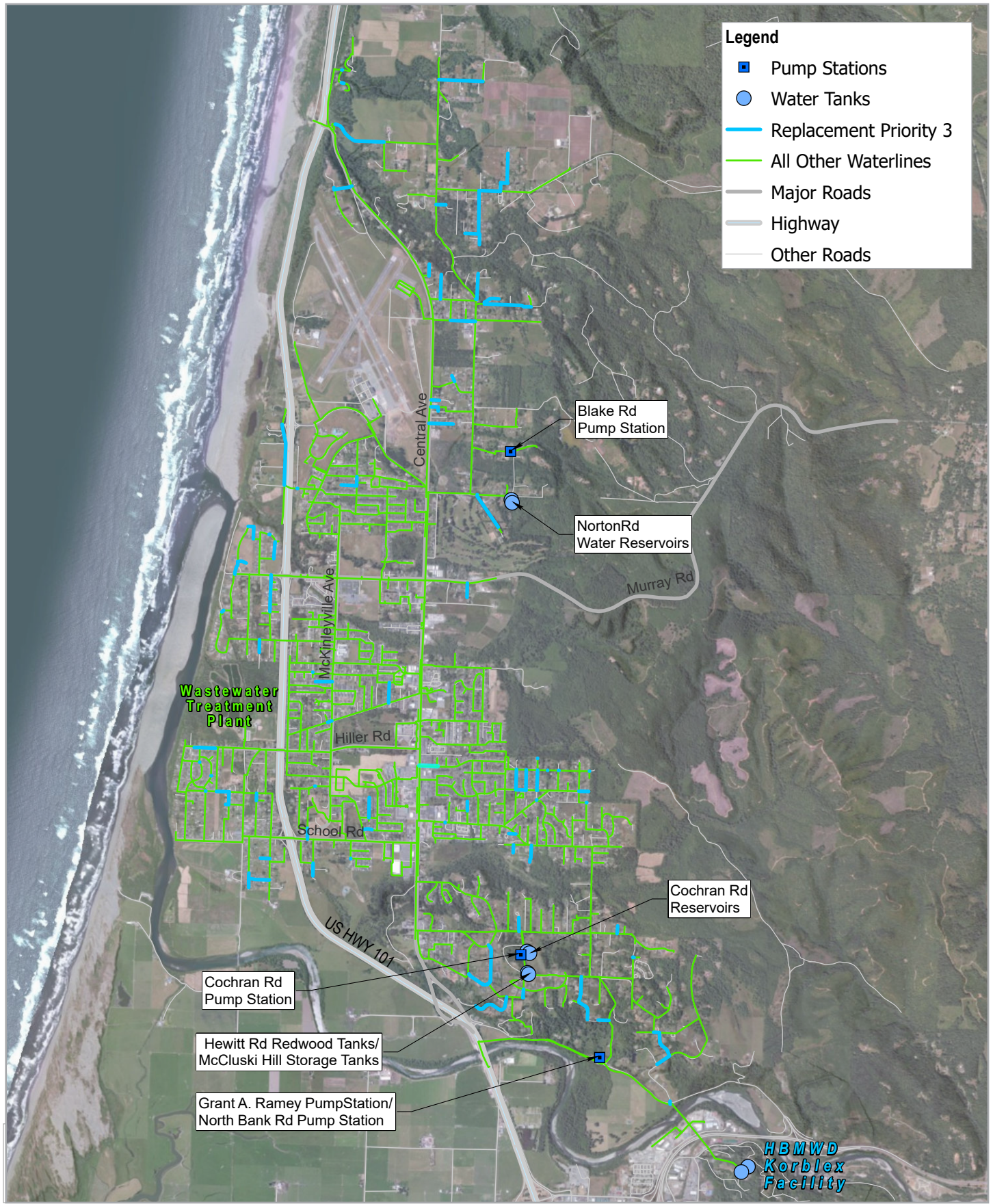
**McKinleyville Community Service District
Water Main Line Rehabilitation
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**Water Replacement Analysis
Priority 2.3 BRE < 25**

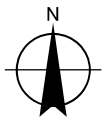
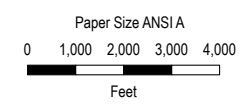
FIGURE 7.4

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Legend

- Pump Stations
- Water Tanks
- Replacement Priority 3
- All Other Waterlines
- Major Roads
- Highway
- Other Roads



**McKinleyville Community Service District
Water Main Line Rehabilitation
Master Plan (Phase 3)**

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**Water Replacement Analysis
Priority 3**

FIGURE 7.5

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5. Financial Analysis

Willdan Financial Services (Willdan) was retained by the District to develop a multi-year pro forma analysis for the water system reflecting the potential financial impact of the long-term systematic replacement of the entire distribution system as discussed in Phase 1 of this Master Plan. The results of that analysis and the total projected project cost were used to determine a reasonable yearly budget of \$1 million (2019 dollars) for the replacement of the MCSD water system main lines over 100 years. For Phase 2 of this Master Plan, Willdan was retained to prepare a rate study to see how MCSD ratepayers will be affected by the replacement of the water distribution system main lines.

The rate study consisted of three main steps: a revenue requirement analysis, cost of service analysis, and a rate design analysis. The first step, revenue requirement analysis, provides a five-year plan comparing the utility revenues to expenses in order to determine the overall rate adjustment required to maintain the system. The second step, cost of service analysis, allots the revenue requirements established in the first step as functional components distributed to customers based upon usage. The final step is to apply the revenue allotments to propose a new rate structure that covers MCSD water system costs in both the near and long term.

Willdan produced a report that has been included as Appendix C. The report provides the following:

- The general approach of the analysis and the assumptions that were made
- Projected revenues and expenses
- Required rate adjustments to achieve a positive net income
- Distribution of expenditures with existing and proposed rates
- Proposed water rates

The rates proposed by Willdan were approved by the MCSD Board of Directors at their November 2018 meeting. A summary of the approved rates is provided in Table 13. With these rates MCSD can begin building adequate reserves to support the long-term replacement of the water system with \$1 million per year (in 2019 dollars).

Table 13: Approved Water Rate Structure

	2019	2020	2021	2022	2023
Monthly Base Charge:					
5/8 inch	\$ 16.47	\$ 17.62	\$ 18.68	\$ 19.80	\$ 20.39
3/4 inch	\$ 22.23	\$ 24.49	\$ 26.71	\$ 29.11	\$ 30.59
1.0 inch	\$ 33.60	\$ 38.06	\$ 42.59	\$ 47.52	\$ 50.98
1.5 inch	\$ 62.09	\$ 71.89	\$ 82.01	\$ 93.06	\$ 101.95
2.0 inch	\$ 96.35	\$ 112.59	\$ 129.45	\$ 147.91	\$ 163.12



	2019	2020	2021	2022	2023
3.0 inch	\$ 179.52	\$ 214.61	\$ 251.43	\$ 291.85	\$ 326.24
4.0 inch	\$ 290.53	\$ 343.59	\$ 399.00	\$ 459.76	\$ 509.75
6.0 inch	\$ 575.46	\$ 682.07	\$ 793.53	\$ 915.75	\$ 1,019.50
8.0 inch	\$ 917.71	\$ 1,088.92	\$ 1,268.00	\$ 1,464.41	\$ 1,631.20
Volumetric Per 100 Cubic Feet (CCF):					
Block 1 – 0 to 8 CCF	\$ 1.57	\$ 1.68	\$ 1.78	\$ 1.89	\$ 1.95
Block 2 – All over 8 CCF	\$ 3.93	\$ 4.20	\$ 4.45	\$ 4.73	\$ 4.88
Pass-through Charge (P/CCF)	\$ 1.58	\$ 1.64	\$ 1.71	\$ 1.78	\$ 1.85

A bar graph comparing the approved rate structure to other rates in the local region for a residential customer using 800 cubic feet per month in fiscal year 2018-2019 is provided in Figure 8. The approved MCSDD water rate structure has a residential customer paying slightly above average compared to the local region.

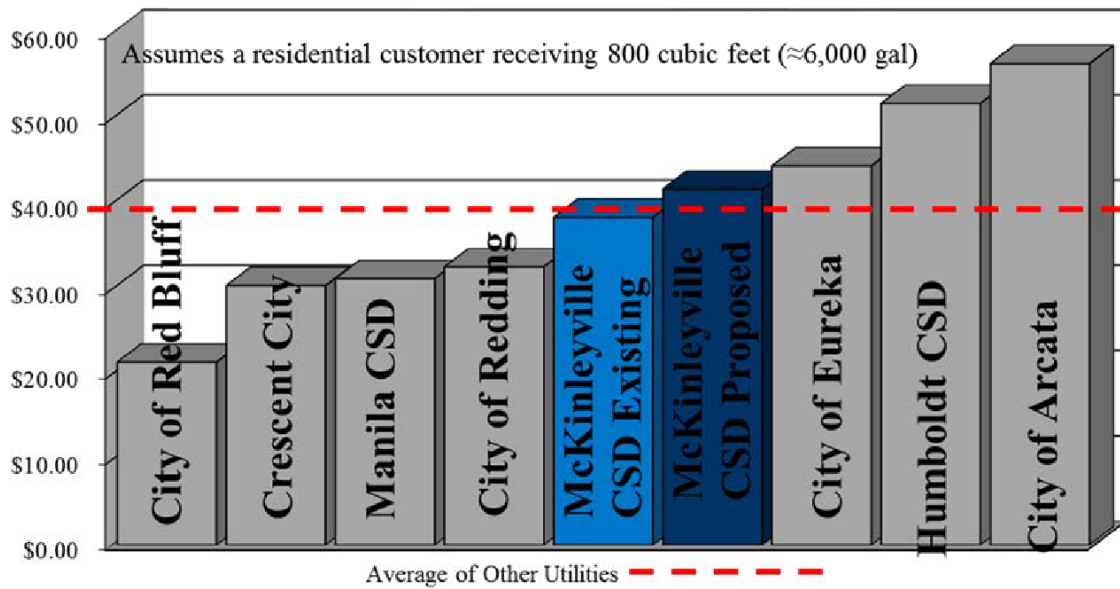


Figure 8: Residential Customer Regional Rate Comparison (800 Cubic Feet)



6. Conclusions, Recommendations, and Next Steps

This document presents a summary of all 3 phases of the MCSD Water Main Line Replacement and Rehabilitation Master Plan, a high-level assessment of the District's water distribution system for use in initial planning for rehabilitation and upgrades to the system.

Phase 3 has provided the following:

- Highlights of the Phase 1 system analysis
- Highlights of the Phase 2 information on viable replacement methods and financial analysis based on the Phase 2 proposed spending plan
- Discussion of in-house or contracting of construction work and comparison of costs
- Summary of physical testing results
- Risk Framework for evaluating the District's system
- Updated replacement plan using a risk-based prioritization approach

This final section presents conclusions, recommendations, and information on the next steps in the overall process.

6.1 Conclusions

This Master Plan presents a Risk Framework for evaluating and assigning priority for the replacement of MCSD's water distribution system. The District can replace the most critical portions of the MCSD water distribution system in the next 50 years with a reasonable adjustment to user rates by using the risk-based prioritization presented in this master plan.

Following the prioritization presented in this master plan, spending an average of \$1 million (2019 dollars) per year on the system will allow Priority 1 and over half of Priority 2 pipes to be replaced which equates to 18.6 miles of the District's 8-inch or smaller AC pipe in 50 years. This represents 50% of the District's 8-inch or smaller AC pipe, or 22% of the entire system. Replacement activities will help to ensure the continued high quality of service to their customers. Actual construction costs may differ and will depend on pipe conditions. Confirmation of the appropriate replacement method during the design phase of each project.

6.2 Recommendations and Next Steps

While there are currently no high-priority, near-term projects required for the distribution system, it is critical that the District begin planning and budgeting for upgrades and replacement of system components. The approved rates from Section 4 were made assuming that MCSD would begin putting aside \$860,000 to \$960,000 for each of the next four years starting in 2019 and then reserving the full \$1 million (2019 dollars) per year after that period. With rate adjustment approved, the project financing is securely in place and it is recommended that MCSD execute the replacement of its water system beginning with the pipe segments identified as Priority 1 followed by Priority 2 and then Priority 3. Within the Priority groups, it is recommended that BRE scores be



used to prioritize projects. The District should begin the planning and design process for the early proposed projects so construction can begin around 2024.

Asset condition for the risk assessment performed as part of this master plan is largely based on the 3 AC pipes samples collected and physically tested, one segment of DI pipe CCTV-ed, and one location of DI pipe with ultrasonic thickness testing. Results of physical testing were then extrapolated to subsets of assets based on material and diameter; however, condition within a subset can vary. Additional physical testing could be performed to refine and update the condition of the assets, as well as additional physical testing. As pipes are replaced, condition scores should be updated to reflect the improvements.

As for the feasibility of hiring more District staff and creating an in-house crew, versus a contracted crew, it can be argued both ways. For smaller projects, that don't require extensive equipment, hiring 1 or 2 more employees and utilizing part of the existing staff for a few weeks per year would be more feasible than hiring a contracted crew. It would require the District to purchase a few pieces of equipment that can also be utilized in other areas of the day-to-day operations. You could complete more of the smaller projects per year, as it would cut down on the Engineering, Survey, Geotech etc. and wouldn't require the bidding process. The 1 or 2 additional staff members would stay employed year-round and would help catch up on the work that was postponed during the month of construction.

A contracted crew would be more specialized and would have the equipment needed to complete the required replacement/rehabilitation along with the personnel trained on operating the specialized equipment. This would be ideal for bigger jobs in paved roads, with a lot of traffic that might require any method other than the trenching and replacing method. A contracted crew can also pull in more employees as needed, for flagging in busy streets etc. A potential cost savings for the District would also be to develop a list of approved Contractors and as the design of each job is completed, they could solicit costs from Contractors on the list, rather than doing a detailed bid process.

This master plan focuses on the District's capital expenditures and using the risk assessment to prioritize capital projects. However, in addition to the capital project recommendations, the District can use the risk assessment results to identify appropriate maintenance activities and intervals for the water distribution system assets depending on the criticality of the pipe segment and appurtenances. Maintenance activities should include flushing of water lines and exercising of valves to ensure best performance and functionality.

Lastly, this master plan and the associated risk model is considered a living plan that should be updated as additional condition information is known or as replacement projects are completed. Condition scores and probability of failure can be updated at the asset level to obtain updated prioritization.

McKinleyville Community Services District: Water and Sewer Master Plans

Presentation to the Board

February 2, 2022

Presenters:

Patrick Sullivan, Project Manager (GHD)

Jill Kjellsson, Project Engineer (GHD)

Presentation Outline

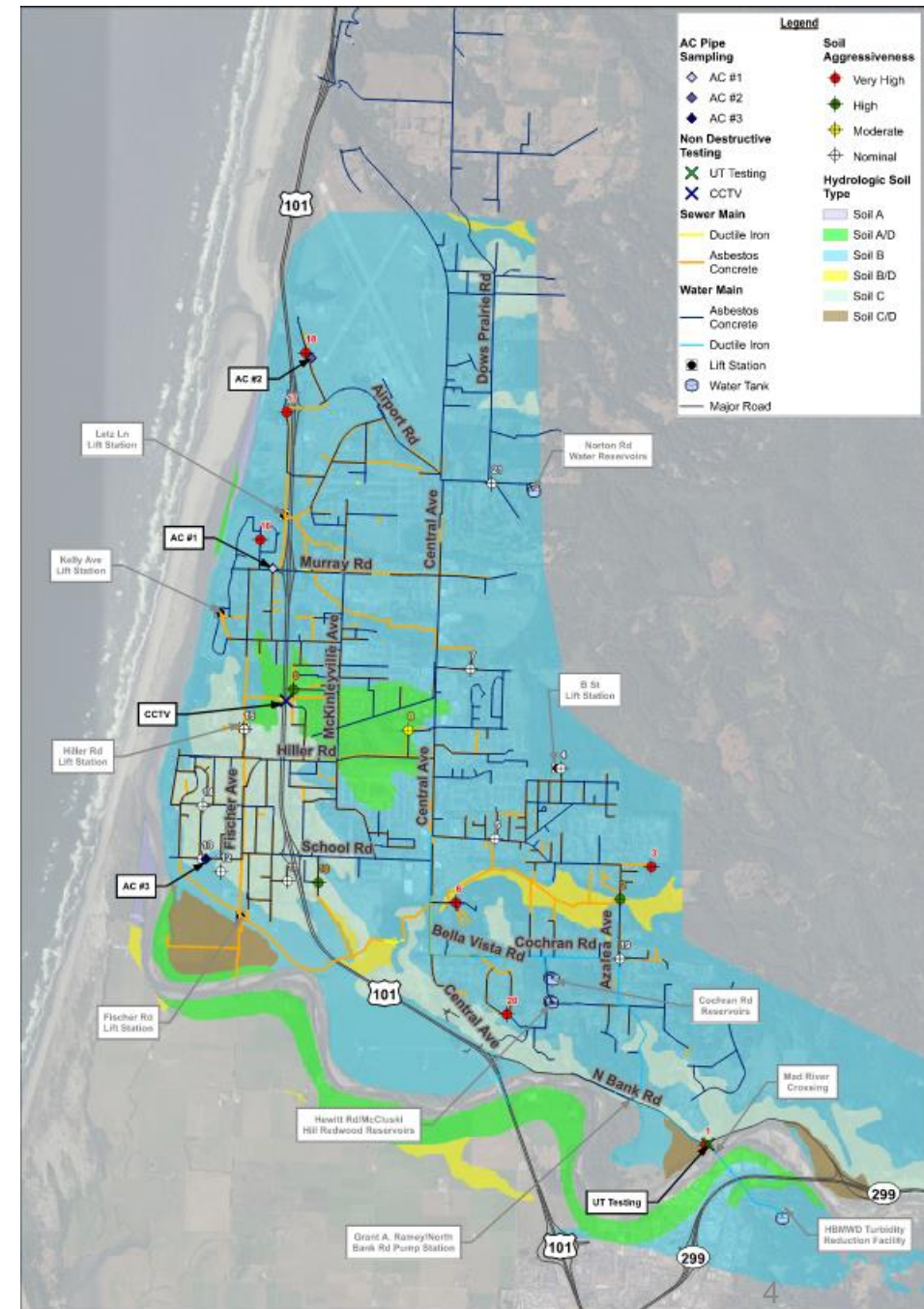
- Master Planning Phases 1, 2 & 3 (2016-present)
- Phase 3 Highlights:
 - Field Condition Assessment
 - Risk-Based Prioritization of Rehabilitation Plan
- Recommended Rehabilitation Plans (Water and Sewer)
- Next Steps

Previous Work (2016-2019)

- Drivers
 - Aging infrastructure reaching end of useful life
- Goal
 - Provide a roadmap for rehabilitation of the sewer and water systems
- Phase 1
 - Review of previous related studies
 - Preliminary needs assessment
 - Financial analyses (performed by Willdan)
- Phase 2
 - Evaluation of replacement methodologies
 - Preliminary 50-year replacement schedule
 - Rate study (performed by Willdan)

Phase 3 (2020-present)

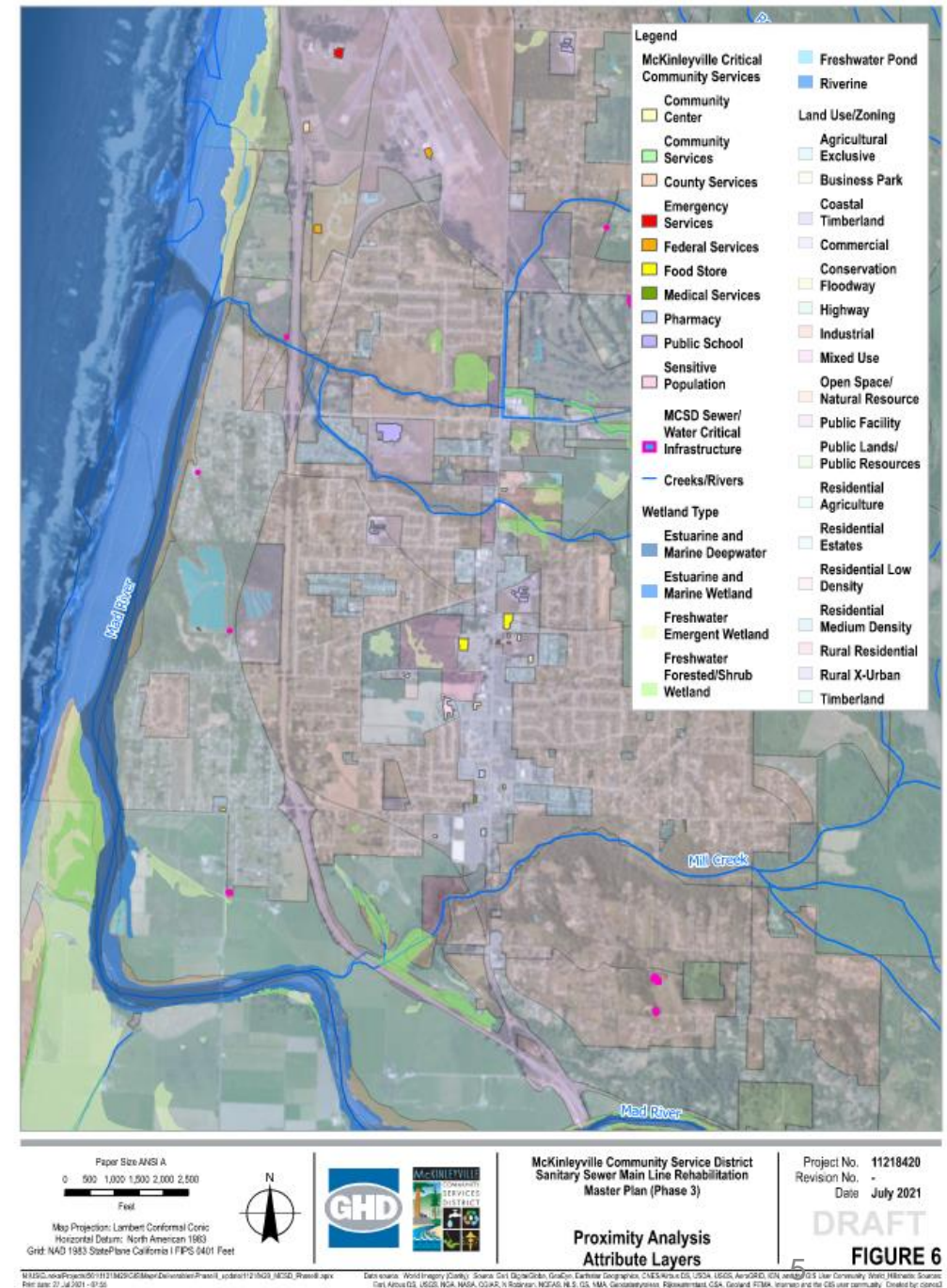
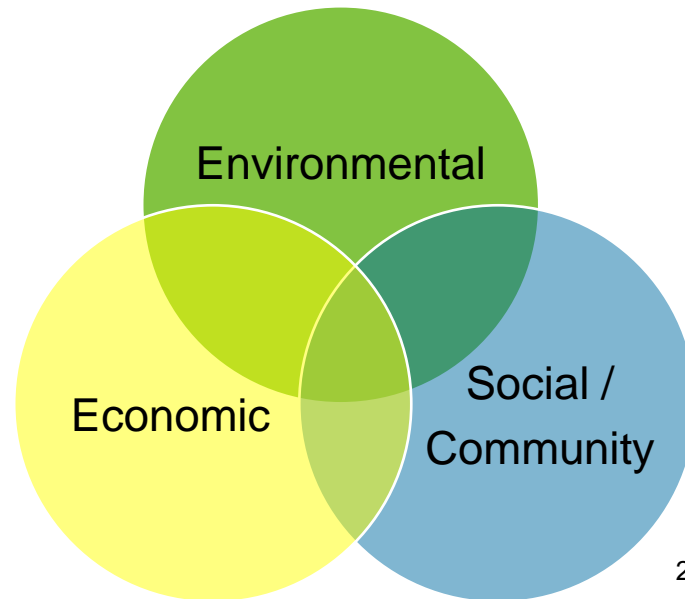
- Field Investigation
 - Worked with District staff
 - Soil sampling
 - Pipe sampling



Phase 3 (continued)

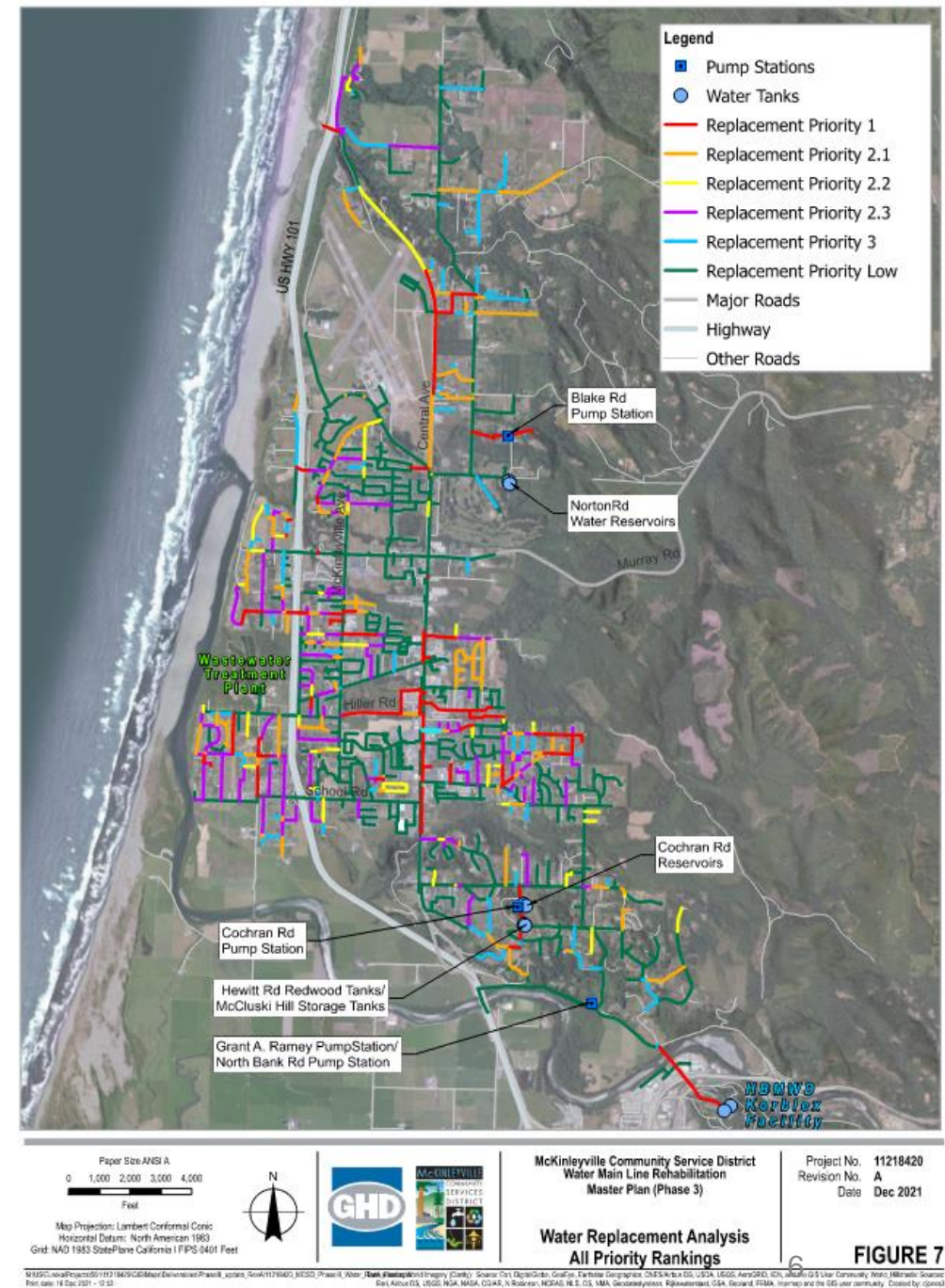
- Risk-Based Prioritization
 - Pipe condition
 - Consequence of failure
- Update Schedule

Triple Bottom Line



Recommended Water Rehabilitation Plan

- Begin with Priority 1
- Further prioritized within each group in the master plan



Next Steps

- MCSD can implement these projects based on priority and availability of funds
- Visual inspection of the sewer pipes be performed to confirm the condition of the pipe prior to replacement
- Update the risk model and schedule as work is performed and pipes are replaced
- Costs are opinions of probable cost
 - Evaluated in-house vs. contracting

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: E.4 **Discuss and Consider and Approval of Resolution 2022-05 Adopting the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the 4.5MG Water Storage Tank Project and Approving the Project**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that Board review the information, discuss, take public comment and approve Resolution 2022-05, which adopts the Mitigated Negative Declaration and the Mitigation Monitoring Reporting Program, approves the 4.5MG Water Storage Tank Project, and directs the General Manager to file the Notice of Determination with the County within 5 days.

Discussion:

Background and Project Description

The District proposes to add a new 4.5 million-gallon (MG) water storage reservoir to its existing water distribution system. The Project consists of construction of the new reservoir and access road at MCSD's existing Cochran Road tank site. Two tanks with a total storage volume of 2.5 MG are currently at the site (APN 509-021-046) and will remain in use. The new reservoir will be located southeast of the existing tanks (APN 509-021-045) and will supplement MCSD's existing storage volume increasing distribution system resiliency in the event of seismic or other emergency events.

The 4.5 MG reservoir will be a circular, prestressed, concrete tank constructed onsite. The reservoir will be 142 feet in diameter and have a total height of 52 feet. It will be backfilled around its full circumference to a depth of 18 to 30 feet to resist sliding forces associated with earthquake events. Road access will be from the existing tank site off Hilltop Lane. A 17-foot wide paved road with 3-foot swale will be provided around the reservoir to provide access for routine maintenance. All permanent cut slopes will be constructed to a gradient of 2H:1V. The total area of disturbance including the tank site, outfall pipeline, construction staging area, and excavated material storage area will be approximately 113,800 square feet (2.61 acres). A new overflow drain line will be constructed that will serve both new and existing reservoirs at the tank

site. The new 18-inch drain line will be routed to the northeast to drain towards the existing storm drain system on the south side of Cochran Road. Sections of the new drain pipeline will be buried, with approximately 260 feet being constructed above ground to minimize impacts to the environmentally sensitive area located northeast of the proposed 4.5 MG reservoir. The new drain will be utilized for tank overflow and existing site stormwater drainage.

CEQA Process

An Initial Study and Mitigated Negative Declaration (IS/MND) was prepared detailing the Project components and potential environmental impacts as required by the California Environmental Quality Act (see **Attachment 1** for a portion of the IS/MND, the full document and comments are located on the State Clearinghouse website at: <https://ceganet.opr.ca.gov/2021120195>). The IS/MND was circulated and filed with the State Clearing House (SCH# 2021120195) along with a Notice of Completion on December 10, 2021 (**Attachment 3**). A Notice of Intent to Adopt was published in the Mad River Union on December 15, 2021 (**Attachment 2**). Only one comment was received, and it was from the State Water Resources Control Board (SWRCB) (**Attachment 4**). The comment letter stated the need to permit the new tank with the State Division of Drinking Water. The response to comment is provided as **Attachment 5**.

CEQA also requires that “When adopting a mitigative negative declaration, the lead agency shall also adopt a program for reporting on or monitoring the changes which it has either required in the project or made a condition of approval to mitigate or avoid significant environmental effects” (15074(d)). Toward that end, a “Mitigation, Monitoring and Reporting Plan” (MMRP), was prepared and is included as **Attachment 7**. The MMRP details the mitigation measures contained in the MND and outlines and summarize how the measures will be monitored, who is responsible for performing or seeing the monitoring is performed, and the necessary reporting requirements. The Board will need to Adopt the MMRP as part of the CEQA process.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

The estimated construction cost for this project is \$10.3M including engineering and Construction Management. This is \$3.1M over the cost estimate submitted with the Hazard Mitigation Grant application. The grant was for a total of \$7.2M (\$5.4 Federal share and \$1.8M match). We have reached out to CalOES to see if there are additional grant funds available to cover the shortfall. We have been told there is additional funding, and the District has submitted a letter with the revised cost estimate and a revised Benefit Cost Analysis asking for an additional \$3.1M. If available, FEMA/CalOES would cover \$2.33M or 75% of the additional

cost, and the District would have to match that with \$777,000 above our original match commitment of \$1.8M. The total District match for the \$10,331,280 project would be \$2,582,820, assuming CalOES/FEMA funds the additional request. \$4,132,000 was budget for the permitting, engineering, property purchase and initial construction costs in Fiscal Year 2021/22. The remaining construction cost will be budgeted for in the 2022/23 Fiscal Year. As detailed at the January 5, 2022 Board Meeting, \$2.5M in bonds will be issued to pay for the required District match.

Environmental Requirements:

This is the CEQA document for the Project. Additional permits will be required for the implementation of the Project.

CEQA requires that the Board:

- Adopt the Mitigated Negative Declaration for the project,
- Adopt the Mitigation Monitoring and Reporting Plan for the Project, and
- Approve the Project.
- The District is then required to file a Notice of Determination with the County Recorder's office within five working days of the decision to approve a project (**Attachment 8**).

All of these items are addressed in Attachment 6, Resolution 2022-05, and Approval of the Resolution will enact the required Adoptions and Approvals and Direct the General Manager to file the Notice of Determination.

Exhibits/Attachments:

- Attachment 1 – A portion of 4.5 Million Gallon Water Storage Tank Initial Study and Mitigated Negative Declaration; see State Clearinghouse Link to Full Document and comments:
<https://ceqanet.opr.ca.gov/2021120195>
- Attachment 2 – Proof of Publication
- Attachment 3 – Notice of Completion & Environmental Document Transmittal
- Attachment 4 – Comment Letters Received
- Attachment 5 – Response to Comments
- Attachment 6 – Resolution 2022-05
- Attachment 7 – Mitigation, Monitoring and Reporting Program
- Attachment 8 – Notice of Determination

INITIAL STUDY and
DRAFT MITIGATED NEGATIVE DECLARATION



**MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
4.5 Million Gallon Water Storage Reservoir**

**PUBLIC DRAFT
December 2021**

Lead Agency:
McKinleyville Community Services District
1656 Sutter Road
McKinleyville, CA 95519

Prepared by:



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Appendix A – Viewshed Analysis & Planting Plan

Appendix B – Cal EEMod Project Report

Appendix C – Biological Resource Assessment

Appendix D – Wetland Delineation Report

Appendix E – Applicable Code, Policies, and Plans

Appendix F – Mitigation, Monitoring, and Reporting Program

1.0 Project Information

PROJECT TITLE: McKinleyville Community Services District 4.5 Million Gallon Water Storage Reservoir

LEAD AGENCY: McKinleyville Community Services District
CONTACT: Patrick Kaspari, General Manager
1656 Sutter Rd.
McKinleyville, CA 95519
Phone: (707) 839-3251 Email: pkaspari@mckinleyvillecsd.com

PREPARED BY: Planwest Partners, Inc.
1125 16th Street, Suite 200
Arcata, CA 95521
Phone: (707) 825-8260 Email: vanessab@planwestpartners.com

PROJECT LOCATION: Cochran Road, McKinleyville, Humboldt County, CA

ASSESSOR'S PARCEL NUMBER: 509-021-046 and 509-021-045

GENERAL PLAN DESIGNATION: APN 509-021-046 and -045: RL1 (Residential Low Density; one dwelling unit per acre)

ZONING DESIGNATION: APN 509-021-046: RS (Residential Suburban); APN 509-021-045: RS & R-1-B-3 (Residential One-Family, Special Building Site, 20,000 sq.ft.)

PROJECT DESCRIPTION:

Project Overview

McKinleyville Community Services District (MCSD or District) proposes to add a new 4.5 million-gallon (MG) water storage reservoir (tank) to its existing water distribution system. The Project consists of construction of the new reservoir and access road at MCSD's existing Cochran Road tank site (Figure 1). Two tanks with a total storage volume of 2.5 MG are currently at the site (APN 509-021-046) and will remain in use. The new reservoir will be located southeast of the existing tanks (APN 509-021-045) and will supplement MCSD's existing storage volume increasing distribution system resiliency in the event of seismic and other emergency events.

The 4.5 MG reservoir will be a circular, prestressed, concrete tank constructed onsite. The reservoir will be 142 feet in diameter and have a total height of 52 feet. It will be backfilled around its full circumference to a depth of 18 to 30 feet to resist sliding forces associated with earthquake events. Road access will be from the existing tank site off Hilltop Lane. A 17-foot wide paved road with 3-foot swale will be provided around the reservoir to provide access for routine maintenance. All permanent cut slopes will be constructed to a gradient of 2H:1V. The total area of disturbance including the tank site, outfall pipeline, construction staging area, and excavated material storage area will be approximately 113,800 square feet (2.61 acres). Temporary and/or permanent storage of excess excavated (cut) material will be onsite west of the proposed new tank. The excess cut material will be about 10 ft deep with 3H:1V slopes designed/ placed so that it will not erode or result in sedimentation down slope. The area will be revegetated if permanent placement is pursued.

A new overflow drain line will be constructed that will serve both new and existing reservoirs at the tank site. The new 18-inch drain line will be routed to the northeast to drain towards the existing storm drain

system on the south side of Cochran Road. Sections of the new drain pipeline will be buried with approximately 260 feet being constructed above ground to minimize impacts to the environmentally sensitive area located northeast of the proposed 4.5 MG reservoir. The new drain will be utilized for tank overflow and existing site stormwater drainage. Stormwater runoff created by new impervious surfaces is planned to be captured onsite in accordance with Humboldt County's MS4 General Permit requirements. Design of the stormwater capture system will take place during detailed project design. A site plan showing the new tank location, hill cut, and road access is shown in Figure 2.

The reservoir will be connected to MCSD's existing telemetry system to monitor and control water levels. A small mixer will be installed inside the reservoir to help maintain water quality by reducing water age. The existing electrical motor control center is at the end of its useful lifespan and will be replaced with a new motor control center to support the two existing storage reservoirs and the proposed new 4.5MG reservoir at the site.

Project Objectives

- Increase water system storage capacity to increase system resiliency during emergency events, such as significant seismic activity, if supply from Humboldt Bay Municipal Water District is interrupted.

Background

Humboldt Bay Municipal Water District (HBMWD) is a regional wholesale water provider that supplies water to MCSD through a single pipeline buried below the bed of the Mad River. This single source of water to MCSD is seismically vulnerable and could fail during an earthquake depending on its severity. MCSD currently has approximately two days of emergency water storage assuming normal average day demand. The addition of the new 4.5 MG water reservoir will significantly increase system resiliency helping to ensure its ability to continue providing water for up to 4 days in the event the connection to HBMWD is lost due to a seismic or other emergency event.

Regional Setting

The project site is located in McKinleyville on the north coast of California in Humboldt County which is approximately 280 miles north of San Francisco, California and 180 miles southwest of Medford, Oregon. The District's service area extends north from the Mad River to Patrick Creek and east from the Pacific Ocean to the foothills bordering the community of Fieldbrook. The District is located along Highway 101 approximately 12 miles north of the City of Eureka and 5 miles south of the City of Trinidad. MCSD provides water service to the community of McKinleyville which has an estimated population of 17,208¹. The surrounding area is primarily agricultural exclusive to the south and timberland to the east and north.

Single-family residential uses are present to the north and south of the project site with small, forested areas to the east and west. The Project site is surrounded by single family low density residential properties to the north, west, and south. Directly east of the Project site is a forested wetland area (APN 509-021-054). The project site is partially developed with two existing water reservoirs and associated infrastructure located on APN 509-021-046. APN 509-021-045 is currently undeveloped with slopes ranging from 9 to 22 percent. This vegetated parcel contains upland grasses and shrubs upslope of the existing and proposed tanks and forested wetlands along the southeastern property boundary.

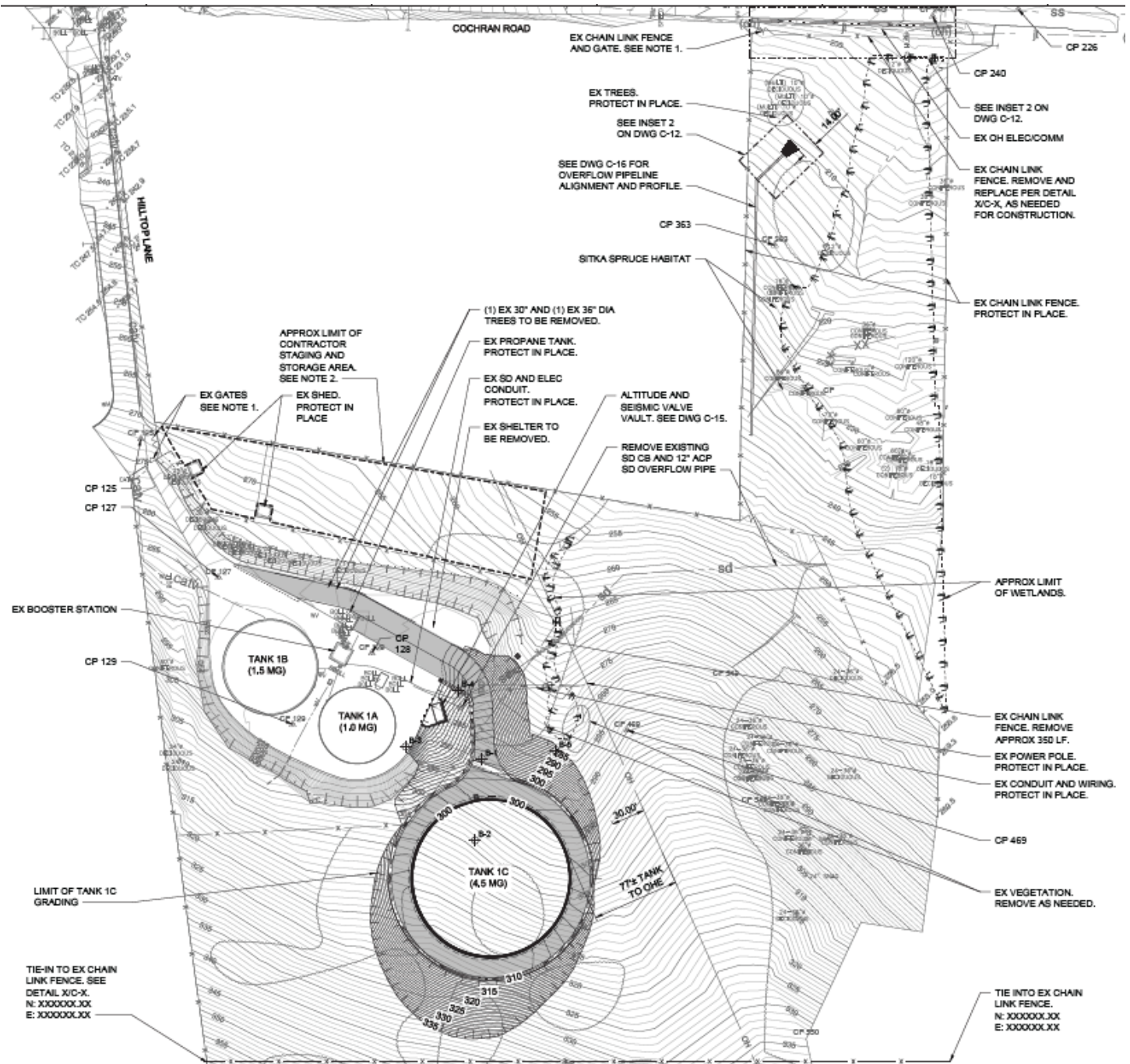
¹ US Census, American Community Survey 2019 5-year Estimates, McKinleyville CDP. Estimate is 17,208 with a margin of error of +/- 1,034. Accessed March 24, 2021.

Figure 1: Project Location



Source: JB Lovelace and Associates, Biological Resources Assessment MCS D 4.5 MG Water Reservoir.

Figure 2. Site Plan



Source: Kennedy Jenks, 30% Design.

Landscaping Plan

The project includes a planting plan with trees to provide screening of the new tank (Appendix A). As the trees mature and grow taller more screening will be provided. The planting plan includes regionally appropriate trees, shrubs, and grass species including, but not limited to, western red cedar, douglas fir, big leaf maple, rhododendron, California lilac, and red flowering current. All disturbed areas will be promptly revegetated in accordance with the project planting plan.

Construction Stormwater Management

The project would disturb more than one acre of ground surface and is therefore subject to the Construction General Permit Order 2009-0009-DWQ. A Stormwater Pollution Prevention Plan (SWPPP) will be developed and implemented for the duration of construction activities at the project site to manage and reduce the potential for pollution from concentrated stormwater runoff from the site. The SWPPP would address pollutant sources, non-stormwater discharges resulting from construction, best management practices, and other requirements specified in the Order. The BMPs would include any measures included in the project's erosion control plans. The SWPPP would also include dust control practices to prevent wind erosion, sediment tracking, and dust generation by construction equipment. A qualified SWPPP practitioner would oversee implementation of the SWPPP, including visual inspections, sampling and analysis (if necessary), and ensuring overall compliance.

Erosion Control

The following erosion control actions would be implemented by the construction contractor to prevent soil erosion and sedimentation during construction. Erosion and sediment control actions would be in effect and maintained by the contractor on a year-round basis until all disturbed areas are stabilized.

- Stockpiled material would be covered or watered to eliminate excessive dust, as necessary.
- Fiber rolls or similar products would be utilized in appropriate locations to reduce sediment runoff from disturbed soils, as necessary.
- Storm drain inlets receiving stormwater runoff would be equipped with inlet protection, as necessary.
- A concrete washout area would be designated to clean concrete trucks and tools, as necessary.

Air Quality Emission Control During Construction

The project includes the following air quality control actions to reduce construction generated emissions:

- All exposed surfaces (e.g., parking areas, staging areas, soil piles, graded areas, and unpaved access roads) would be watered as necessary during dusty conditions.
- If loose material becomes airborne during transportation, all haul trucks transporting soil, sand, or other loose material off-site would be covered.
- Disturbed roadways would be re-paved as soon as possible following work in the area, as appropriate.
- All visible mud or dirt track-out onto adjacent public roads would be removed using wet power vacuum street sweepers, as necessary. The use of dry power sweeping is prohibited.
- Idling times would be minimized by shutting equipment off when not in use.
- All construction equipment would be maintained and properly tuned in accordance with manufacturer's specifications.

Noise Reduction Actions

During project construction, the following actions would be incorporated into the project to reduce daytime noise impacts to the maximum extent feasible:

- A preconstruction meeting/conference call would be held among the MCSD, construction manager and the general contractor to confirm that the following noise reduction practices are to be implemented in the appropriate phase of construction.
- Hours of construction would be limited to between 7:00 AM and 6:00 PM, Monday through Friday, and 10:00 AM and 5:00 PM on Saturdays. No construction would be allowed on Sundays, except in an emergency. Specifications/plans would note these hours of construction.
- Semi-stationary equipment (e.g., generators, compressors, etc.) would be located as far as possible from residences near the site or shielded behind a structure if feasible.
- Quietest available equipment and electrically-powered equipment would be used, rather than internal combustion engines where feasible.
- Equipment and on-site trucks used for project construction would be equipped with properly functioning noise control devices such as mufflers, shields, and shrouds. All construction equipment would be inspected at periodic intervals to ensure proper maintenance and resulting lower noise levels.
- Impact tools (e.g., jack hammers, pavement breakers, rock drills) used for project construction would be hydraulically or electrically powered wherever possible to avoid noise associated with compressed-air exhaust from pneumatically powered tools.

Approvals Required

The project would require the following approvals and discretionary actions:

- MCSD Adoption of the Initial Study/Mitigated Negative Declaration

Other review and/or approvals may be required from the following agencies:

- North Coast Regional Water Quality Control Board
- California Department of Fish and Wildlife
- U.S. Fish and Wildlife Service
- U.S. Army Corps of Engineers
- County of Humboldt

2.0 Statement of Findings and Determination

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED:

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a "Potentially Significant Impact" as indicated by the checklist on the following pages.

- | | | |
|------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Geology/Soils | <input type="checkbox"/> Population/Housing |
| <input type="checkbox"/> Agricultural & Forestry Resources | <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Public Services |
| <input type="checkbox"/> Air Quality | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Recreation |
| <input checked="" type="checkbox"/> Biological Resources | <input checked="" type="checkbox"/> Hydrology/Water Quality | <input type="checkbox"/> Tribal Resources |
| <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Land Use/Planning | <input type="checkbox"/> Transportation |
| <input type="checkbox"/> Energy | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Utilities/Service Systems |
| <input checked="" type="checkbox"/> Mandatory Findings of Significance | <input type="checkbox"/> Noise | <input type="checkbox"/> Wildfire |

DETERMINATION

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment, and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a "potentially significant impact" or "potentially significant unless mitigated" impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature

Printed Name

Date

For

3.0 Environmental Impacts Evaluation and Checklist

- 1) A brief explanation is required for all answers except "No Impact" answers that are adequately supported by the information sources a lead agency cites in the parentheses following each question. A "No Impact" answer is adequately supported if the referenced information sources show that the impact simply does not apply to projects like the one involved (e.g., the project falls outside a fault rupture zone). A "No Impact" answer should be explained where it is based on project-specific factors as well as general standards (e.g., the project will not expose sensitive receptors to pollutants, based on a project-specific screening analysis).
- 2) All answers must take account of the whole action involved, including off-site as well as on-site, cumulative as well as project-level, indirect as well as direct, and construction as well as operational impacts.
- 3) Once the lead agency has determined that a particular physical impact may occur, then the checklist answers must indicate whether the impact is potentially significant, less than significant with mitigation, or less than significant. "Potentially Significant Impact" is appropriate if there is substantial evidence that an effect may be significant. If there are one or more "Potentially Significant Impact" entries when the determination is made, an EIR is required.
- 4) "Negative Declaration: Less Than Significant with Mitigation Incorporated" applies where the incorporation of mitigation measures has reduced an effect from "Potentially Significant Impact" to a "Less Than Significant Impact." The lead agency must describe the mitigation measures, and briefly explain how they reduce the effect to a less than significant level (mitigation measures from "Earlier Analyses," as described in (5) below, may be cross-referenced).
- 5) Earlier analyses may be used where, pursuant to the tiering, program EIR, or other CEQA process, an effect has been adequately analyzed in an earlier EIR or negative declaration. Section 15063(c)(3)(D). In this case, a brief discussion should identify the following:
 - a) Earlier Analysis Used. Identify and state where they are available for review.
 - b) Impacts Adequately Addressed. Identify which effects from the above checklist were within the scope of and adequately analyzed in an earlier document pursuant to applicable legal standards, and state whether such effects were addressed by mitigation measures based on the earlier analysis.
 - c) Mitigation Measures. For effects that are "Less Than Significant with Mitigation Measures Incorporated," describe the mitigation measures which were incorporated or refined from the earlier document and the extent to which they address site-specific conditions for the project.
- 6) Lead agencies are encouraged to incorporate into the checklist references to information sources for potential impacts (e.g., general plans, zoning ordinances). Reference to a previously prepared or outside document should, where appropriate, include a reference to the page or pages where the statement is substantiated.
- 7) Supporting Information Sources: A source list should be attached, and other sources used or individuals contacted should be cited in the discussion.
- 8) This is only a suggested form, and lead agencies are free to use different formats; however, lead agencies should normally address the questions from this checklist that are relevant to a project's environmental effects in whatever format is selected.
- 9) The analysis of each issue should identify:
 - a) the significance criteria or threshold used to evaluate each question; and
 - b) the mitigation measure identified, if any, to reduce the impact to less than significance.

AESTHETICS	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Except as provided in Public Resources Code Section 21099, would the project:				
a) Have a substantial adverse effect on a scenic vista?			X	
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?				X
c) Substantially degrade the existing visual character or quality of public views of the site and its surroundings (Public views are those that are experienced from a publicly accessible vantage point)? If the project is in an urbanized area, would the project conflict with applicable zoning and other regulations governing scenic quality?			X	
d) Create a new source of substantial light or glare which would adversely affect day or nighttime views in the area?			X	

Setting

The project site is located on a hillside characterized by slopes of approximately 9 to 22 percent that is primarily surrounded by single family home development with the exception of a 13.8 acre parcel of forested/ shrub land located to the east. The two existing reservoirs are located south of a row of trees that slightly obscure reservoirs when looking south from Cochran Road. Due to the slope of the project site, the existing reservoirs are only partially visible from Hewitt Road looking north. Hewitt Road sits atop a ridge and provides views of McKinleyville to the north, and Arcata and Humboldt Bay to the south. A viewshed analysis was conducted for the project to illustrate tank visibility from surrounding areas (Appendix A).

Discussion

a) The project site is located on a north facing hillside with views of the low lying Mill Creek area and surrounding hillsides. The area is not a designated scenic vista and the project site is already developed with two large reservoirs and associated infrastructure. The two existing reservoirs have a base elevation of 284 feet above sea level and are approximately 40 feet above existing grade. The elevations of the new reservoir floor and its overflow will match those of the existing reservoirs². The new reservoir will be approximately 52 feet tall. To minimize disposal of excess cut material and minimize potential impact on wetlands, the reservoir will be built into the existing hillside and differentially backfilled at depths ranging from 18 to 30 feet.

Hewitt Road, to the south of the project site, provides sweeping panoramic views to the south and partially to the north. The new tank will be slightly visible from the road but is not anticipated to substantially degrade the view as existing tanks are already in place. Post construction activities will include planting trees in areas around the tank to help further screen it from nearby roads and structures. As the area is not a designated scenic vista, there are existing structures on site, and design

² KJ, 4.5 MG Water Reservoir Preliminary Design Report. January 2021

features will be implemented to help screen the new tank, impacts to scenic vistas will be **less than significant**.

b) Based on California Scenic Highway Mapping System information, no designated state scenic highways are found adjacent to or within view of the project area³. There are no officially designated State Scenic Highways within Humboldt County, although Highway 101 for its entire length in Humboldt County and Highway 299 to Willow Creek have been identified by the State Scenic Highway Mapping System as eligible for State listing. The project site is not visible from either highway due to distance, topography, and vegetation. As such, the project will not substantially damage scenic resources within a state scenic highway, there will be **no impact** on scenic resources.

c) The Project site is located in a low density residential area and is bordered to the north and south by county owned and maintained roads. Hewitt Road to the south is a dead end road with a terminus above the project site and has less frequent public access. The project site and surrounding areas are zoned RS and R-1 which each have a maximum residential building height of 35 feet⁴. Essential service civic uses including water storage tanks are allowed in any zone.⁵ The new reservoir would be visible from surrounding public and privately owned parcels although it will be obscured by existing vegetation and slopes in the area. As there are already two existing reservoirs on site, the typical view will not be significantly altered from current conditions.

Although the new reservoir will be slightly taller than the existing reservoirs, it is not expected to substantially degrade the existing views or visual character of the site. The viewshed analysis conducted for the project includes visual simulations of the new tank from surrounding public and private vantage points (Appendix A). Figure 3 below shows photo point and visual simulation locations that are included in Appendix A. Figure 4 shows the proposed planting plan to screen the new tank and provide a visual buffer that will increase over time as the trees mature. See Figures 5 and 6 for existing views and post project visual simulations from public vantage points along Cochran and Hewitt Roads.

The new tank would be partially visible from various vantage points in the vicinity, as shown in the Figures below and in Appendix A. Based on the existing views which include the two existing reservoirs at the project site, and the use of post-construction tree planting to act as a visual screen, public views of this location would also not be detrimentally altered, and any potential impact would be **less than significant**.

d) The project site may include security lighting with associated surveillance cameras. This lighting will likely be pole mounted with shields to prevent excessive light pollution and downcast to prevent light spillover onto adjacent properties. Any lighting installed will follow guidelines set by the Humboldt County General Plan including policies which state that exterior lighting fixtures shall be shielded and installed to minimize off-site lighting.

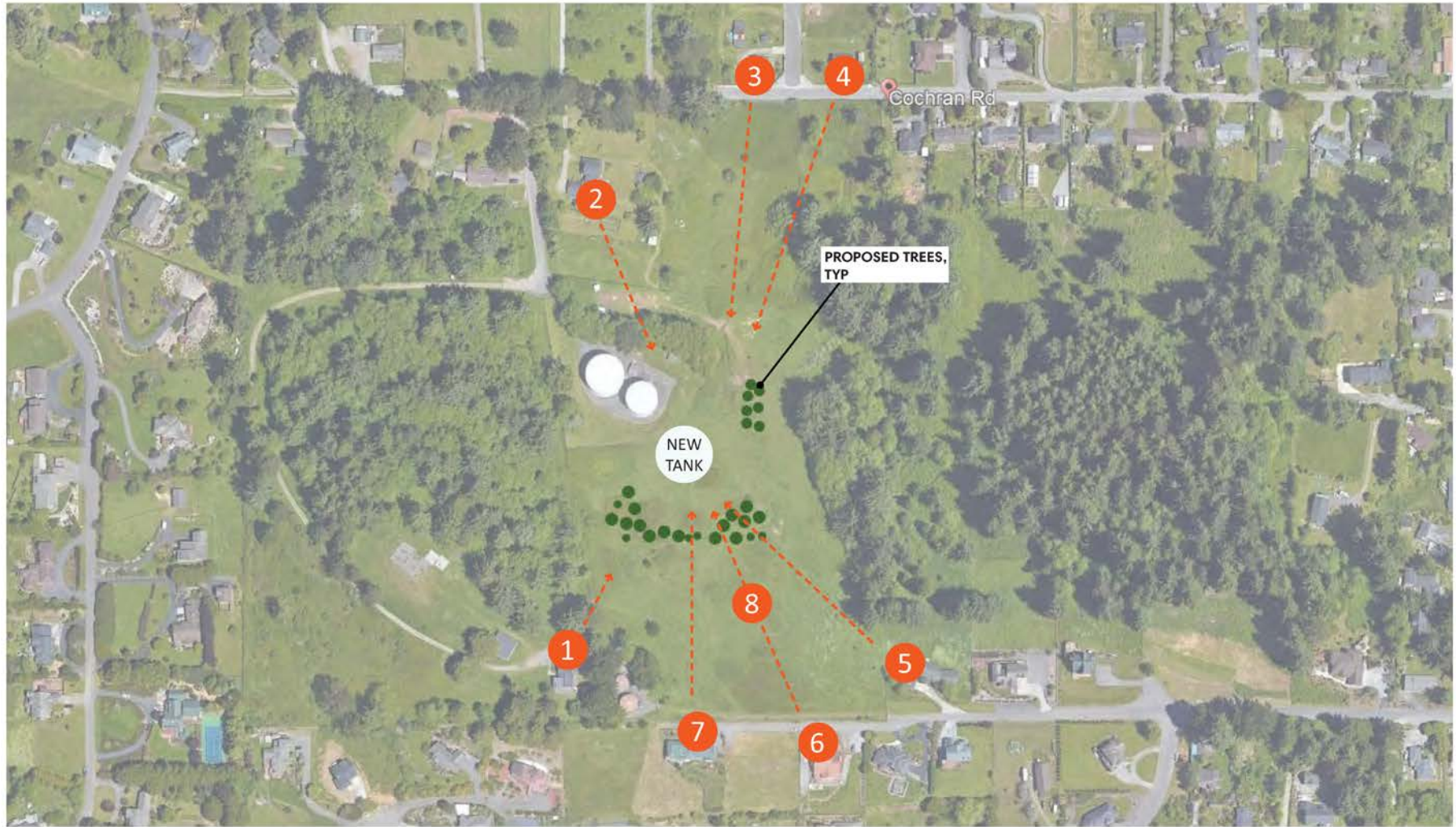
The reservoir will be a strand-wound prestressed concrete tank as opposed to welded steel. The use of prestressed concrete will decrease glare potential and decreases overall visual impact as a portion of it can be buried which reduces the vertical profile. Based on applicable Humboldt County policies and proposed construction methods, impacts from lighting or potential glare will be **less than significant**.

³ Caltrans, California State Scenic Highway System Map. Accessed June 17, 2021.

⁴ Humboldt County Zoning Code §314-6.1 and §314-6.2.

⁵ Humboldt County Zoning Code §314-58.

Figure 3: Photo Point Location Map



MCKINLEYVILLE WATER RESERVOIR - VIEWSHED ANALYSIS

Kennedy Jenks
Date: April 23, 2021



Figure 4: Proposed Planting Layout



MCKINLEYVILLE WATER RESERVOIR - PLANTING PLAN

Kennedy Jenks
Date: April 23, 2021



Figure 5: View Looking South from Cochran Road



VIEW 3 KEY MAP



TANK INSTALLATION



EXISTING VIEW



TANK INSTALLATION WITH TREE PLANTING

MCKINLEYVILLE WATER RESERVOIR - VIEW 3
 Kennedy Jenks
 Date: April 23, 2021



Figure 6: View Looking North from Hewitt Road



VIEW 7 KEY MAP



EXISTING



TANK INSTALLATION

MCKINLEYVILLE WATER RESERVOIR - VIEW 7
 Kennedy Jenks
 Date: April 23, 2021



AGRICULTURE AND FOREST RESOURCES	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?				X
b) Conflict with existing zoning for agricultural use, or a Williamson Act contract?				X
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g), timberland (as defined by PRC section 4526), or timberland zoned Timberland Production (as defined by Government Code section 51104(g))?				X
d) Result in the loss of forest land or conversion of forest land to non-forest use?				X
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of Farmland, to non-agricultural use or conversion of forestland to non-forest use?				X

Setting

Maps prepared pursuant to California's Farmland Mapping and Monitoring Program (FMMP) include Humboldt County as an "Area Not Mapped" and, therefore do not categorize the project area as having any type of Important Farmland (California Department of Conservation 2018). According to MCSD's Wastewater Facilities Plan Administrative Draft (SHN 2011), approximately 2,200 acres of prime agricultural soils are located within the McKinleyville urban development area. The project site and surrounding areas are not designated for agricultural production. According to Humboldt County's GIS Portal, neither the project site nor any other parcels in the project area are zoned for agricultural uses or timber production. The closest zoned Agriculture General (AG) parcel to the project site is approximately 0.1 miles south of the project and the closest zoned Agriculture Exclusive (AE) parcel to the project site is approximately 0.4 miles southwest of the project site. There are also no parcels under Williamson Act contract within or adjacent to the project site. The project site is not designated for agricultural purposes and is not adjacent to lands that are currently in agricultural production.

- a) The project site does not include Prime Farmland, Unique Farmland, or Farmland of Statewide importance as shown on any maps prepared pursuant to the FMMP. The project would not convert FMMP designated Prime Farmland, Unique Farmland, or Farmland of Statewide Importance to a non-agricultural use, therefore, **no impact** would occur.

- b-d)** The project site is zoned Residential Suburban (RS) and Residential One-Family, Special Building Site, 20,000 square feet (R-1-B-3). There are no parcels in the project site or in the vicinity under Williamson Act contract or zoned for Timberland Production (Humboldt County Web GIS). The project would not conflict with agricultural or forest land zoning or Williamson Act contracts and would not result in the loss of forest land, therefore, **no impact** would occur.
- e)** No forest land, timberland, or agricultural land exists at the project site or adjacent parcels. The project would not result in the loss or conversion of forest land or involve other changes in the existing environment which would result in conversion of farmland to non-agricultural use or conversion of forest land to non-forest use. Therefore, **no impact** would occur.

AIR QUALITY	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Conflict with or obstruct implementation of the applicable air quality plan?			X	
b) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard?			X	
c) Expose sensitive receptors to substantial pollutant concentrations?				X
d) Result in other emissions (such as those leading to odors) adversely affecting a substantial number of people?				X

Setting

The project site lies within the North Coast Air Basin (NCAB), under the authority of the North Coast Unified Air Quality Management District (NCAQMD) and the California Air Resources Board (CARB). The NCAB includes Humboldt County, Mendocino County, and Northern Sonoma County. In the NCAB, air quality is predominantly influenced by the climatic regimes of the Pacific. In summer, warm ground surfaces draw cool air in from the coast, creating frequent thick fogs along the coast and making northwesterly winds common. In winter, precipitation is high, surface wind directions are highly variable, and weather is more affected by oceanic storm patterns⁶.

Humboldt County generally has good air quality and is in attainment for all federal air quality standards and all state standards except for 24-hour particulate matter less than 10 microns in size (PM₁₀)⁷. PM₁₀ (particulate matter less than or equal to 10 micrometers in diameter, including dust and smoke) is known to have the potential to cause serious health problems. The NCAB has been designated as

⁶ North Coast Unified Air Quality Management District (NCAQMD), 1995. Particulate Matter (PM₁₀) Attainment Plan Draft Report. May 11.

⁷ Air quality standard pollutants include ozone, sulfur dioxide, lead, nitrogen oxides, carbon monoxide, and particulate matter less than 10 microns (PM₁₀) and less than 2.5 microns (PM_{2.5}).

nonattainment with respect to PM₁₀ since the 1980s⁸. Primary sources of PM₁₀ in the NCAB are on-road and off-road vehicles (engine exhaust and fugitive dust generated by travel on paved and unpaved roads), open burning of vegetation (both residential and commercial), residential wood stoves, and stationary industrial sources (factories). Cars and trucks and other vehicles are considered a source of PM₁₀ within NCUAQMD's jurisdiction. Fugitive PM₁₀ emissions generated by vehicular traffic on unpaved roadways is the largest source of particulate matter emissions within NCUAQMD's jurisdiction. Its control and mitigation plays a key role in the NCUAQMD's attainment strategy.

The NCUAQMD has not formally adopted significance thresholds but rather recommends using the Particulate Matter Attainment Plan (1995), and the Best Available Control Technology (BACT) emission rates for stationary sources as defined and listed in the NCUAQMD Rule 110, New Source Review, and Prevention of Significant Deterioration, Section 5.1 - BACT. All projects are subject to adopted NCUAQMD rules and regulations in effect at the time of construction.

Discussion

a) The California Clean Air Act (CCAA) requires the NCUAQMD to achieve and maintain state ambient air quality standards for PM₁₀ by the earliest practicable date. The NCUAQMD Particulate Matter Attainment Plan (1995) includes a description of the planning area, emissions inventory, general attainment goals, and a list of cost-effective control strategies. The PM₁₀ Attainment Plan establishes goals to reduce PM₁₀ emissions and includes three areas of recommended control strategies to meet these goals. Control strategies include transportation control measures such as encouraging car-pooling and bicycle commuting, removal or repair of vehicles with inefficient emission control systems, and traffic flow improvements that reduce idling and vehicle miles traveled (VMT).

The project is expected to create additional vehicle trips to the site from construction related equipment and workers. However, all access roads are currently paved and maintained to Humboldt County standards. It is unlikely that construction trips will create a substantial increase in fugitive dust. However, earth moving activity may result in increased fugitive dust. In an effort to minimize the amount of fugitive dust from construction activities at the site, the contractor will employ best management practices including covering spoils and watering active construction areas as necessary. This impact will be limited to the construction phase of the project.

Emissions are also expected to be generated from passenger vehicle and construction equipment exhaust. In an effort to minimize exhaust emissions, the contractor will encourage carpooling to the site when possible and utilize best management practices for construction equipment including shutting of equipment when not in use and ensuring that all equipment is fitted with required CARB exhaust systems and is in good working order. Operational emissions are very limited and are not expected to substantially change from existing conditions.

As emissions from the project will be limited to the construction phase and applicable BMPs and State regulations concerning exhaust systems will be followed, there will be no conflict with existing air quality plans and there will be a **less than significant** impact.

b) Humboldt County is in attainment for all Federal and State criteria air pollutants, except the State 24-hour PM₁₀. The attainment status for each criteria air pollutant is based on measurements collected at monitoring stations throughout the county. Monitoring results have shown that the principal pollutant

⁸ North Coast Unified Air Quality Management District (NCUAQMD), 1995. Particulate Matter (PM₁₀) Attainment Plan Draft Report: III-1. May 11.

in the NCAB, including Humboldt County, is PM₁₀. As noted above under Section (a), the project will create a temporary increase of PM₁₀ emissions from earth moving work and vehicle exhaust during construction.

Generally, the most substantial project related air pollutant emissions will be dust generated from excavation, grading, and tank construction. Construction activities would also temporarily generate emissions of equipment exhaust and other air contaminants.

The NCUAQMD does not have formally adopted thresholds of significance for fugitive, dust related particulate matter emissions above and beyond Rule 104, Section D, which does not provide quantitative standards. The *Air Quality Emission Control Measures During Construction* outlined in the project description are incorporated into the project and are consistent with NCUAQMD Rule 104 (D), Fugitive Dust Emission. Therefore, with incorporation of these measures, the project would result in a less than significant impact for construction-period PM₁₀ generation and would not violate or substantially contribute to an existing or projected air quality violation.

The NCUAQMD also does not have established CEQA significance criteria to determine the significance of impacts that may result from a project; however, the NCUAQMD does have criteria pollutant significance thresholds for new or modified stationary source projects proposed within the NCUAQMD's jurisdiction. NCUAQMD has indicated that it is appropriate for lead agencies to compare proposed construction emissions that last more than one year to its stationary source significance thresholds, which are:

- Nitrogen oxides (NO_x) – 40 tons per year
- Reactive organic gases (ROG) – 40 tons per year
- PM₁₀ – 15 tons per year
- Carbon monoxide (CO) – 100 tons per year

If an individual project's emission of a particular criteria pollutant is within the thresholds outlined above, the project's effects concerning that pollutant are considered to be less than significant. The California Emissions Estimator Model (CalEEMod) was used to estimate air pollutant emissions from project construction (Appendix B)

Table 1: Total Construction Emissions (in tons)⁹

	ROG	NO _x	CO	SO ₂	PM ₁₀	PM _{2.5}	CO _{2e} (MT)
Unmitigated	0.8137	3.2161	3.3943	0.0080	0.5246	0.2671	735.4851
BMPs*	0.8137	3.2161	3.3943	0.0080	0.4316	0.2204	735.4847

*BMPs include use of water trucks, covering soil piles, carpooling, and the like.
MT=metric ton

Table 2: Operational Emissions (in tons/year)

	ROG	NO _x	CO	SO ₂	PM ₁₀	PM _{2.5}	CO _{2e} (MT)
Unmitigated	0.3205	0.2437	1.1954	0.0020	0.1833	0.0512	248.2253

Based on the estimated level of emissions shown in Tables 1 and 2, increase in criteria pollutants, including PM₁₀, generated by the project will be limited and temporary and would not exceed NCUAQMD's stationary sources emission thresholds. Operational emissions will be less than that of

⁹ Emissions estimates were calculated using CalEEMod 2020.4.0. Report generated August 25, 2021. See Appendix B.

construction and will be similar to what is already produced from operation of the existing water reservoirs onsite. While significance thresholds have not been adopted by the NQAQMD, the very low level of emissions generated by the project will not substantially degrade air quality in the area. As such, the project would result in a **less than significant** impact.

c,d) The project is located within a residential neighborhood in southern McKinleyville. There are no sensitive receptors such as schools, senior living facilities, or hospitals within half a mile of the project site and any air quality emissions will be limited and temporary. There are also no project activities that are anticipated to create a substantial amount of odor. As such, there will be **no impact** related to sensitive receptors or other emissions such as odors.

BIOLOGICAL RESOURCES	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special status species in local or regional plans, policies, or regulations, or by the California Depart. of Fish and Wildlife or U.S. Fish and Wildlife Service?		X		
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Depart. of Fish and Wildlife or U.S. Fish and Wildlife Service?		X		
c) Have a substantial adverse effect on state or federally protected wetlands (including, but not limited to, marsh, vernal pool, coastal, etc.) through direct removal, filling, hydrological interruption, or other means?		X		
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?		X		
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?			X	
f) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan?				X

Physical Setting

McKinleyville is located on the Pacific Coast and is bordered to the south by the Mad River. The climate is generally mild and moist due to substantial influence from the Pacific Ocean. While the area is largely developed with urban and residential uses, wildlife corridors exist along creeks and streams in the area including Mill Creek approximately half a mile to the north of the project site. The project site is partially developed with two existing water reservoirs and associated infrastructure. Single-family residential uses are present to the north and south of the project site with small, forested areas to the east and west.

As noted in the Biological Resource Assessment for the project (Appendix C)¹⁰, vegetation in the project area consists of Common Velvet Grass-Sweet Vernal Grass Meadows, Coastal Brambles, Sitka Spruce Forest and Woodland, Slough Sedge Swards, Small-fruited Bulrush Marsh, and Water Foxtail Meadows. The proposed reservoir will be constructed in an area that is predominantly Coastal Brambles and Velvet Grass-Sweet Vernal Grass Meadow which has been subject to grazing by cattle, goats, and pigs. There is a small portion of the project site just north of the proposed reservoir that is categorized as Water Foxtail Meadow and has been identified as a three-parameter wetland. These various vegetation types are able to support a wide range of plant and animal life as observed during site visits on June 30, 2020 and April 22, 2021.

Regulatory Setting

Section 2.0 of the Biological Resources Assessment for the project, incorporated by reference here, provides a detailed overview of the Federal and State regulatory context for the project including the California Endangered Species Act (CESA), special status species designations, and California Fish and Game Code protections. Additionally, Section 2.0 of the Wetland Delineation Report, also incorporated here by reference, provides a detailed overview of regulations pertaining to wetland resources.

The Humboldt County General Plan and associated McKinleyville Community Plan include goals and policies for the protection of natural communities and sensitive habitat areas. Specifically, the McKinleyville Community Plan includes Section 3420 (incorporated here by reference) that details policies for protection of Sensitive and Critical Habitats including Wetland and Wetland Buffer Areas.

Discussion

a) A Biological Resources Assessment was prepared for the project to determine the presence of special status or sensitive species and/or sensitive habitats within the proposed project area (Appendix C). The conclusions are based on review of scientific literature, natural resource database occurrence records, consultation with resource experts, and site visits conducted June 30, 2020 and April 22, 2021. These dates were determined to be appropriate based on blooming seasons of various flora species of concern. During site visits, the following species were identified.

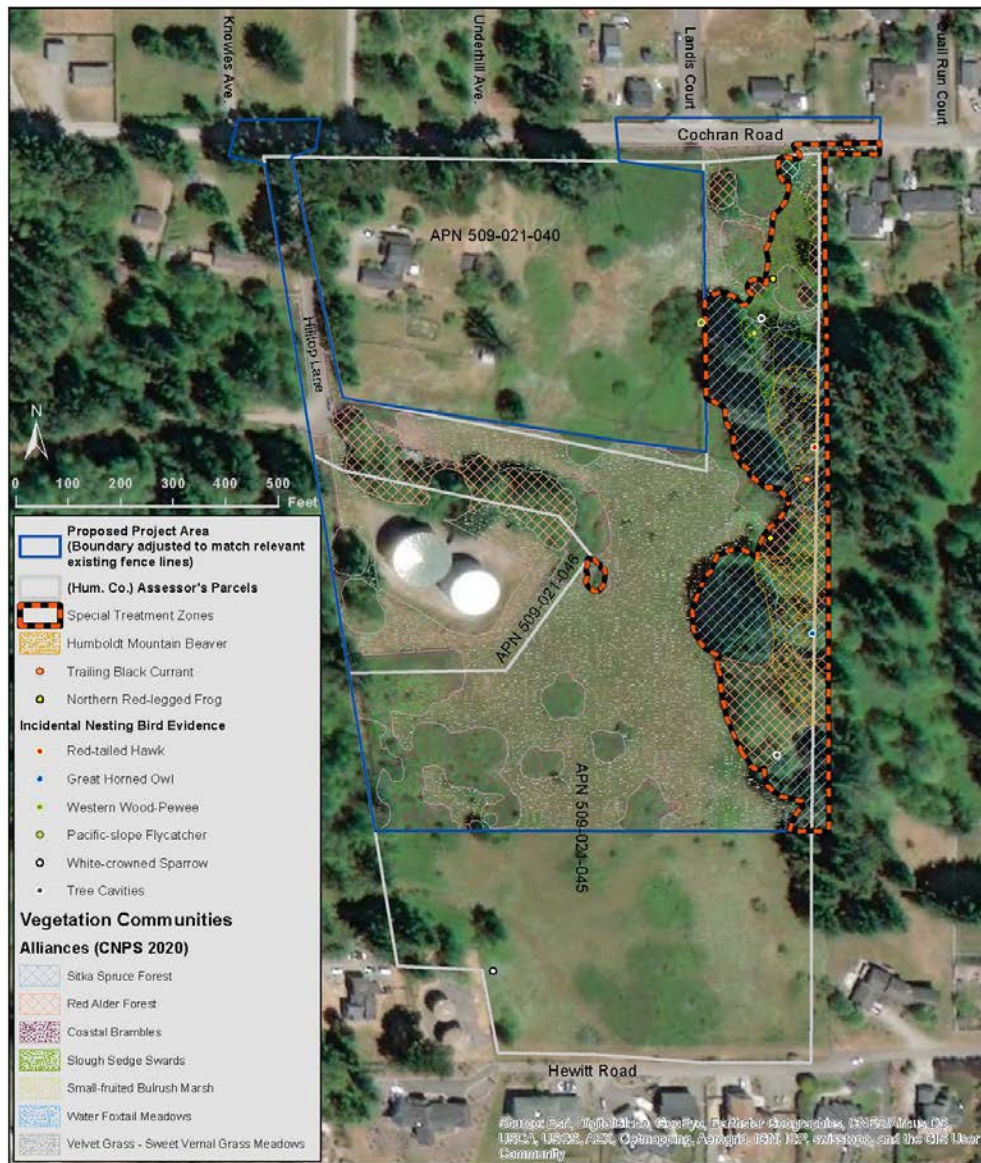
Botanical Species

Based on initial research, ten special status botanical species of State significance were considered to have a high potential to occur within the project area. These species are listed in Table 5 of the Biological Resources Assessment. Of the ten species, only one was detected during the April 22, 2021 site visit; no other federal- or state-listed plants, nor any other state or federal special status botanical species were found to occur within the project area during the floristically-appropriate botanical

¹⁰ J.B. Lovelace & Associates, Biological Resources Assessment: McKinleyville Community Services District 4.5MG Water Reservoir Project. June 28, 2021.

surveys. Trailing black currant (*Ribes laxiflorum*) was found at the base of a large Sitka spruce tree along the eastern property line of APN 509-021-045. This is within a designated Special Treatment Zone and is approximately 140–150 feet away from planned disturbance areas. Considering that this rare species occurs within the surrounding Sitka Spruce Forest and Woodland habitat, itself a California Sensitive Natural Community for which protective mitigation recommendations are provided below (BIO-1) anticipated potential project-related impacts to this rare plant occurrence are limited to construction activities associated with the removal of the existing overflow drain pipeline. To mitigate any potential impacts to this special status species, the applicant will implement mitigation measure BIO-1: Sensitive Habitat Demarcation and Monitoring. With the implementation of mitigation measure BIO-1, potential impacts to special status botanical species will be less than significant.

Figure 7: Sensitive Biological Resource Special Treatment Zones



**McKinleyville Community Services District. 4.5 MG Water Reservoir Project
Sensitive Biological Resource Special Treatment Zones**

(This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)



BIO-1: Sensitive Habitat Demarcation. In advance of any clearing and grubbing and/or other construction-related disturbance within the proposed project area, the contiguous perimeter of California Sensitive Natural Communities will be clearly staked and flagged by a qualified biologist as a special treatment zone (see Figure 7 above). Temporary access within such areas is limited to the minimum necessary to complete respective construction tasks including construction of the above-grade pipeline with supportive footings and pipeline outfall. Immediately following task completion, staking and flagging will be revised to re-establish the efficacy of respective protective buffers. All flagging and staking should be removed upon conclusion of final restoration activities or earlier if determined appropriate by a qualified biologist.

Additionally, if there is removal of vegetation near the existing trailing black current occurrence, a qualified biologist will be onsite to ensure adequate protection of the existing and any potential new occurrences of the species.

Wildlife Species

Based on initial research, 12 wildlife species of State significance were considered to have a high potential to occur within the project area including *Aplodontia rufa humboldtiana* (Humboldt mountain beaver) which is known to occur at the nearby Azalea Park State Reserve located approximately one mile southeast of the project site. Of the 12 species, seven were detected during site visits which are listed in Table 3 below.

Table 3: Special Status Wildlife Species Observed at the Project Site

Species	FESA Status	CESA Status	CDFW Status
<i>Chaetura vauxi</i> (Vaux's swift)	None	None	Species of Special Concern
<i>Elanus leucurus</i> (white-tailed kite)	None	None	Fully Protected
<i>Haliaeetus leucocephalus</i> (bald eagle)	None	Endangered	Fully Protected
<i>Poecile atricapillus</i> (black-capped chickadee)	None	None	Watch List
<i>Aplodontia rufa humboldtiana</i> * (Humboldt mountain beaver)	None	None	N/A
<i>Rana aurora</i> (northern red-legged frog)	None	None	Species of Special Concern
<i>Selasphorus</i> spp. (selasphorus hummingbird)	None	None	-

Humboldt mountain beaver is monitored by CDFW due to specific habitat requirements and vulnerability to similar threats and constraints facing *A. rufa nigra* (Point Arena mountain beaver), a closely related subspecies, which is a federally listed endangered species and California species of special concern. As construction activities for the drain pipeline will be taking place in close proximity to beaver habitat, there is a potential for minor impacts to occur from temporary construction activities and placement of permanent concrete footings. With implementation of BIO-2, potential impacts to special status mammals will be less than significant.

BIO-2: Pre-Construction Survey for Humboldt Mountain Beaver. No more than one week prior to the initiation of vegetation removal and/or ground disturbance within 50 feet of Humboldt mountain beaver habitat, a qualified biologist shall preform a pre-construction survey for the presence of active Humboldt mountain beaver burrows. Should any signs of beaver activity be observed in close proximity to construction areas, an appropriately sized “no-entry” buffer zone will be clearly staked and flagged. If deemed necessary during the pre-construction survey, a qualified biological monitor will also be utilized during construction.

Temporary construction related activities within the project area have the potential to either directly or indirectly impact special status birds, raptors, and other protected nesting birds. This includes removal of nesting habitat, “take” of eggs, juveniles, or adults, disturbances from construction related noise and vibrations, and attraction of nest predators to the construction site. Two other federally regulated special status species were observed during site visits. There was a fly-over detection of *Elanus leucurus* (“white-tailed kite”) and detection of an undetermined species of the *Selasphorus* hummingbird species which may have been nesting in the nearby area.

Ideally, construction would be limited to September – January which is outside of the nesting season for most bird species. However, as this schedule will likely be infeasible due to damp winter conditions, the following mitigation measure will be implemented in or to reduce potential impacts to less than significant levels.

BIO-3: Pre-Disturbance Surveys for Nesting Birds. Vegetation clearing and other ground-disturbance activities associated with construction shall occur, if possible, during fall and/or winter months outside the bird nesting season (February-August). If such work cannot be confined to outside the nesting season a pre-construction nesting survey shall be conducted by a qualified biologist to identify active nests in and adjacent to the work area. Nesting bird surveys should focus on the footprint of the action area and include a 100-foot radius around its perimeter (where breeding habitat exists). Should active bird nesting be confirmed, species appropriate “no entry” buffers will be clearly staked and flagged by a qualified biologist. The size of such protective buffers should be developed in consultation with the California Department of Fish and Wildlife and should take into account the nature and intensity of the offending disturbance to ensure they are appropriately sized in order to prevent nest failure. In cases where such focused surveys are performed, a qualified biologist may be able to provide a more precise breeding and corresponding seasonal restriction period for the species being considered.

Other species of concern are *Rana aurora* (northern red-legged frog) which was observed during the April 2021 site visit, *Rana boylei* (foothill yellow-legged frog), and *Emys marmorata* (western pond turtle). While suitable breeding habitat for both northern red-legged and foothill yellow-legged frog is not present at the project site, there is potential for juvenile and adult frogs to utilize the vegetated habitat with saturated soils. Pre-construction surveys are recommended to ensure no frogs are present in the area. Additionally, construction activities are encouraged to avoid the creation of temporary ponds which could attract breeding frogs. It is also unlikely that western pond turtle exists in the area due to the frequency of coastal fog. However, to ensure that no impacts to the species occur, the following mitigation measure is proposed:

BIO-4: Pre-Disturbance Surveys for Amphibian and Reptile Species of Concern. No more than one week prior to commencement of construction activities, the active construction site within 50 feet of suitable habitat shall be surveyed by a qualified biologist for the presence of northern red-legged frog, foothill yellow-legged frog, and western pond turtle. Should any of these species be observed, the qualified biologist shall relocate any individuals found to nearby suitable habitat away from active construction areas and a barrier, such as wildlife exclusion fencing, shall be placed around the excavation area to prevent these species from moving into work areas. If any of the above species are observed during the pre-construction survey, CDFW shall be consulted to determine the best way to avoid impacts.

Two types of bees, *Bombus occidentalis* (Western bumble bee) and *Bombus caliginosus* (Obscure bumble bee), may also occur in the project area and are both California state candidate endangered species. Pre-construction surveys for emergent queen bumble bees are recommended to determine if either species is present in the project area. It is also recommended that post-construction restoration and revegetation efforts include planting locally appropriate native forage plant species known to be frequented by bumble bees. To ensure that no impacts to the species occur, the following mitigation measure is proposed:

BIO-5: Survey for Western Bumble Bee. Between mid-March to mid-April, conduct a survey for Western Bumble Bee prior to any excavation and/or grading during the period to assess for the presence of this California state Candidate Endangered species at the site. If this species is not detected, no seasonal constraints specific to this insect are warranted. If Western Bumble Bee is detected at the site, ground excavation and/or grading should commence during the period between when it can be determined that the majority of queen Western Bumble Bee emergence has occurred and the majority of new colony initiation has not yet begun.

Sensitive Natural Communities

Based on initial research, six sensitive natural communities were considered to have reasonable potential to occur at the project site. Of those, four were identified during site visits which are listed in Table 4 below.

Table 4: Sensitive Natural Communities Observed at Project Site

Community	GRank/ SRank
<i>Picea sitchensis</i> Forest and Woodland Alliance/ Sitka Spruce Forest and Woodland	G5/S2
<i>Rubus (parviflorus, spectabilis, ursinus)</i> Shrubland Alliance/ Coastal Brambles	G4/S3
<i>Carex obnupta</i> Herbaceous Alliance/ Slough Sedge Swards	G4/S3
<i>Scirpus microcarpus</i> Herbaceous Alliance/ Small-Fruited Bulrush Marsh	G4/S2

It should be noted that the Coastal Brambles community is largely populated with *R. ursinus* (California blackberry). This species is likely to be removed from this sensitive community alliance within the next

year due to its relative abundance and wide geographic range.¹¹ As such, it will not be treated as a sensitive natural community for this project.

While construction of the new reservoir is not anticipated to impact any sensitive communities, construction of the overflow drain pipeline has potential to impact the Sitka Spruce Forest and Woodland community by disturbing shallow root systems of maturing Sitka spruce trees. In an effort to reduce impacts to this community, the pipeline in this area has been designed to be above ground and supported by concrete footings every 15 to 20 feet. The pipeline has also been routed along the western extent of the community rather than through it as depicted in original design plans. These measures will reduce the overall footprint of disturbance and reduce impacts to less than significant levels.

With the incorporation of the above referenced design features and mitigation measures project impacts will be **less than significant with mitigation**.

b,c) A wetland delineation was performed in the proposed project area between August 26-28, 2020 with a subsequent site visit performed on April 22, 2021. A full summary of methods and analysis of findings can be found in Wetland Delineation Report prepared by J.B. Lovelace & Associates (June 2021) which is incorporated here by reference (Appendix D).¹²

Results of the wetland delineation showed two distinct areas of wetlands in the project area totaling 1.083 acres of freshwater wetland habitat. One, that is made up of two different wetland types, is located in the northeast portion of parcel APN 509-021-045 and the other is located in the northern central section just east of the two existing water reservoirs (Figure 8). The wetland areas identified consist of palustrine emergent wetlands and palustrine forested wetlands that are either seasonally saturated or seasonally flooded-saturated.

Wetland 1, as identified in Figure 8, is located in the northeast corner of the project area and is classified as a palustrine emergent persistent seasonally flooded-saturated wetland (PEM1E). This area is a downhill continuation of Wetland 2 and is characterized by persistent herbaceous wetland vegetation and soils that are typically saturated year round with surface water present for extended periods during the growing season.

Wetland 2 is upslope of Wetland 1 and is classified as seasonally saturated palustrine forested wetlands (PFO4B). The area is characterized by aerial coverage of woody vegetation, specifically Sitka spruce (*Picea sitchensis*), and soils remain saturated at or near the surface for extended periods of time during the growing season.

Wetland 3 is located in the central northern section of the project area and is also classified as PEM1E. It is a naturally occurring spring that emerges near the toe of the current slope and drains downhill for approximately 30 meters (100 feet). Standing water was present during summer fieldwork which allowed a resident domestic pig to create a wallow. A regularly traveled dirt path also crosses the downhill drainage of the spring.

¹¹ J.B. Lovelace & Associates, Biological Resource Assessment, Section 5.2.3. June 2021.

¹² J.B. Lovelace & Associates, Wetland Delineation Report, McKinleyville CSD 4.5MG Water Reservoir Project. June 4, 2021.

Figure 8: Wetland Habitats



McKinleyville Community Services District. 4.5 MG Water Reservoir Project
Distribution of Delineated Wetland Habitats

(This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)



The project includes installation of a new 18" drainpipe that will cross under a narrow (<5ft.) portion of the Wetland 3 drainage channel. Additionally, the toe of an engineered slope supporting the base of the new reservoir will end approximately 10 feet from the edge of Wetland 3. The drainpipe will transition to above ground outside the western edge of Wetlands 1 and 2. Approximately 17 reinforced concrete footings (42"L x 48"W x 30"D) will be placed every 15-20 feet along the approx. 260ft. length of the above ground section. The 30% design plans for the Project took into consideration potential impacts to wetlands. Primarily, the placement of the new reservoir was pushed south to avoid direct impacts and allow for a small buffer from Wetland 3. Additionally, the pipeline, which was originally proposed to be underground near Wetland 1 and 2, was moved above ground and outside the western edge of the wetlands to reduce potential impacts.

Humboldt County's *Streamside Management Areas and Wetlands Ordinance* (Humboldt County Code § 314-61.1.7.6.6) specify that development standards for wetlands (outside of the Coastal Zone) shall be consistent with the standards for streamside management areas; typical wetland setback buffer widths are as follows (with the setback being measured from the edge of respective delineated wetlands): Seasonal wetlands = fifty (50) feet; Perennial wetlands = one hundred fifty (150) feet. These standards and the code provide for potential reductions in wetland buffer widths based on site-specific analysis and consultation with the California Department of Fish and Wildlife. The project proposes reduced wetland buffers due to site constraints and existing conditions.

Anticipated temporary impacts from the project include trenching across the narrow portion of Wetland 3 in order to remove the old drainpipe and install the new one. After construction this area will be restored to pre-project conditions. With implementation of mitigation measures BIO-6 and BIO-7 impacts to wetlands would be less than significant. The project also involves installation of approximately 17 supportive concrete footings to support the above ground pipeline and associated outfall within the wetland buffer area along with temporary disturbances from construction activities. To reduce these anticipated impacts, the following mitigation measures are proposed:

BIO-6: Wetland Identification and Demarcation. Prior to construction related disturbance within the project area, the perimeters of protective wetland habitat areas will be clearly staked and flagged by a qualified biologist as a special treatment zone (see mitigation measure BIO-1 and associated figure). Exceptions to allow temporary access within the wetland feature is restricted to the minimum limits of access required to complete respective construction tasks including:

- Open-trenching across the wetland feature to remove and replace the existing overflow drain infrastructure with the new overflow drain pipeline; and
- Construction access across the wetland feature between the various construction elements and the proposed staging area below the existing tanks, accessed from Hilltop Lane.

Immediately following task completion, staking and flagging will be revised to re-establish the efficacy of respective protective buffers. All flagging and staking should be removed upon conclusion of final restoration activities or earlier if determined appropriate by a qualified biologist.

BIO-7: Open-Trenching Construction and Restoration. Where open-trenching occurs within wetland areas, the top 6-12 inches of excavated material (i.e. topsoil) will be stockpiled separately from deeper material and kept moist for use during backfilling to aid in rapid revegetation of the trench footprint and maintain pre-construction soil texture and drainage properties. This surface layer will not be compacted and may be filled 1-2 inches above grade to allow for natural settling. The overflow drain pipeline will be backfilled with native material except where engineered material is required by design constraints. Excess spoils from construction will be placed in a manner that will prevent discharge into wetland areas. Should trench conditions indicate significant potential for redirection of groundwater along the trench alignment, transverse baffles will be installed periodically as needed to prevent such redirection.

BIO-8: Stormwater Pollution Prevention Plan. Prior to construction, a Stormwater Pollution Prevention Plan (SWPPP) will be prepared for the project consistent with State Water Resources Control Board regulations. The SWPPP will include erosion and sediment control measures, and dust control practices to prevent wind erosion, sediment tracking, and dust generation by construction equipment. A Qualified SWPPP Practitioner will oversee implementation of the Project SWPPP.

BIO-9: Construction Monitoring. During construction, a qualified biologist shall be engaged to periodically monitor the construction process, evaluate implementation of adopted mitigation measures during construction, and provide recommendations as necessary to ensure the protection of biological and wetland resources.

BIO-10: Post-Construction Restoration and Revegetation. After completion of construction activities, the project area will be restored to pre-project grades and contours, where possible (with the exception of the new reservoir footprint, its access route, and associated cut and fill slopes). In areas where significant soil compaction has occurred, the soil will be disked or scarred in an effort to restore pre-project surface infiltration and drainage characteristics. All disturbed areas will be promptly revegetated in accordance with the project planting plan with locally-sourced, regionally appropriate species to the extent possible.

With the implementation of the above mitigation measures and project design elements, impacts to wetlands or riparian habitats are considered **less than significant with mitigation**.

- d) No perennial streams capable of supporting fish species occur on the project site or in the immediate vicinity. Mill Creek is approximately 2,000 feet downstream of the proposed project area and is known to support resident Coastal Cutthroat Trout (*Oncorhynchus clarkii clarkii*) (CNDDDB 2021, etc.). Tank construction activities will not impact the existing off-site stormwater system or Mill Creek. Tank operation and maintenance activities will be consistent with those already occurring as part of current tank maintenance operations. As such, the project would not interfere substantially with the movement of any native resident or migratory fish species. Additionally, the project area is also not known to be in regular use as a migratory corridor or nursery area for wildlife

species. The project area is within the Pacific Flyway, a corridor used by migratory birds traveling between summer and winter habitat areas and could be used as a resting area. However, due to the slopes, brambles, and forested lands located in the project area, it is unlikely it would be used regularly as there are more suitable resting areas within close proximity of the project site.

As stated previously, the area may be used by nesting bird species and implementation of the project could result in impacts should nests or nesting areas be disturbed or removed. Implementation of Mitigation Measure BIO-2 will reduce impacts to less than significant levels. Based on the absence of stream habitats, limited potential for nursery sites, and use of mitigation measures, project impacts will be **less than significant with mitigation**.

- e) The project complies with Humboldt County's *Development Standards for Wetlands and Other Wet Areas* (Humboldt County General Plan Chapter 10 [Biological Resources] § 10.3.4, BRS10) which provides for wetland buffer reductions. See discussion above for the project's potential wetland impacts and mitigation measures. The project does not conflict with local policies or ordinances protecting biological resources and is consistent with applicable policies related to biological resources in the Humboldt County General Plan and McKinleyville Area Plan. Therefore, a **less than significant impact** would occur.
- f) There are no known local, regional, or state Habitat Conservation Plans, Natural Community Conservation Plans, or other approved conservation plans that apply to this project. As such, **no impact** would occur.

CULTURAL RESOURCES	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Cause a substantial adverse change in the significance of a historical resource pursuant to §15064.5?			X	
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to §15064.5?			X	
c) Disturb any human remains, including those interred outside of dedicated cemeteries?			X	

Setting

The general area has a long history of human use associated with the Mad River including Native American and later with European settlers beginning around 1850. The project area is within the ethnographic territory of the Wiyot and the general area has high potential for archaeological sites.

A Cultural Resource Investigation Report for the project was prepared by Roscoe and Associates Cultural Resources Consultants in the summer of 2020 for the project area of potential effect (APE) (RACRC, 2020). The report includes a review of regional archaeological and ethno-geographic literature, historical maps and aerial photography, a project area record search at the California Historical Resources Information System's Northwest Information Center, correspondence with local Native American tribal representatives, and a pedestrian field survey conducted on July 24, 2020. The field

survey resulted in the identification of two isolated pieces of flaked chert debitage. According to the report, “No artifacts, features, or sites were identified in the APE during this investigation”. The report also includes recommendations for inadvertent discovery of archaeological material and/or human remains in alignment with California Health and Safety Code and Public Resources Code ((HSC) §7050.5 and PRC §5097.98).

Inadvertent Discovery of Archaeological Material

The following provides means of responding to the circumstance of a significant discovery during the cultural monitoring of the final implementation of the proposed agricultural development within the project parcel. If cultural materials for example: chipped or ground stone, historic debris, building foundations, or bone are discovered during ground-disturbance activities, work shall be stopped within 20 meters (66 feet) of the discovery, per the requirements of CEQA (Title 14 CCR 15064.5 (f)). MCS D representatives shall be immediately notified and work near the archaeological finds shall not resume until a professional archaeologist, who meets the Secretary of the Interior’s Standards and Guidelines, has evaluated the materials and offered recommendations for further action.

Inadvertent Discovery of Human Remains

If human remains are discovered during project construction, work will stop at the discovery location, within 20 meters (66 feet), and any nearby area reasonably suspected to overlie adjacent to human remains (Public Resources Code, Section 7050.5). MCS D representatives shall be immediately notified. The Humboldt County coroner will be contacted to determine if the cause of death must be investigated. If the coroner determines that the remains are of Native American origin, it is necessary to comply with state laws relating to the disposition of Native American burials, which fall within the jurisdiction of the NAHC (Public Resources Code, Section 5097). The coroner will contact the NAHC. The descendants or most likely descendants of the deceased will be contacted, and work will not resume until they have made a recommendation to the landowner or the person responsible for the excavation work for means of treatment and disposition, with appropriate dignity, of the human remains and any associated grave goods, as provided in Public Resources Code, Section 5097.98.

Discussion

a, b) The cultural resource investigation completed by Roscoe and Associates (2020) included communication with tribal representatives, archival research, and field investigation. All field investigations were negative for evidence of cultural resources (Roscoe and Associates 2020). The project site is not known to contain archaeological, historical, or tribal cultural resources and is not located on any mapped cultural sites. As mentioned above, the cultural resource investigation completed by Roscoe and Associates (2020) included communication with tribal representatives, archival research, and field investigation. All field investigations were negative for evidence of cultural resources. Additionally, no structures over 45 years of age will be removed as part of the project.

There is potential for subsurface excavation activities to uncover previously unknown subsurface archaeological resources. Implementation of standard cultural resource construction procedures as outlined above regarding inadvertent discovery would reduce potential impacts to a less than significant level. No significant archaeological or historic resources were observed during RACRC’s investigation. Based on these findings, the project’s potential to cause a substantial adverse change in the significance of a historical or archaeological resource would be **less than significant**.

c) There are no known human remains on the project site. Implementation of standard cultural resource construction procedures regarding inadvertent discovery, including Humboldt County General Plan

policies and California Health and Safety Code §7050.5, would reduce potential impacts to a **less than significant** level.

ENERGY	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation?			X	
b) Conflict with or obstruct a state or local plan for renewable energy or energy efficiency?				X

Setting

Water treatment and distribution generally requires large amounts of energy in order to pump water from sources, convey water to treatment facilities, store water, and convey water to consumers. According to the report “Refining Estimates of Water-Related Energy Use in California”, the recommended revised water-energy proxy for indoor use is 5,411 kWh/MG. This includes supply, conveyance, treatment, distribution, and wastewater treatment¹³.

Discussion

a,b) Construction of the project will require energy intensive activities including grading and construction of the reservoir. However, as this is an existing site for water storage with associated road access and utilities, it is not anticipated that construction will create a significant environmental impact due to wasteful consumption of energy resources. Inefficient construction-related operations will also be avoided due to the project’s air quality emission control measures. Because construction will not encourage activities that will result in the use of large amounts of fuel and energy in a wasteful manner idling time, impacts related to the inefficient use of construction-related fuels will be less than significant.

Using a water-energy proxy of 5,411 kWh/MG, the water stored in the 4.5 MG reservoir is anticipated to utilize 24,349.5 kWh of energy. However, as this is water that would be treated and supplied to customers whether or not the tank was in place, this is not considered to be an increase of energy usage. Additionally, as the tank is to be sited at the location of existing pumping and storage facilities, it will not require additional transmission or pumping equipment which would result in increased energy use. As such, the project will increase efficiency for the water system. The primary goal of the project is to provide additional water storage for the community so that in the event of water supply disruption from seismic activity, water services can still be provided. By providing increased water storage, MCS D will be reducing the potential need to truck in water in the event of an emergency which has the potential to use a greater amount of energy and fuels.

¹³ California Energy Commission, Refining Estimates of Water-Related Energy Use in California, Table ES-1. December 2006.

Since the project will improve efficiency of the water system, the project will not result in potentially significant environmental impact due to wasteful, inefficient, or unnecessary consumption of energy resources, during project construction or operation; and will not conflict with or obstruct a state or local plan for renewable energy or energy efficiency. Therefore, a **less than significant impact** on energy resources will occur.

GEOLOGY AND SOILS	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Directly or indirectly cause potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.			X	
ii) Strong seismic ground shaking?			X	
iii) Seismic-related ground failure, including liquefaction?			X	
iv) Landslides?			X	
b) Result in substantial soil erosion or the loss of topsoil?			X	
c) Be located on a geologic unit or soil that is unstable or that would become unstable as a result of the project, and potentially result in onsite or offsite landslide, lateral spreading, subsidence, liquefaction or collapse?			X	
d) Be located on expansive soil, as defined in Table 18-1-B of the Uniform Building Code (1994), creating substantial direct or indirect risks to life or property?				X
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?				X
f) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?				X

Setting

The Northern California coast is located in the southern portion of the Cascadia Subduction Zone and is a seismically active area noted by numerous fault zones (Clarke and Carver 1992). McKinleyville is located in the Mad River fault zone which is considered active by the State of California. This zone consists of several major northwest trending thrust faults and numerous minor, secondary synthetic and antithetic faults. Major faults within the zone include, from north to south, the Trinidad, McKinleyville, Mad River, and Fickle Hill faults. The McKinleyville and Mad River faults both pass through McKinleyville and are mapped as Alquist-Priolo Earthquake Fault Zones. The project site is located approximately 0.5 miles from the Mad River fault to the south of McKinleyville (Humboldt County GIS, 2021).

The region as a whole is subject to potentially strong seismic ground shaking with earthquakes of 8.4 magnitude or greater (Clarke and Carver 1992). Multiple earthquake sources capable of generating moderate to strong earthquakes are in close proximity to the project site (as noted above) and strong seismic shaking is a regional hazard that could cause major damage to the project area. Due to the proximity to active seismic sources, localized areas in McKinleyville may be subject to secondary seismic effects, such as liquefaction, lateral spread, and seismically-induced land sliding. Liquefaction is the sudden loss of soil shear strength due to a rapid increase of soil pore water pressures caused by cyclic loading from a seismic event.

MCSO obtains water from the Humboldt Bay Municipal Water District by way of a transmission main that crosses the Mad River Fault Zone. This line is subject to potential seismic failure which could disrupt service to MCSO. The project proposes to increase storage within MCSO in order to provide emergency backup supplies in the event of such a failure.

Discussion

a.i-iv, c) The project site is located in close proximity (approximately 0.5 miles) to the Alquist-Priolo Mad River Earthquake Fault Zone which has the potential to rupture creating strong seismic ground shaking. HBMWD's water line extends from Arcata across the fault under the bed of the Mad River to supply MCSO with potable water for the community. In the event of a major earthquake, this line could rupture and leave the community without a regular supply of potable water. As this is a major vulnerability to water supply in the area, MCSO is constructing the new 4.5 million gallon reservoir in order to provide additional water storage capacity to support the community in the event of a major earthquake that causes a main line break. However, as the project site is almost a half mile away from the fault zone, it is unlikely that a rupture will occur on site¹⁴.

As the existing and proposed new reservoirs are near a major fault line, they are susceptible to seismic ground shaking in the event of an earthquake. Depending on the intensity of shaking, there is potential for damage including water line breaks and minor structural damage. In an effort to plan for such shaking, a seismic control valve will be provided to automatically isolate the tank during a seismic event. Strong seismic ground shaking can also cause liquefaction in saturated sands or soft silts. In order to assess the liquefaction potential at the project site, a quantitative analysis was conducted as part of the geotechnical investigation. Results showed that there is limited to no potential for liquefaction or lateral spread at the project site¹⁵.

Other potential ground failure issues include landslides. The project site is located on a hill with 15 to 20 percent slopes. During site visits for boring, no signs of slope instability were observed. Additionally,

¹⁴ LACO, Geotechnical Report for MCSO Cochran Road Water Tank (APN 509-021-046), Section 6.1. January 2014.

¹⁵ LACO, Geotechnical Report, Section 6.3.2.

the area is mapped as Low Instability on the Humboldt County GIS Hazards layer¹⁶. Slope stability analysis for cut and engineered slopes around the new reservoir was conducted and it was recommended that all permanent or temporary cut-slopes have a gradient no steeper than 1.5H:1V and permanent fill slopes be no steeper than 2H:1V¹⁷. Available project designs indicate all permanent cut slopes will be 2H:1V. This is within the safety recommendations of the geotechnical investigation and as such, no slope instability or sliding is anticipated.

Based on the location, geotechnical investigations for the project site, and project design elements, impacts related to rupture of faults, strong seismic ground shaking, liquefaction, and landslides will be **less than significant**.

b) The project involves excavating approximately 20,000 cubic yards of material to accommodate the new reservoir and access road. Excavation will expose soil and may lead to erosion during rain events. Additionally, excavated material is planned to be stored either temporarily or permanently onsite. In order to prevent erosion of exposed soils, erosion control measures and best management practices will be utilized during construction. In the event excavated material is permanently stored onsite, the area will be vegetated to help prevent erosion of exposed soils.

Additional erosion may occur at the drain pipe outlet near Cochran Road. Without adequate protection, water flowing out of the pipe may scour and erode soil in the area. To prevent this type of erosion, the drain outlet will include a riprap apron which will slow water velocity before reaching the soil surface. Based on implementation of standard construction related erosion control measures and project design, impacts pertaining to soil erosion will be **less than significant**.

d) Expansive soil is defined as soil that expands to a significant degree upon wetting and shrinks upon drying. Generally, expansive soils contain a high percentage of clay. Based on site borings conducted in 2013, the site consists of medium-dense to dense, yellow-brown silty sands and medium-dense to very dense, red-brown poorly graded sands which generally have a low-expansive potential¹⁸. As such, the project will result in **no impact** from expansive soils.

e) No septic or sewer systems are proposed as part of the project. As such, **no impact** will occur.

f) No unique paleontological or geological resources are known to exist at the project site. Additionally, soil disturbance activities will be limited to surface layers and extend to a maximum of 36 feet in depth to accommodate the reservoir floor elevation. Based on borings taken in 2013, sandy soils extend to a depth of approximately 43 feet where the base of the reservoir will be located (Boring 2)¹⁹. Based on the depth of the bedrock, it is unlikely geologic material containing paleontological resources would be encountered. As such, there will be **no impact** on unique paleontological or geological resources.

¹⁶ Humboldt County, Web GIS, Hazards, Seismic Safety and Slope Stability, Seismic Safety Layer. Accessed June 23, 2021.

¹⁷ LACO, Geotechnical Report, Section 8.5.

¹⁸ LACO, Geotechnical Report, Section 6.9.

¹⁹ LACO, Geotechnical Report, Appendix 2 – Boring Logs.

GREENHOUSE GAS EMISSIONS	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?			X	
b) Conflict with an applicable plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?			X	

Setting

Global temperatures are affected by naturally occurring and anthropogenic-generated atmospheric gases such as water vapor, carbon dioxide, methane, and nitrous oxide. Gases that trap heat in the atmosphere are called greenhouse gases (GHGs). Emissions of GHGs from human activities such as electricity production, motor vehicle use, and agriculture, are elevating the concentration of GHGs in the atmosphere and are reported to have led to a trend of unnatural warming of the earth's climate, known as global warming or global climate change, and should be lessened and/or mitigated whenever possible. Other than water vapor, the primary GHGs contributing to global climate change include the following gases:

- Carbon dioxide (CO₂), primarily a byproduct of fuel combustion;
- Nitrous oxide (N₂O), a byproduct of fuel combustion and also associated with agricultural operations such as the fertilization of crops;
- Methane (CH₄), commonly created by off-gassing from agricultural practices (e.g., livestock), wastewater treatment, and landfill operations;
- Chlorofluorocarbons (CFCs), which were used as refrigerants, propellants, and cleaning solvents, although their production has been mostly prohibited by international treaty;
- Hydrofluorocarbons (HFCs), which are now widely used as a substitute for chlorofluorocarbons in refrigeration and cooling; and
- Perfluorocarbons (PFCs) and sulfur hexafluoride (SF₆) emissions, which are commonly created by industries such as aluminum production and semiconductor manufacturing.

In 2002, the California legislature declared that global climate change was a matter of increasing concern for the state's public health and environment, and enacted laws requiring the state Air Resources Board (ARB) to control GHG emissions from motor vehicles (Health & Safety Code §32018.5 et seq.). CEQA Guidelines define greenhouse gases to include carbon dioxide (CO₂), nitrous oxide (N₂O), hydrofluorocarbons, perfluorocarbons, and sulfur hexafluoride. The California Global Warming Solutions Act of 2006 (Assembly Bill 32) definitively established the state's climate change policy and set GHG reduction targets (Health & Safety Code §38500 et seq.). The State set its target at reducing greenhouse gases to 1990 levels by 2020. In 2011, the CEQA Guidelines Section 15064.4 Appendix G was modified to include evaluation of Greenhouse Gas emissions.

Discussion

a, b) Construction of the project would cause GHG emissions as a result of combustion of fossil fuels used in construction equipment, vehicles from workers commuting to and from the site, and the

importing of construction material for the reservoir. The project would require the use of several pieces of heavy earthmoving and construction equipment in addition to other small engine-powered tools and equipment. The NCUAQMD has not adopted a threshold for construction-related GHG emissions against which to evaluate significance and has not established construction-generated criteria air pollutant screening levels above which quantitative air quality emissions would be required. Although, the discussion below contains a qualitative analysis of GHG impacts, as discussed in the Air Quality section of this document the California Emissions Estimator Model (CalEEMod) was used to estimate air pollutant emissions from project construction (Appendix B). The model quantifies direct GHG emissions from construction and operation (including vehicle use), as well as indirect GHG emissions, such as GHG emissions from energy use, solid waste disposal, vegetation planting and/or removal, and water use.

Humboldt County is in the process of drafting a Regional Climate Action Plan that will include specific goals and implementation measures related to reducing GHG emissions in the county. While the document is still in draft form, a complete CAP has not been formally adopted to date. However, Humboldt County's General Plan does include goals, policies, and standards related to the reduction of GHG emissions. Applicable policies and standards include:

AQ-P17. Preservation and Replacement of On-site Trees. Projects requiring discretionary review should preserve large trees, where possible, and mitigate for carbon storage losses attributable to significant removal of trees.

AQ-S3. Evaluate Air Quality Impacts. During environmental review of discretionary projects, evaluate new commercial and industrial sources of emissions using analytical methods and significance criteria used, or recommended by, the NCAQMD.

The project has been designed in an effort to avoid impacts to existing vegetation including Sitka spruce habitat located in the northeastern corner of the project area. As much of the existing vegetation will be maintained around the existing storage reservoirs and no large diameter trees are proposed for removal. Additional trees will also be planted post construction in order to reduce the visual impact of the new reservoir. This aligns with AQ-P17 above and will help with carbon sequestration.

As discussed above and under the Air Quality section of this document, analysis of criteria pollutants and GHG emissions was conducted for the project. The results show that a temporary and limited amount of pollutants will be generated from construction (approximately 735 MT CO₂e) and that operational emissions will also be negligible (248 MT/year CO₂e). Therefore, due to its relatively small size and other project features, the project would not be expected to generate GHG emissions, either directly or indirectly, that would have a significant impact on the environment. In addition, the project does not conflict with an applicable plan or policy and a **less than significant impact** will occur.

HAZARDS AND HAZARDOUS MATERIALS	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Create a significant hazard to the public or the environment through the routine transport, use, or disposal of hazardous materials?			X	

HAZARDS AND HAZARDOUS MATERIALS	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?			X	
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed school?				X
d) Be located on a site which is included on a list of hazardous materials sites compiled pursuant to Government Code Section 65962.5 and, as a result, would it create a significant hazard to the public or the environment?				X
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard or excessive noise for people residing or working in the project area?				X
f) Impair implementation of or physically interfere with an adopted or emergency evacuation plan?				X
g) Expose people or structures, either directly or indirectly, to a significant risk of loss, injury or death involving wildland fires?				X

Setting

Humboldt County is the primary agency responsible for emergency response and evacuation planning in the County. Local agencies are required to coordinate emergency planning with the Humboldt County Office of Emergency Services (HCOES). The Humboldt County Emergency Operations Plan (EOP) and Local Area Hazard Mitigation Plan (LAHMP) serve to address planned response to extraordinary emergency situations associated with natural disasters, technological incidents, and national security emergencies in or affecting Humboldt County. These plans establish the organization, responsibilities, and procedures to adequately respond to natural and man-made emergencies.

Discussion

a,b) Construction of the project would require the use and transport of hazardous materials including fuels, oils, and other chemicals used during construction activities. Improper use and transportation of hazardous materials could result in accidental releases or spills, potentially posing health risks to workers, the public, and the environment. These activities are controlled by County code provisions and state regulations (Health and Safety Code Division 20: Miscellaneous Health and Safety Provisions). Additionally, construction activities at the project site will incorporate current best management

practices (BMPs) for construction, including site housekeeping practices, hazardous material storage, inspections, maintenance, worker training in pollution prevention measures, and secondary containment of releases to prevent pollutants from being carried off-site via runoff.

The proposed project would not create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment. Therefore, a **less than significant impact** would occur.

c-f) The project is located at the southern extent of McKinleyville and is not located within a quarter mile of an existing school, on a site designated as hazardous, or in an airport plan area or within two miles of an existing airport. The California Redwood Coast – Humboldt County Airport is located approximately three miles north northwest of the project site. The new reservoir will be located adjacent to existing reservoirs and access routes and will not block any existing roadways that may be used as evacuation routes. As the project is not located near schools or airports and will not interfere with existing evacuation plans, **no impact** will occur.

g) The project site is located in a Moderate Fire Hazard Severity area that is primarily residential except for a 13.8 acre forested parcel located east of the project area. Approximately one mile to the west is the beginning of densely forested lands that are designated with High Fire Hazard Severity²⁰. However, due to the areas influence from the Pacific Ocean causing regularly foggy and damp conditions, risk of catastrophic fire is lower than inland areas. Additionally, the new reservoir would provide an additional 4.5 million gallons of water to area which could be utilized in the event of a major fire. Based on the low potential of wildfire and addition of water storage, there will be **no impact**.

HYDROLOGY AND WATER QUALITY	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality?			X	
b) Substantially decrease groundwater supplies or interfere substantially with groundwater recharge such that the project may impede sustainable groundwater management of the basin?				X
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of a stream or river or through the addition of impervious surfaces, in a manner which would:				
(i) result in substantial erosion or siltation on or offsite;		X		
(ii) substantially increase the rate or amount of surface runoff in a manner		X		

²⁰ Humboldt County Web GIS, Hazards, Fire – Fire Hazard Severity. Accessed June 24, 2021.

HYDROLOGY AND WATER QUALITY	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
which would result in flooding on- or offsite;				
(iii) create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff; or		X		
(iv) impede or redirect flood flows?			X	
d) In flood hazard, tsunami, or seiche zones, risk release of pollutants due to project inundation?				X
e) Conflict with or obstruct implementation of a water quality control plan or sustainable groundwater management plan?				X

Setting

McKinleyville is located on along the Pacific Ocean in the Pacific Northwest. The region is generally moist with ample amounts of precipitation. Annual precipitation at the project site averages 50 inches.²¹ The Mad River is located approximately half a mile to the south of the project site and a third of a mile from Mill Creek.

The project site is a generally north east facing slope with typical drainage infiltrating on-site and/or flowing downhill towards Cochran Road to an existing storm drain system that is piped under Cochran Road and opens to an earthen ditch system that continues along Quail Run Court before eventually flowing towards Mill Creek to the north. Existing three-parameter²² wetlands are located in the northern central and northeast corner sections of the project area as detailed under Biological Resources. Existing development at the project site includes stormwater catch basins and a drain system for the two existing reservoirs. This system drains through a 12-inch pipeline that daylights approximately 400 feet northeast of the existing tanks where water then surface flows downhill to the ditch system along Cochran Road. The project will include construction of a new 142-foot diameter reservoir and associated access road which will increase the amount of impervious surfaces at the site. The project also includes construction of a new 18-inch drainage pipe that will daylight approximately 100 feet from Cochran Road. Erosion control at the drain outlet will include a riprap apron prior to flowing towards the existing storm drain system.²³

McKinleyville is included in Humboldt County's Phase II MS4 Permit boundary issued by the State Water Resources Control Board. The MS4 permit requirements mandate all stormwater created by impervious surfaces onsite must be detained onsite using Low Impact Development (LID) or other approved measures to ensure no net increase in stormwater runoff. Condition E.12 of the MS4 General Permit requires local agencies to require that development projects comply with post-construction stormwater requirements based on LID standards. These standards are intended to maintain a site's pre-

²¹ NOAA, Climate Data Online, Daily Summaries Station Details, McKinleyville 2.7SE, CA US, January 2010 to December 2020. Accessed May 21, 2021.

²² Three-parameter wetlands are defined as areas where hydrology, vegetation, and soil exist that qualify as wetland indicators.

²³ Kennedy Jenks, 4.5 MG Water Reservoir Preliminary Design Report, Section 5.2 Site Grading and Drainage. January 2021.

development runoff characteristics by using design techniques that capture, treat, and infiltrate stormwater on site. Because this project will create greater than 1 acre of impervious surface, it will be classified as a Hydromodification Project in accordance with the Humboldt Low Impact Development Stormwater Manual v2.0.²⁴

Discussion

a) The methods used to detain and convey stormwater at new developments are regulated at the State and local levels. The State Water Resources Control Board (SWRCB) and North Coast Regional Water Quality Control Boards (NCRWQCB) regulate water quality of surface water and groundwater bodies in the region. The project does not involve any activities with MCSD's sanitary sewer system and therefore will have no impact on the District's current waste discharge requirements. Additionally, no new groundwater pumping or surface discharge is proposed that could potentially impact groundwater resources. The proposed project would adhere to relevant programs and practices, such as BMP's, to protect water quality.

Construction activities associated with the proposed project would cause disturbance of soil during excavation work, which could adversely affect water quality. Contaminants from construction vehicles and equipment and sediment from soil erosion could increase the pollutant load in runoff being transported to receiving waters during development. Project construction involves excavation for installation of a new tank, removal of the existing drainpipe, and installation of a new drainpipe. To protect water quality and limit discharges into waterways, mitigation measures BIO-7: Open Trenching Construction and Restoration and BIO-8: Stormwater Pollution Prevention Plan, will be implemented. This will ensure that BMPs to control erosion and sediment during construction will be in place, that natural soils are returned to wetland areas, and that disturbed areas are returned to pre-project conditions upon completion of the project.

As the project will comply with all relevant policies and permit procedures, it is not expected the project will violate any water quality standards or waste discharge requirements or otherwise substantially degrade surface or ground water quality. A **less than significant impact** would occur.

b) The proposed project would not substantially deplete groundwater supplies or interfere substantially with groundwater recharge. MCSD obtains its water from HBMWD, a wholesaler that supplies water to several municipalities in the region including MCSD, City of Arcata, City of Eureka, and others. The source of HBMWD's water is several groundwater wells located along the Mad River to the northeast of Arcata. Groundwater is recharged by infiltration from the Mad River which has regulated flow out of Ruth Lake²⁵. Although the project will increase impervious area on the site, the potential to impact groundwater supplies would not be substantial because: the increase in impervious surface would be insignificant compared to the total surface area of the Mad-Redwood groundwater basin, there would be no large-scale increase in water demand, and there are no existing or proposed groundwater wells in the immediate project vicinity. Therefore, the project will have **no impact** on groundwater supplies or recharge.

c.i-iv) The proposed project would not alter the course of a stream or river and would generally maintain the existing site drainage features and the direction of site runoff. The project site includes two existing catch basins that collect stormwater from the existing development and channel it to the existing storm drainage system. Any surface flow not directed to these two catch basins appears to

²⁴ LACO Associates, Humboldt Low Impact Development Stormwater Manual V2.0. June 20, 2016.

²⁵ City of Arcata, Urban Water Management Plan 2015. Updated February 2018.

infiltrate on-site or flow north, downhill towards Cochran Road. The catch basins also collect water from the overflow and drainpipes of the existing reservoirs²⁶. As noted previously, the existing drain pipeline from the site daylights northeast of the project area where water flows towards the drainage system along Cochran Road.

The project includes construction of a new water storage reservoir and wrap around access road which will result in additional impervious surfaces on the project site. A three foot drainage swale will be located along the outside edge of the access road. Runoff from the road and drainage swale will be conveyed to a separate stormwater drainage system that will be developed during detailed project design. Since the project will disturb greater than one acre of impervious surface, it is considered a hydromodification project under the County's MS4 permit. This requires that post-project runoff will not exceed the estimated pre-project flow rate for the 2-year, 24-hour storm. As such, the site's final drainage plan will be designed to comply with this requirement (mitigation measure HYD-1).

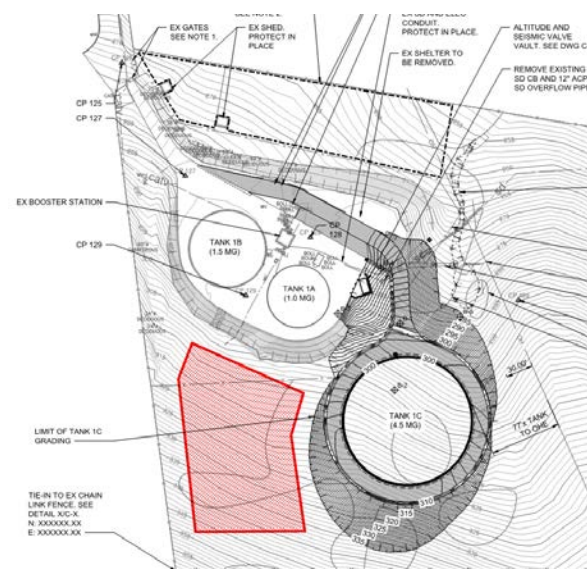
HYD-1: Detailed Design for Onsite Stormwater Runoff Capture. Detailed project design will include a stormwater drainage system that will capture natural stormwater runoff from newly created impervious surfaces for onsite irrigation and infiltration. The system will be designed to meet the County's MS4 permit standards which requires that post-project runoff shall not exceed the estimated pre-project flow rate for the 2-year, 24-hour storm. Design elements may include, but are not limited to, Low Impact Development (LID) features such as rain gardens, bioswales, bioretention features, and on-site infiltration basins.

Water collected from the site via the overflow drains for each tank will be directed through a new 18-inch pipeline that will daylight northeast of the reservoirs approximately 100 feet from Cochran Road. In order to prevent erosion, a riprap apron will be installed at the drain pipe outlet²⁷. Discharges are expected to both infiltrate and sheetflow overland through existing vegetation prior to reaching the existing stormwater system.

Engineered slopes at the project site will be designed to match existing slopes where possible. This will help reduce the amount of excess runoff as a result of the project and allow water to infiltrate onsite. Excavated soil that is stored either temporarily or permanently onsite will adhere to BMPs to prevent soil erosion and excess siltation in potential stormwater runoff. In the event that soil is permanently stored onsite, the area (shown in the Figure 9 below) would be about 10 ft. deep with 3H:1V slopes. A 20-ft. clearance between the filled area and the fence lines and tops of excavated slopes would be maintained and the slope would be vegetated to prevent erosion and runoff (mitigation measure HYD-2).

²⁶ Kennedy Jenks, Preliminary Design Report, MCSD 4.5 MG Water Reservoir Project. January 2021.

²⁷ KJ, Preliminary Design Report. January 2021.

Figure 9: Proposed Excavated Soil Storage Site

HYD-2: Permanent Onsite Storage of Excavated Soils. In the event excavated soil is permanently stored onsite, the storage area will be limited to the slope directly south of the existing water storage reservoirs and west of the proposed reservoir as shown in Figure 9. Soils will be graded to match existing slopes and hydroseeded with a native grass seed mix. Straw wattles will be kept in place around the storage area in accordance with BMPs for stormwater management until such a time the area has been revegetated and is considered stable.

Based on the project design elements, implementation of BMPs, current conditions, and proposed mitigation measures, the project would not result in substantial erosion or siltation; substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or offsite; and would not create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems or provide substantial additional sources of polluted runoff. In addition the project is not located in a FEMA 100-year flood zone and would not impede or redirect flood flows. Impacts related to erosion and surface water runoff will be **less than significant with mitigation**.

d) The project site is not located within a flood, seiche, or tsunami zone. As such, there will be **no impact** from potential project inundation.

e) The relevant water quality control plan for the project area is the NCRWQCB Basin Plan, which establishes thresholds for key water resource protection objectives for both surface waters and groundwater. As discussed above, stormwater runoff from newly constructed impervious surfaces will be collected in catch basins adjacent to or near the reservoirs and be conveyed downslope to the existing stormwater drainage system along Cochran Road. Additional stormwater from the project site will be allowed to surface flow naturally to the northeast into existing drainage systems. As noted previously, the project will have no impact on groundwater resources. As such, there will be no conflict with existing water quality plans, and **no impact** will occur.

LAND USE AND PLANNING	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Physically divide an established community?				X
b) Cause a significant environmental impact due to a conflict with any land use plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect?				X

Setting

Humboldt County General Plan Land Use designations identify both the types of development that are permitted (e.g., residential, commercial, and industrial) and the density or intensity of allowed development. The General Plan Land Use designation for the project site is Residential Low Density one dwelling unit per acre (RL1). The zoning is Residential Suburban (RS) and Residential One-Family, Special Building Site, 20,000 square feet (R-1-B-3). The new water storage reservoir is considered a civic use type under essential services “Community wells, water storage tanks, and associated water treatment facilities,” which is permitted in any zone without a Use Permit, per Humboldt County Code section 314-58.1.

Discussion

- a) The project involves adding a new 4.5-million-gallon water storage reservoir to MCSD’s existing water distribution system. The new reservoir will be constructed at MCSD’s Cochran Road tank site. Two tanks with a total storage volume of 2.5 MG are currently at the site. No aspect of the project would divide an existing community, therefore, **no impact** would occur.
- b) The General Plan Land Use designation for the project site is Residential Low Density one dwelling unit per acre (RL1). The zoning is Residential Suburban (RS) and Residential One-Family, Special Building Site, 20,000 square feet (R-1-B-3). The new water storage reservoir is considered a civic use type which is permitted in any zone without a Use Permit, per Humboldt County Code section 314-58.1. Additionally, the Humboldt County Planning Commission found the project to be in conformance with the goals and policies of the Humboldt County General Plan during a hearing held on November 4, 2021. A detailed staff report was prepared that considered each element of the General Plan and an explanation of how the proposed project aligns with the element’s goals²⁸. The project would not require a General Plan Land Use designation or zoning change and would not conflict with any applicable plan, policy, or regulation adopted for the purpose of avoiding or mitigating an environmental effect. As such, **no impact** would occur.

²⁸ Humboldt County Planning and Building Department, County of Humboldt General Plan Conformance Review – Case Number PLN-2021-17386 for Assessor’s Parcel Number 509-021-045 & 46 (McKinleyville Area). November 4, 2021.

MINERAL RESOURCES	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Result in the loss of availability of a known mineral resource that would be of value to the region and the residents of the state?				X
b) Result in the loss of availability of a locally-important mineral resource recovery site delineated on a local general plan, specific plan or other land use plan?				X

Setting

Current mineral resource production in the County is primarily limited to sand, gravel, and rock extraction. According to Humboldt County Web GIS, there are no State Surface Mining and Reclamation Act (SSMARA) parcels in the project site. The closest SSMARA parcels are located approximately 0.5 miles from the project site.

Discussion

a,b) No mineral resources and no mineral resource extraction currently occurs within the project site. No mining is proposed. The project would not affect the availability of a known mineral resource that would be of value to the region, nor would the project result in the loss of availability of a locally important mineral resource recovery site delineated on a specific, general plan or other land use plan. Therefore, **no impact** would occur.

NOISE	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project result in:				
a) Generation of a substantial temporary or permanent increase in ambient noise levels in the vicinity of the project in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?			X	
b) Generation of excessive ground borne vibration or ground borne noise levels?			X	
c) For a project located within the vicinity of a private airstrip or an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?				X

Setting

Sound can be described as the mechanical energy of a vibrating object transmitted by pressure waves through a liquid or gaseous medium (e.g., air) to a human ear. Noise is defined as loud, unexpected, annoying, or unwanted sound. Vibration is the periodic oscillation of a medium or object with respect to a given reference point. Sources of vibration include natural phenomena (e.g., earthquakes, volcanic eruptions, sea waves, landslides) and those introduced by human activity (e.g., explosions, machinery, traffic, trains, construction equipment). Vibration sources may be continuous, (e.g., operating factory machinery) or transient in nature (e.g., explosions).

The project site is located in a rural residential area of McKinleyville. The McKinleyville Community Plan lists the Arcata-Eureka airport and roads as the principal permanent sources of noise in the community. The primary roads of concern are Highway 101, Central Avenue, and other major arterials. Under Community Plan Policy 3242 the maximum interior noise levels from exterior sources shall be limited to a Community Noise Equivalent Level (CNEL) of 45 (or 45 Ldn). Additionally, The Humboldt County General Plan (2017) includes policy N-S7 for Short-term Noise Performance Standards (Lmax).

SHORT-TERM NOISE STANDARDS (Lmax)		
Zoning Classification	Day (maximum)	Night (maximum)
	6:00 a.m. to 10:00 p.m. dBA	10:00 p.m. to 6:00 a.m. dBA
MG, MC, AE, TPZ, TC, AG, FP, FR, MH	80	70
CN, MB, ML, RRA, CG, CR C-1, C-2, C-3,	75	65
RM, R-3, R-4	65	60
RS, R-1, R-2, NR	65	60

Discussion

- a) The construction phase of the project will include use of heavy machinery and frequent trips by construction vehicles which will temporarily increase noise levels in the local vicinity. These noise increases will be limited to permitted hours (7 a.m. – 6p.m. weekdays, 9 a.m. – 6 p.m. weekends, lower ambient noise levels within 2 hours of sunrise/sunset). Noise impacts resulting from construction would depend upon the noise generated by various pieces of construction equipment, the timing and duration of noise generating activities, and the distance between construction noise sources and noise sensitive areas. Potential noise levels from construction equipment are included in the table below.

Equipment	Noise Level (dB)	Equipment	Noise Level (dB)
Drill rig truck	84	Jackhammer	85
Horizontal Boring Hydraulic Jack	80	Large Generator	82
Front-end Loader or Backhoe	80	Paver or Roller	85
Excavator	85	Dump Truck	84

Source: Federal Highway Administration, 2005.

Sound from a point source is known to attenuate, or reduce, at a rate of 6 dB for each doubling of distance. For example, a noise level of 84 dB as measured at 50 feet from the noise source would attenuate to 78 dB at 100 feet from the source and to 72 dB at 200 feet from the source to the receptor. Based on the reference noise levels, above, the noise levels generated by construction equipment at the project site may reach a maximum of approximately 85 dB at 50 feet during site

excavation, and construction which exceeds the Short Term Noise Standards set by the Humboldt County General Plan.

The nearest dwellings are approximately 400 to 500 feet away from the proposed construction site. A standard stick built house can decrease noises from outside sources by 15dB²⁹. The combination of distance from the construction site and decrease from household walls decreases the effect of the short term construction noise to within normally accepted levels of approximately 46dB.

Operational noise comes from an existing booster station and other minor electrical equipment required for operation. No new additional equipment is proposed for operations and as such, there will be no change from existing conditions.

The project is not anticipated to generate substantial increases in noise levels in excess of established standards. Since noise from construction activities will be limited to permitted hours, temporary in nature, and attenuated to within acceptable levels for the current rural residential land designation; and operational noise levels are very limited and not expected to change from existing conditions, effects from the project will be **less than significant**.

- b) The project is not expected to generate unusual ground borne vibration or ground borne noise levels. Construction activities typically create a small increase in ground borne vibrations, but the vibration level is rarely significant and diminishes rapidly with distance from the construction equipment unless unusual geological conditions are present. Vibration levels would vary depending on soil conditions, construction methods, and equipment used. Construction equipment and construction operations for the project would be similar to construction operations at many construction sites. Vibrations may be slightly perceptible but would be unlikely to cause damage to any structure. As there are no unusual geological conditions within the project area and residential households are located approximately 400 feet or more from the project site, there will be **less than significant** impacts from ground borne vibrations.
- c) The project site is located approximately 2.5 miles from the Arcata-Eureka airport (California Redwood Coast-Humboldt County Airport). As such, the project is not located within the vicinity of an airport and would not expose people residing or working in the project area to excessive airport-related noise levels, and **no impact** would occur.

POPULATION AND HOUSING	Potentially Significant	Less Than Significant with Mitigation	Less Than Significant	No Impact
Would the project:				
a) Induce substantial unplanned population growth in the area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?				X

²⁹ MCP, Noise. December 2002.

POPULATION AND HOUSING	Potentially Significant	Less Than Significant with Mitigation	Less Than Significant	No Impact
b) Displace substantial numbers of existing people or housing, necessitating the construction of replacement housing elsewhere?				X

Setting

McKinleyville is the most populated unincorporated area in Humboldt County and is one of the fastest growing communities in the county. The 2019 American Community Survey (ACS) reported that McKinleyville Census Designated Place had a population of approximately 17,208. Overall, the County is anticipated to have a low growth rate of 0.25% from 2016 – 2025³⁰. Utilizing the 2019 ACS estimate and a 0.25% growth rate, there could be a population of approximately 17,700 by 2030.

In the recent past, unincorporated Humboldt County has seen limited housing development and has been unable to meet estimated housing needs. This is largely due to the fees associated with new construction³¹. The 2019 ACS estimated 6,973 households in McKinleyville which is an increase of 400 units from 2010 decennial census data. In an effort to help increase housing development, the County has developed numerous policies and implementation measures as part of their 2019 Housing Element Update. This includes the following:

H-IM66. Expand Public Water and Sewer Capacity for Housing. The County shall work with community service districts to identify and overcome constraints to providing service for housing, including but not limited to the Redway Community Services District (“RCSD”) The County shall also work with the McKinleyville Community Services District (MCSD) to identify capacity constraints and develop phasing plans to allow development within the limits of utility constraints and work to pursue funding mechanisms for the MCSD to design and implement capacity improvements.

Discussion

a,b) The project involves - the addition of a new water storage reservoir to an existing water distribution system. This is in compliance with Housing Element Implementation Measure H-IM66 listed above as the project can be considered a capacity improvement. However, the project does not create any housing or necessitate the development of housing. It would not result in the extension of utilities or roads or other infrastructure into outlying areas and would not directly or indirectly lead to the development of new sites that would induce population growth. The project would not result in the displacement of any housing or people. **No impact** would occur.

³⁰ Humboldt County General Plan, Land Use Element, Section 4.2.2 County Population Trends. October 23, 2017.

³¹ Humboldt County General Plan, 2019 Housing Element, Section 8.3.1.

PUBLIC SERVICES	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
a) Fire protection?				X
b) Police protection?				X
c) Schools?				X
d) Parks?				X
e) Other public facilities?				X

Setting

For fire protection services, the project area is served by the Arcata Fire Protection District (FPD). The Arcata FPD provides structural fire protection and emergency services to McKinleyville and Arcata and surrounding areas. The McKinleyville Station is located approximately two miles from the project site at 2149 Central Avenue.

The Humboldt County Sheriff's Office provides a variety of public safety (court services, corrections, emergency operations) and law enforcement services throughout the county including McKinleyville. The Humboldt County Sheriff's McKinleyville Station provides law enforcement services to the residents of McKinleyville, Fieldbrook, Westhaven, Orick and all other unincorporated areas North of Arcata, and is located at 1608 Pickett Road in McKinleyville.

The school districts serving the project area include McKinleyville Union School District (elementary and middle school) and Northern Humboldt Union High School District (high school). Schools within approximately two miles of the project site include: Morris Elementary School, McKinleyville High School, and McKinleyville Middle School.

MCSO provides recreational facilities and programs throughout the community. Park and recreation facilities (including open space) nearest the project site include Azalea State Nature Preserve and the Hammond Trail which are managed by the County of Humboldt. The nearest library to the project site is the McKinleyville Library located at 1606 Pickett Road in Pierson Park in McKinleyville which is also managed by the County of Humboldt.

Discussion

a-e) As discussed in the Population and Housing section, the project would not directly or indirectly induce population growth nor create new demand for services. The Project will not necessitate new or physically altered government facilities. Therefore, the project would have no impact on the service ratios, response times, or other performance objectives of schools, parks, and other public facilities and services that are based on population growth. **No impact** would occur.

RECREATION	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Would the project increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?				X
b) Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment?				X

Setting

Reference the section above titled "Public Services" for information on recreational resources in McKinleyville. The project site does not include any recreational facilities.

Discussion

a,b) As discussed in the section titled Population and Housing the project would not directly or indirectly induce substantial population growth nor would the project expand services. Therefore, the project would not increase the use of existing neighborhood and regional parks or other recreational facilities such that substantial physical deterioration would occur or be accelerated. The project would not include recreational facilities. Therefore, the project would not require the construction or expansion of recreational facilities which might have an adverse physical effect on the environment. **No impact** would occur.

TRANSPORTATION	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Conflict with a program, plan, ordinance or policy addressing the circulation system, including transit, roadway, bicycle, and pedestrian facilities?			X	
b) Would the project conflict or be inconsistent with CEQA Guidelines section 15064.3 subdivision (b)?			X	
c) Substantially increase hazards due to a geometric design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?				X
d) Result in inadequate emergency access?				X

Physical Setting

The project site is located within a developed residential area of McKinleyville just off Cochran Road and accessed by Hilltop Lane, a private residential road that leads to a residence south of the project site. Cochran Road, located in the southeastern part of McKinleyville, runs east west and intersects with Azalea Avenue. The project site is approximately 2.0 road miles from the intersection of Sutter Road and Central Avenue. The site can also be accessed from the south by way of North Bank Road which is approximately 1.3 road miles away along Azalea Avenue. Access includes rural residential two lane stripped and unstripped roadways that provide access to low density residential neighborhoods.

The McKinleyville Community Plan under the Humboldt County General Plan shows Sutter Road and Azalea Road as Urban Collectors. Central Avenue is designated an Urban Minor Arterial and North Bank Road is a Rural Major Collector. Cochran Road was shown as part of a proposed Class II or III Bike Route³² and is currently listed as an intermediate bike route on the Humboldt Bay Area Bike Map³³.

Public transportation services in McKinleyville are provided by Redwood Transit System which operates under the Humboldt Transit Authority. Service is predominantly located along Central Avenue with additional stops located at McKinleyville High School on McKinleyville Avenue and Humboldt County Airport off Airport Road. The project is approximately 2.1 road miles from the nearest service stop located at Central Avenue and School Avenue³⁴.

Regulatory Setting

The Humboldt County Association of Governments conducts a regular update to the Humboldt County Regional Transportation Plan, which is currently being updated with anticipated adoption in December 2021. The plan serves as a guide for coordinated and efficient development of the transportation system in the region. It also takes into consideration several other regional plans including bike plans, transit development plans, and trails plans to promote an efficient and useful multimodal transportation network for area residents.

In January 2019, the Governor's Office of Planning and Research released comprehensive updates to the CEQA Guidelines, including updates to the Transportation Section, including changing the title of the section from "Transportation and Traffic" to simply "Transportation", and adding a new section regarding determining the significance of a project's transportation impacts (CEQA Guidelines Section 15064.3). The updated guidelines exhibit a clear intent to prioritize infill projects and shift away from congestion-based Level of Service (LOS) standards to Vehicle Miles Traveled (VMT), which more efficiently analyzes a project's energy usage and overall environmental impact. Using VMT also ensures that infill projects, which may cause traffic congestion but also decrease energy inefficiencies, are not penalized.

CEQA Guidelines Section 15064.3. Determining the Significance of Transportation Impacts.

(a) Purpose. This section describes specific considerations for evaluating a project's transportation impacts. Generally, vehicle miles traveled is the most appropriate measure of transportation impacts. For the purposes of this section, "vehicle miles traveled" refers to the amount and distance of automobile travel attributable to a project. Other relevant considerations may include the effects of the project on transit and non-motorized travel. Except as provided in subdivision (b)(2) (regarding

³² Humboldt County General Plan, McKinleyville Community Plan, December 2002.

³³ Humboldt County Association of Governments, Humboldt Bay Area Bike Map, April 2018.

³⁴ Humboldt Transit Authority, Redwood Transit System. Accessed on December 4, 2020 from <https://hta.org/agencies/redwood-transit-system/>.

roadway capacity), a project's effect on automobile delay shall not constitute a significant environmental impact.

Discussion

a) The McKinleyville Community Plan includes many policies for enhancing roadway safety for all users including pedestrians, cyclists, and equestrian riders. These policies focus on creating safer roadways by improving surfaces, creating better circulation, and encouraging off street parking³⁵.

The project site will be accessed by roadways that are considered collectors and are part of existing designated bike routes within McKinleyville. There will be an increase of traffic on the roadways from construction vehicles and equipment including concrete mixers, large flatbeds carrying construction equipment and other necessary equipment for staging, grading, and construction of the new reservoir. Increased traffic from oversized vehicles and equipment may have an impact on roadway accessibility for non-motorized users. However, this impact will be intermittent and temporary with no long-term effects. Additionally, equipment will be staged away from main roadways when possible in order to better facilitate access by non-motorized users during construction of the reservoir.

Impacts to traffic and safety along existing roadways and bike path networks will be minimal and temporary. Additionally, the project does not propose any alterations to existing roads, trails, or other non-vehicle paths of travel. As such, the project will not conflict with any policies regarding transportation in the McKinleyville area and a **less than significant impact** will occur.

b) The project would create additional vehicle miles traveled during the construction phase. Since MCSD employees and others associated with operation and maintenance of the existing reservoirs already periodically visit the project site, operation of the project is not anticipated to create any additional VMTs.

Construction of the new reservoir will create additional VMTs due to trips from construction workers and delivery of materials. It is unknown where construction workers would be traveling from and as such it is difficult to estimate the actual number of vehicle miles that will be generated. It is also unknown how many delivery trips will be required to bring all necessary construction materials to the site. However, these trips will only last for the duration of construction which is anticipated to take approximately nine months. After construction is completed, vehicle trips are expected to return to pre-project conditions. As the project will not generate any additional VMTs during operation and construction VMTs will be limited and temporary, impacts to VMTs will be **less than significant**.

c,d) The Project does not propose any modifications to existing roadways or associated infrastructure. A new circular access road will be constructed around the reservoir for maintenance purposes. This roadway will be designed according to current Humboldt County regulations and will not create any hazardous circumstances. As the project does not propose any modifications to local roadways, it will also not create inadequate emergency access. During construction, access roads will be kept clear in the event of an emergency in order to facilitate adequate access. As such, there will be **no impact** from design features, incompatible uses, or inadequate emergency access.

³⁵ McKinleyville Community Plan, Chapter 4 – Public Services and Facilities. December 2002.

TRIBAL CULTURAL RESOURCES	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project: Cause a substantial adverse change in the significance of a tribal cultural resource, defined in Public Resources Code section 21074 as either a site, feature, place, cultural landscape, sacred place, or object with cultural value to a California Native American Tribe, and that is:				
a) Listed or eligible for listing in the California Register of Historical Resources, or in a local register of historical resources as defined in Public Resources Code section 5020.1 (k), or			X	
b) A resource determined by the lead agency, in its discretion and supported by substantial evidence, to be significant pursuant to criteria set forth in subdivision (c) of Public Resources Code Section 5024.1. In applying the criteria set forth in subdivision (c) of Public Resources Code Section 5024.1, the Lead Agency shall consider the significance of the resource to a California Native American Tribe.			X	

Setting

Wiyot occupation of the Humboldt Bay region preceded Euroamerican history from “time immemorial.” The general area has a long history of human use associated with the Mad River including Native American and later with European settlers beginning around 1850. The project area is within the ethnographic territory of the Wiyot and the general area has high potential for archaeological sites.

A Cultural Resource Investigation Report for the project was prepared by Roscoe and Associates Cultural Resources Consultants in the summer of 2020 for the project area or area of potential effect (APE) (RACRC, 2020). The report includes a review of regional archaeological and ethno-geographic literature, historical maps and aerial photography, a project area record search at the California Historical Resources Information System’s Northwest Information Center, correspondence with local Native American tribal representatives, and a pedestrian field survey conducted on July 24, 2020. According to the report, “No artifacts, features, or sites were identified in the APE during this investigation”. The report also includes recommendations for inadvertent discovery of archaeological material and/or human remains.

Discussion

a, b) Consistent with the requirements of CEQA and the requirements of Public Resources Code section 21080.3.1, MCSD initiated consultation regarding tribal cultural resources pursuant to Assembly Bill (AB) 52 via letter on October 1, 2021, with the Bear River Band of the Rohnerville Rancheria, Blue Lake Rancheria, Cher-Ae Heights Indian Community of the Trinidad Rancheria, and the Wiyot Tribe. MCSD received emails from both the Blue Lake Rancheria and Wiyot Tribe declining AB 52 consultation. As discussed in the *Cultural Resources* section of this document, RACRC found no evidence of tribal or other cultural resources and determined that no impact would result from the project. No tribal cultural resources are known to occur within the project area, therefore, **no impact** to tribal cultural resources will result.

UTILITIES AND SERVICE SYSTEMS	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
Would the project:				
a) Require or result in the relocation or construction of new or expanded water, wastewater treatment, or storm water drainage, electric power, natural gas, or telecommunications facilities, the construction or relocation of which could cause significant environmental effects?			X	
b) Have sufficient water supplies available to serve the project and reasonably foreseeable future development during normal, dry and multiple dry years?				X
c) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments?				X
d) Generate solid waste in excess of State or local standards, or in excess of the capacity of local infrastructure, or otherwise impair the attainment of solid waste reduction goals?			X	
e) Comply with federal, state, and local management and reduction statutes and regulations related to solid waste?			X	

Setting

MCSDD currently provides water and wastewater services to the McKinleyville area. The water system includes four pressure zones and primary water storage is located at the project site with additional storage located on Norton Road in northern McKinleyville. Electricity is provided by PG&E in association with the Redwood Coast Energy Authority. The site is currently served electricity to support operations of the two existing reservoirs and the McKluski reservoirs located south of the project site on Hewitt Road.

Discussion

a) The project involves expansion of water storage in order to provide adequate backup water supply to the community in the event of a HBMWD supply line break. No additional wastewater or telecommunication facilities will be required to support the project as adequate facilities are already in place.

McKinleyville has an existing stormwater system that is subject to the Humboldt County's Phase II MS4 Permit issued by the State Water Resources Control Board. As discussed under *Hydrology and Water Quality*, stormwater from the site flows to existing stormwater facilities along Cochran Road and down Quali Run Rd. to the northeast of the new reservoir. The existing drainage ditches and culverts will be

adequate to serve the project and no expansion of the system will be required. See *Hydrology and Water Quality Section c* for more information.

The new reservoir and associated telemetry and pumping equipment will create an additional load on the power line currently serving the site. The new load will be relatively small with three tank mixers, valves, instrumentation, cameras, and lights. PG&E will be informed when new loads, about 3 kW for this project, are added to a transformer to assure the existing transformer is properly sized³⁶. Based on the existing infrastructure in place and the limited amount of new demand created by the project, impacts will be **less than significant**.

b) MCSD purchases water wholesale from HBMWD. Water is delivered to MCSD through a single 18-inch transmission pipeline buried below the bed of the Mad River. As discussed under *Hydrology and Water Quality Section B*, HBMWD currently has excess water supply under its current water rights allocations and is seeking to find beneficial uses for this water. This indicates that there is ample supply to support regular filling of the new reservoir. As such, there will be **no impact**.

c) The project does not involve any development that would require additional wastewater capacity or construction of facilities that would increase demands from existing developments. As such, there will be **no impact**.

d,e) The project will create construction related solid waste. However, operations will not increase the amount of solid waste above existing levels. During construction and operation of the project, MCSD must comply with all County and State solid waste diversion, reduction, and recycling mandates, including compliance with the Humboldt County Integrated Waste Management Plan. As such, impacts will be **less than significant**.

WILDFIRE	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
If located in or near state responsibility areas or lands classified as very high fire severity zones, would the project:				
a) Substantially impair an adopted emergency response plan or emergency evacuation plan?				X
b) Due to slope, prevailing winds, and other factors, exacerbate wildfire risks, and thereby expose project occupants to, pollutants from a wildfire or the uncontrolled spread of wildfire?				X
c) Require the installation or maintenance of associated infrastructure (such as roads, fuel breaks, emergency water sources, power lines or other utilities) that may exacerbate fire risk or that may result in temporary or ongoing impacts to the environment?				X

³⁶ KJ, Preliminary Design Report. Section 5.5 – Electrical.

WILDFIRE	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
d) Expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire slope instability, or drainage change?				X

Setting

Wildland fire protection in California is the responsibility of either the State, local, or federal government. A State Responsibility Area (SRA) is a legal term defining the area where the State has financial responsibility for wildland fire protection. Incorporated cities and areas of federal ownership are not included. The prevention and suppression of fires in all areas that are not SRAs are primarily the responsibility of local or federal agencies. There are more than 31 million acres in state responsibility area with an estimated 1.7 million people and 750,000 existing homes. Local Responsibility Areas (LRAs) include incorporated cities, cultivated agriculture lands, and portions of the desert. Local responsibility area fire protection is typically provided by: city fire departments, fire protection districts, counties, and by CAL FIRE under contract to local government.

The project site is within the Arcata Fire Protection District area and is in a Cal Fire State Responsibility Area (SRA). The Arcata Fire Protection District provides structural fire protection and emergency services to McKinleyville and Arcata and surrounding areas. The McKinleyville Station is located at 2149 Central Avenue, approximately two miles from the project site. According to Humboldt County Web GIS, the project site is in moderate fire hazard severity zones.

Discussion

- a) Construction work at the project site would be temporary and roads would still be accessible so as to not impair an adopted emergency plan or emergency evacuation plan by ensuring access in the event of an emergency or evacuation. Therefore, there would be **no impact**.
- b-d)** The project does not include site-specific modifications that would expose project occupants to pollutants from a wildfire or other uncontrolled spread of wildfire. The project includes installation of a new water storage reservoir that would not exacerbate fire or result in temporary or ongoing impacts to the environment, or expose people or structures to significant risks, including downslope or downstream flooding or landslides, as a result of runoff, post-fire instability, or drainage change, As such, there would be **no impact**.

MANDATORY FINDINGS OF SIGNIFICANCE	Potentially Significant	Less Than Significant With Mitigation	Less Than Significant	No Impact
a) Does the project have the potential to substantially degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, substantially reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory?		X		
b) Does the project have impacts that are individually limited, but cumulatively considerable? ("Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects.)			X	
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?			X	

Discussion

Certain mandatory findings of significance must be made to comply with CEQA Guidelines §15065. The proposed project has been analyzed, and it has been determined that it would not:

- Substantially degrade environmental quality;
- Substantially reduce fish or wildlife habitat;
- Cause a fish or wildlife population to fall below self-sustaining levels;
- Threaten to eliminate a plant or animal community;
- Reduce the numbers or range of a rare, threatened, or endangered species;
- Eliminate important examples of the major periods of California history or pre-history;
- Achieve short term goals to the disadvantage of long-term goals;
- Have environmental effects that will directly or indirectly cause substantial adverse effects on human beings; or
- Have possible environmental effects that are individually limited but cumulatively considerable when viewed in connection with past, current, and reasonably anticipated future projects.

The project has been evaluated in this initial study and determined to have no potentially significant unmitigated impacts. With implementation of the proposed mitigation measures all potentially significant impacts would be reduced to less than significant levels.

a) Due to the developed and residential nature of the project site and surrounding land uses, and with implementation of the design elements and Mitigation Measures presented herein, the project as a whole does not have the potential to significantly degrade the quality of the environment, including air quality, fish or wildlife species or their habitat, plant or animal communities, important examples of the major periods of California history or prehistory, geologic resources, hazards, water resources, land use compatibility, noise, traffic movement, or other adverse effects, directly or indirectly, on human beings.

Although the project will have temporary construction impacts to biological resources, impacts will be reduced to a less than significant level with implementation of the following Mitigation Measures:

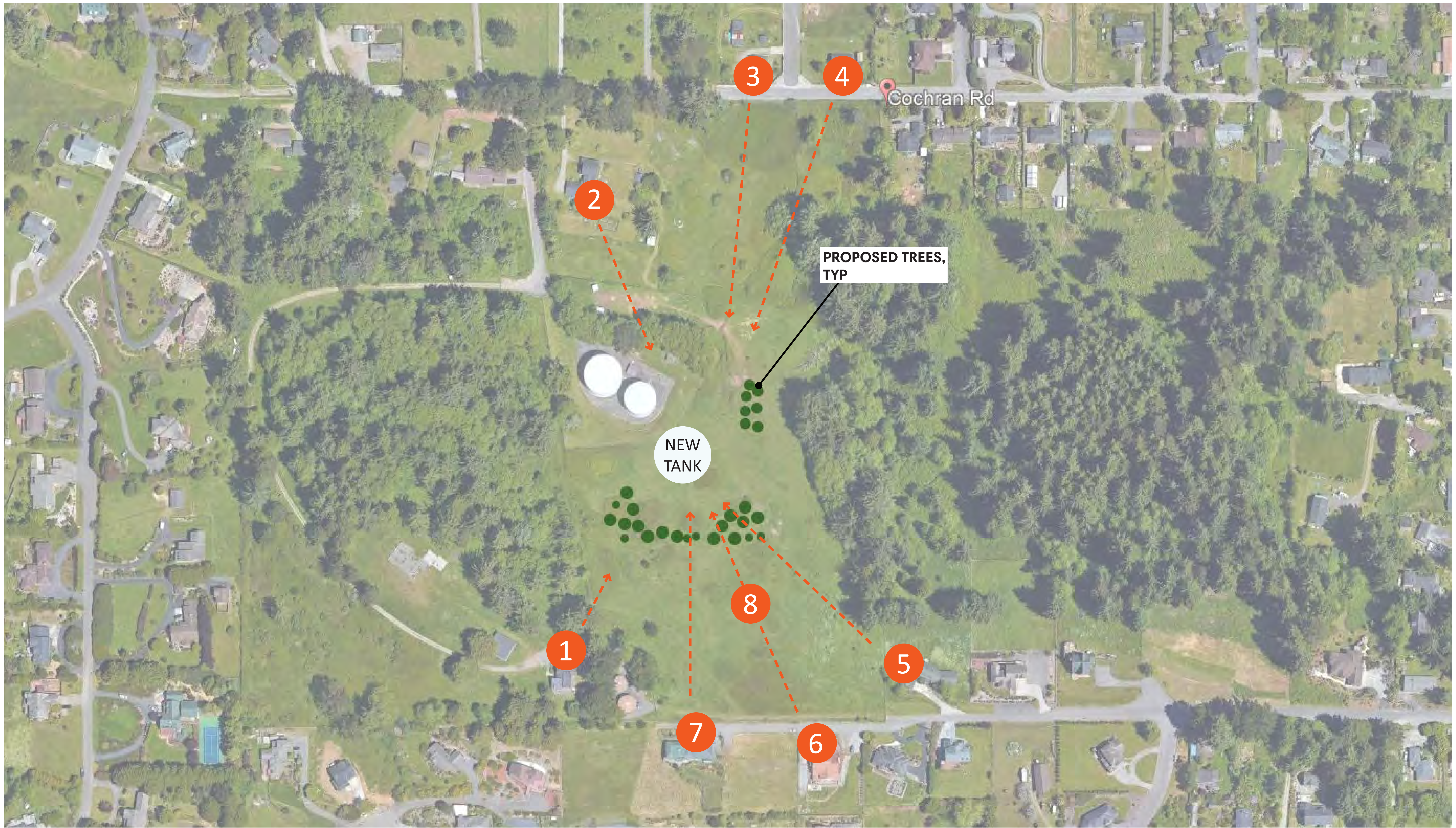
- BIO-1: Sensitive Habitat Demarcation
- BIO-2: Pre-Construction Survey for Humboldt Mountain Beaver
- BIO-3: Pre-Disturbance Surveys for Nesting Birds
- BIO-4: Pre-Disturbance Surveys for Amphibian and Reptile Species of Concern
- BIO-5: Survey for Western Bumble Bee
- BIO-6: Wetland Identification and Demarcation
- BIO-7: Open-Trenching Construction and Restoration
- BIO-8: Stormwater Pollution Prevention Plan
- BIO-9: Construction Monitoring
- BIO-10: Post-Construction Restoration and Revegetation

With incorporation of the mitigation measures listed above, construction impacts will be reduced to a less than significant level. As evaluated in this IS/MND, operation of the Project will not substantially degrade the quality of the environment. The impacts will be less than significant with mitigation.

b) Cumulative impacts are defined as “two or more individual effects which, when considered together, are considerable or which compound or increase other environmental impacts” (CEQA Guidelines § 15355). Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time. There are no known projects to be considered under cumulative effects with proximity to the proposed project. The project’s individual impacts would not add appreciably to any existing or foreseeable future significant cumulative impact, such as visual quality, historic resources, traffic impacts, or air quality degradation. Incremental impacts, if any, would be small and undetectable. As reported throughout this document, any impacts to which this project would contribute would be mitigated to a less than significant level.

c) The Project has been planned and designed to avoid significant environmental impacts. As discussed in the analysis throughout this IS/MND, the Project would not have environmental effects that would cause substantial adverse direct or indirect effects on human beings.

Appendix A – Viewshed Analysis & Planting Plan



MCKINLEYVILLE WATER RESERVOIR - VIEWSHED ANALYSIS

Kennedy Jenks
Date: April 23, 2021





VIEW 1 KEY MAP



TANK INSTALLATION



EXISTING VIEW



TANK INSTALLATION WITH TREE PLANTING

MCKINLEYVILLE WATER RESERVOIR - VIEW 1

Kennedy Jenks
Date: April 23, 2021





VIEW 2 KEY MAP



EXISTING VIEW



TANK INSTALLATION

MCKINLEYVILLE WATER RESERVOIR - VIEW 2

Kennedy Jenks
Date: April 23, 2021



VIEW 3 KEY MAP



TANK INSTALLATION



EXISTING VIEW



TANK INSTALLATION WITH TREE PLANTING

MCKINLEYVILLE WATER RESERVOIR - VIEW 3

Kennedy Jenks
Date: April 23, 2021





VIEW 4 KEY MAP



EXISTING VIEW



TANK INSTALLATION

MCKINLEYVILLE WATER RESERVOIR - VIEW 4

Kennedy Jenks
Date: April 23, 2021





VIEW 5 KEY MAP



TANK INSTALLATION



EXISTING VIEW



TANK INSTALLATION WITH TREE PLANTING

MCKINLEYVILLE WATER RESERVOIR - VIEW 5

Kennedy Jenks
Date: April 23, 2021





VIEW 6 KEY MAP



EXISTING VIEW



TANK INSTALLATION

MCKINLEYVILLE WATER RESERVOIR - VIEW 6

Kennedy Jenks
Date: April 23, 2021



VIEW 7 KEY MAP



EXISTING



TANK INSTALLATION

MCKINLEYVILLE WATER RESERVOIR - VIEW 7

Kennedy Jenks
Date: April 23, 2021





VIEW 8 KEY MAP



TANK INSTALLATION



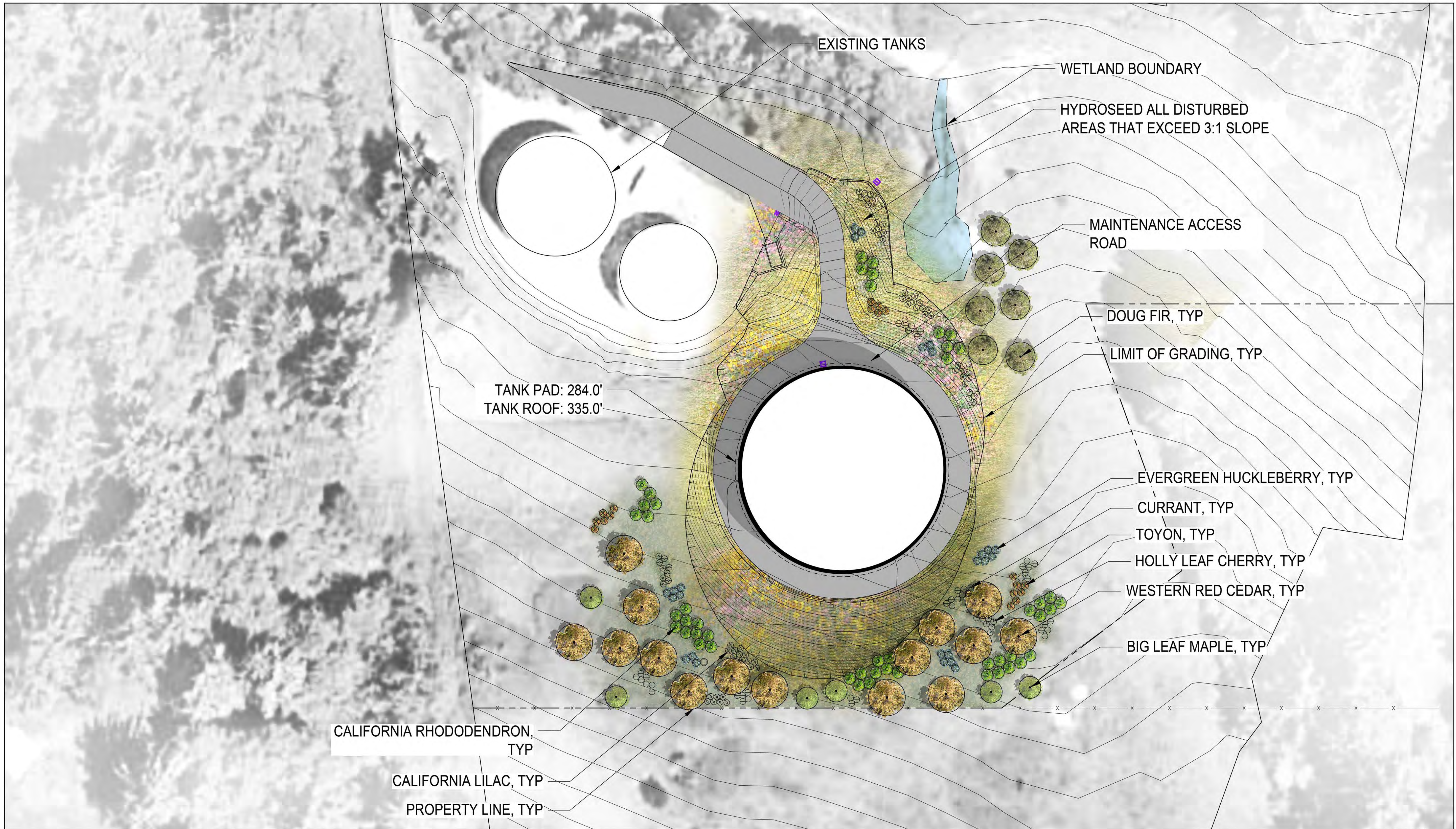
EXISTING VIEW



TANK INSTALLATION WITH TREE PLANTING

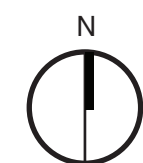
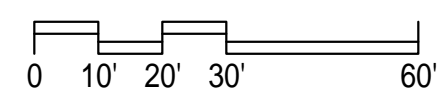
MCKINLEYVILLE WATER RESERVOIR - VIEW 8

Kennedy Jenks
Date: April 23, 2021



MCKINLEYVILLE WATER RESERVOIR - PLANTING PLAN

Kennedy Jenks
Date: April 23, 2021





ACER MACROPHYLLUM
BIG LEAF MAPLE



PSEUDOTSUGA MENZIESII
DOUGLAS FIR



THUJA PLICATA
WESTERN RED CEDAR

TREES			
SYM.	ABBR.	SCIENTIFIC NAME	COMMON NAME
	ACE MAC	ACER MACROPHYLLUM	BIG LEAF MAPLE
	PSE MEN	PSEUDOTSUGA MENZIESII	DOUGLAS FIR
	THU PLI	THUJA PLICATA	WESTERN RED CEDAR

SHRUBS			
SYM.	ABBR.	SCIENTIFIC NAME	COMMON NAME
	CEA THY	CEANOTHUS THYRSIFLORUS	CALIFORNIA LILAC
	HET ARB	HETEROMELES ARBUTIFOLIA	TOYON
	PRU ILI	PRUNUS ILICIFOLIA	HOLLY LEAF CHERRY
	RHO MAC	RHODODENDRON MACROPHYLLUM	CALIFORNIA RHODODENDRON
	RIB SAN	RIBES SANGUINEUM	RED FLOWERING CURRANT
	VAC OVA	VACCINIUM OVATUM	EVERGREEN HUCKLEBERRY



CEANOTHUS THYRSIFLORUS
CALIFORNIA LILAC



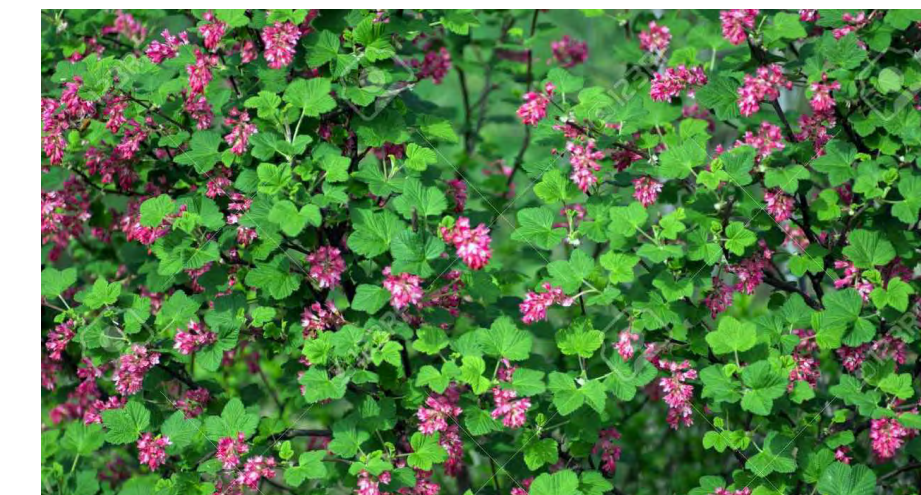
HETEROMELES ARBUTIFOLIA
TOYON



PRUNUS ILICIFOLIA
HOLLY LEAF CHERRY



RHODODENDRON MACROPHYLLUM
CALIFORNIA RHODODENDRON



RIBES SANGUINEUM
RED FLOWERING CURRANT



VACCINIUM OVATUM
EVERGREEN HUCKLEBERRY

HYDROSEED MIX			
SYM.	ABBR.	SCIENTIFIC NAME	COMMON NAME
	BRO CAR	BROMUS CARINATUS	NATIVE CALIFORNIA BROME
	CLA AMO	CLARKIA AMOENA SSP AMOENA	
	ELY GLA	ELYMUS GLAUCUS	BLUE WILD RYE
	ESC CAL	ESCHSCHOLZIA CALIFORNICA	CALIFORNIA POPPY
	FES IDA	FESTUCA IDAHOENSIS	IDAHO FESCUE
	HOR BRA	HORDEUM BRACHYANTHERUM SSP. CALIFORNICUM	CALIFORNIA BARLEY
	LAS CAL	LASTHENIA CALIFORNICA SSP. CALIFORNICUM	GOLDFIELDS
	LAY PLA	LAYIA PLATYGLOSSA	TIDY TIPS
	LUP AFF	LUPINIUS AFFINIS	
	POA SEC	POA SECUNDA	NATIVE PINE BLUEGRASS
	STI PUL	STIPA PULCHRA	PURPLE NEEDLEGRASS
	TRI VER	TRIPHYSARIA VERSICOLOR SSP. VERSICOLOR	YELLOW OWL'S CLOVER

MCKINLEYVILLE WATER RESERVOIR - PLANTING PALETTE

Kennedy Jenks
Date: April 23, 2021



Appendix B – CalEEMod Project Report

Appendix C – Biological Resource Assessment

Biological Resource Assessment
McKinleyville Community Services District 4.5MG Water Reservoir Project
Humboldt County, California

Prepared for Planwest Partners, Inc.
1125 16th Street
Arcata, California
95521

Submitted: June 28, 2021



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Appendix C. Species and Sensitive Natural Communities Subject to California Environmental Quality Act (CEQA) Review

Appendix D. Refined List of Protected Biological Resources with Reasonable Potential to Occur within the Project Area

Appendix E. Conservation Status Designations, Codes, & Regulatory Acts

Appendix F. List of Encountered Botanical Species

Appendix G. List of Detected Wildlife Species

Summary

The McKinleyville Community Services District (MCSD) has secured funding through a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant being administered by the grant recipient, California Office of Emergency Services (CAL-OES), to increase the seismic resiliency of MCSD's municipal water delivery system. Towards that end MCSD is proposing the addition of a new 4.5 million-gallon (MG) water storage reservoir adjacent to two existing water storage tanks in the southern portion of the unincorporated township of McKinleyville, California (Humboldt County). Construction of the new water reservoir would help ensure MCSD's ability to continue providing water to its customers should the system's connection to the regional wholesale water provider, Humboldt Bay Municipal Water District (HBMWD), be lost due to a seismic event.

In the summer of 2020, J.B. Lovelace & Associates was engaged to conduct a biological resource assessment at the proposed project location (Humboldt County APNs 509-021-045 and 046) to evaluate the potential for the proposed project to affect federal- and/or state-protected sensitive biological resources. Based on a combination of field reconnaissance on June 30, 2020 and a review of relevant scientific literature and natural resource database occurrence records, it was determined that suitable habitat exists within the project area for one federal and state Endangered plant, *Lilium occidentale* ("western lily") as well as other special status botanical species. Floristically appropriate botanical surveys were performed during the period July 26–27, 2020 and on April 22, 2021 for all special status botanical species potentially occurring within the proposed project area. One occurrence of the rare deciduous shrub, *Ribes laxiflorum* ("trailing black currant") was identified within the coniferous forest along the northeastern project area boundary. No other special status botanical species were encountered during our fieldwork.

Four California Sensitive Natural Communities were identified at the site. Three of these are associated with wetland habitats. The vegetation composition of these communities is addressed herein, and a more thorough discussion of wetland-specific methods, findings, assessments, and recommendations are provided elsewhere in the associated *Final Wetland Delineation Report, McKinleyville Community Services District 4.5 MG Water Reservoir Project* (J.B. Lovelace & Associates 2021), being prepared concurrently. The fourth vegetation community is currently being reassessed and the revised description and downgraded conservation rating (pending, CNPS 2021) indicate that the variant encountered within the proposed project area does not warrant consideration as a Sensitive Natural Community at this time.

Assessment of habitat conditions in the immediate vicinity of the project area revealed potentially suitable habitat for numerous special status wildlife species, as well as nesting raptors and/or other migratory birds that have reasonable potential to occur at the site. Maturing coniferous forest at and adjacent to the parcels of interest was initially considered for the potential to support two federal- and state-listed wildlife species (i.e., Marbled Murrelet, *Brachyramphus marmoratus* and Northern Spotted Owl, *Strix occidentalis caurina*) but this habitat was determined to be too small in area, too displaced from larger similar habitats, and lacking in sufficient stand-structural complexity to be potentially suitable for either.

No focused special status wildlife surveys were conducted as part of this effort. However, seven special status wildlife species, including Northern Red-legged Frog (*Rana aurora*), as well as actively nesting raptors (i.e., Red-tailed Hawk and Great Horned Owl) and other migratory birds (Pacific-slope Flycatcher, Western Wood-Pewee, etc.) were detected within the proposed project area incidentally during our fieldwork.

Considering current (30% Submittal) design plans available at the time of this writing, the proposed project does have the potential to impact special status botanical and wildlife species observed within the proposed project area during our fieldwork, other special status fish and wildlife species potentially occurring within the vicinity of the project area, as well as nesting raptors and/or other migratory birds. Herein we identify potential project-related impacts to relevant identified sensitive biological resources and recommend various mitigation measures to attempt to avoid and/or minimize such impacts.

1.0 Introduction

In June of 2020, J.B. Lovelace & Associates was engaged by Planwest Partners, Inc. to conduct a biological resource assessment for McKinleyville Community Services District's (MCSD) proposed 4.5 million-gallon (MG) water reservoir construction project in the unincorporated township of McKinleyville, in Humboldt County, California (Figures 1–3). Our assessment included a review of current natural resource database records and relevant scientific literature, consultation with resource experts and nearby natural resource land management staff, site reconnaissance fieldwork to identify sensitive natural communities and suitable habitat for special status fish and wildlife species, and the performance of seasonally-appropriate targeted field surveys for special status botanical species. Focused wildlife surveys were not performed as part of this effort, though incidental wildlife observations were documented during our assessment for potentially suitable habitat. This document describes the methodologies and findings associated with this effort, addresses potential project-related impacts to relevant sensitive biological resources, and provides recommendations to mitigate identified potential impacts.

1.1 Purpose and Need

Humboldt Bay Municipal Water District (HBMWD) is a regional wholesale water provider that supplies water sourced from the Mad River to MCSD through a single pipeline buried below the bed of the Mad River. This single source of water to MCSD's customers is seismically vulnerable and could fail during a severe earthquake. In the event of such a failure, MCSD's current emergency water storage capacity would last for approximately two days, assuming normal average daily demand. The addition of the proposed new 4.5 MG water reservoir would significantly increase system resiliency, helping to ensure MCSD's ability to continue providing water to its customers should the connection to HBMWD be lost due to a seismic event.

1.2 Project Location and Description

The proposed augmentation of MCSD's water storage capacity would occur in the northern portion of Humboldt County Assessor's Parcel number (APN) 509-021-045 in southern McKinleyville (Humboldt County, California), with related construction activities also involving two existing water storage tanks located on the immediately adjacent APN 509-021-046 (Appendix A, Figure 1). Both parcels in question are located outside of the California Coastal Zone and are currently zoned as "Rural Residential (Low Density)," "Residential Suburban" (Humboldt County 2021). Primary access to the project area would be by way of a gated private driveway (Hilltop Lane) from Cochran Road, though unimproved access is also potentially possible directly from Cochran Road at the northeastern portion of the project area and from Hewitt Road along its southern boundary. Although

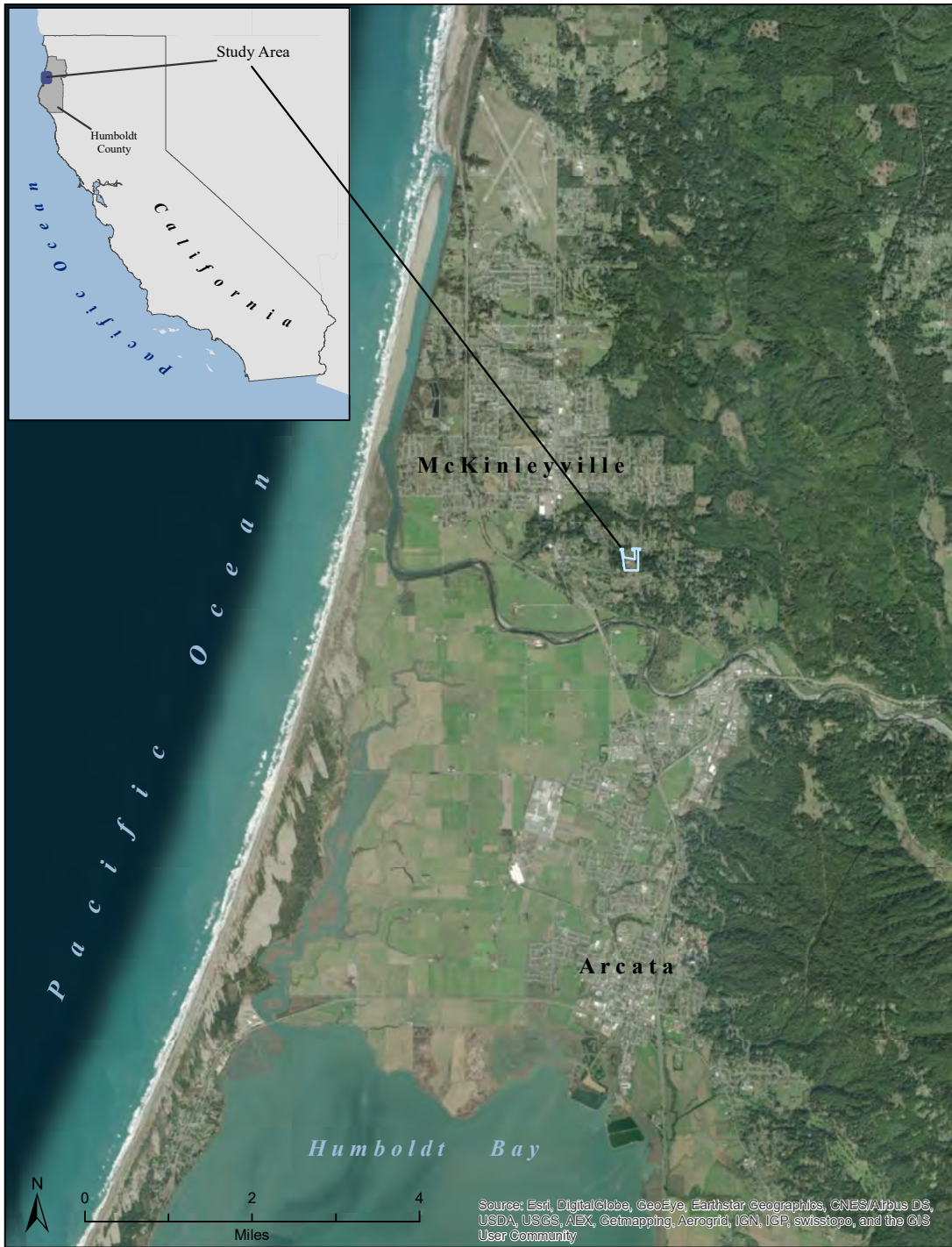


Figure 1. McKinleyville Community Services District's 4.5 MG Water Reservoir Project Vicinity.

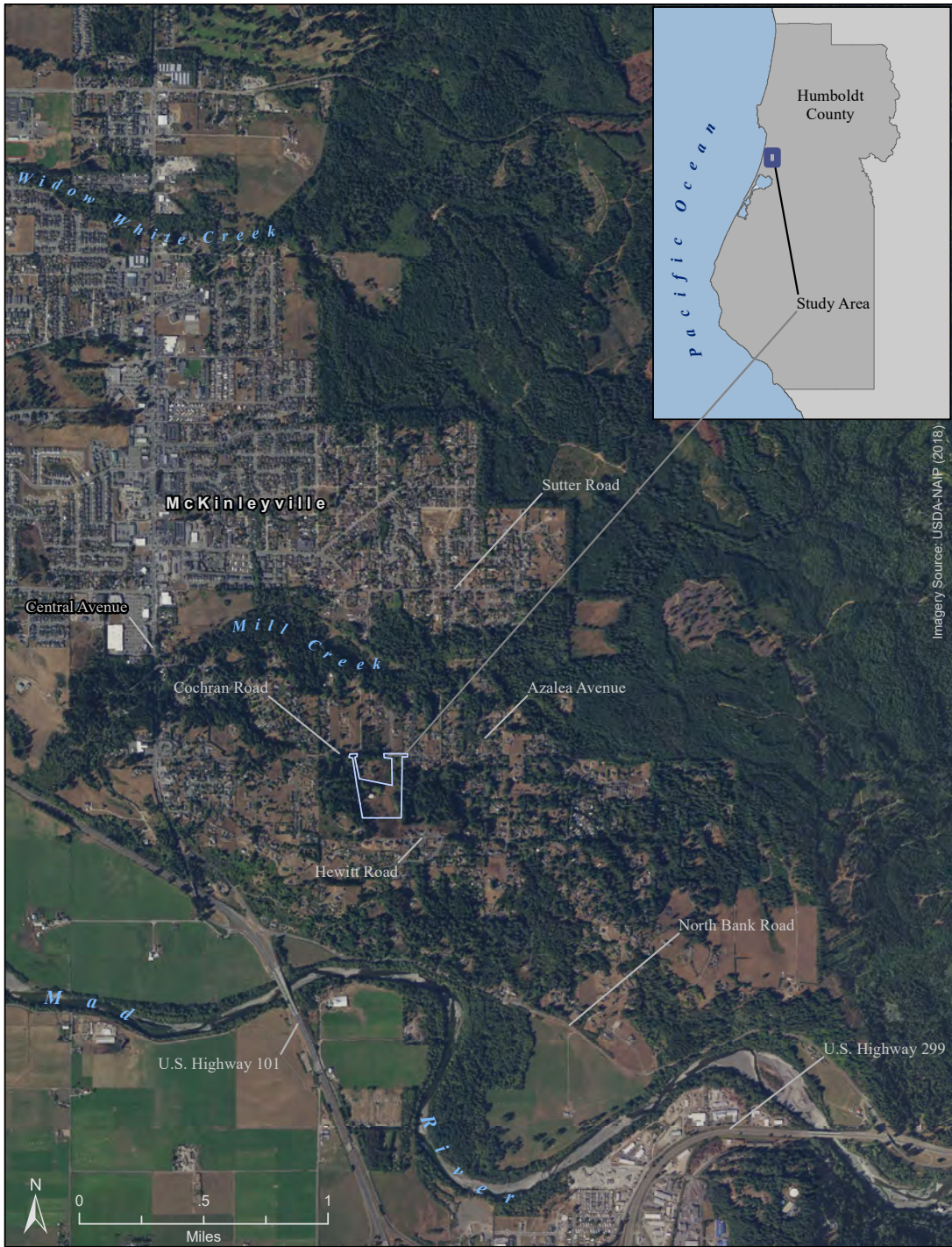


Figure 2. McKinleyville Community Services District's 4.5 MG Water Reservoir Project Area.

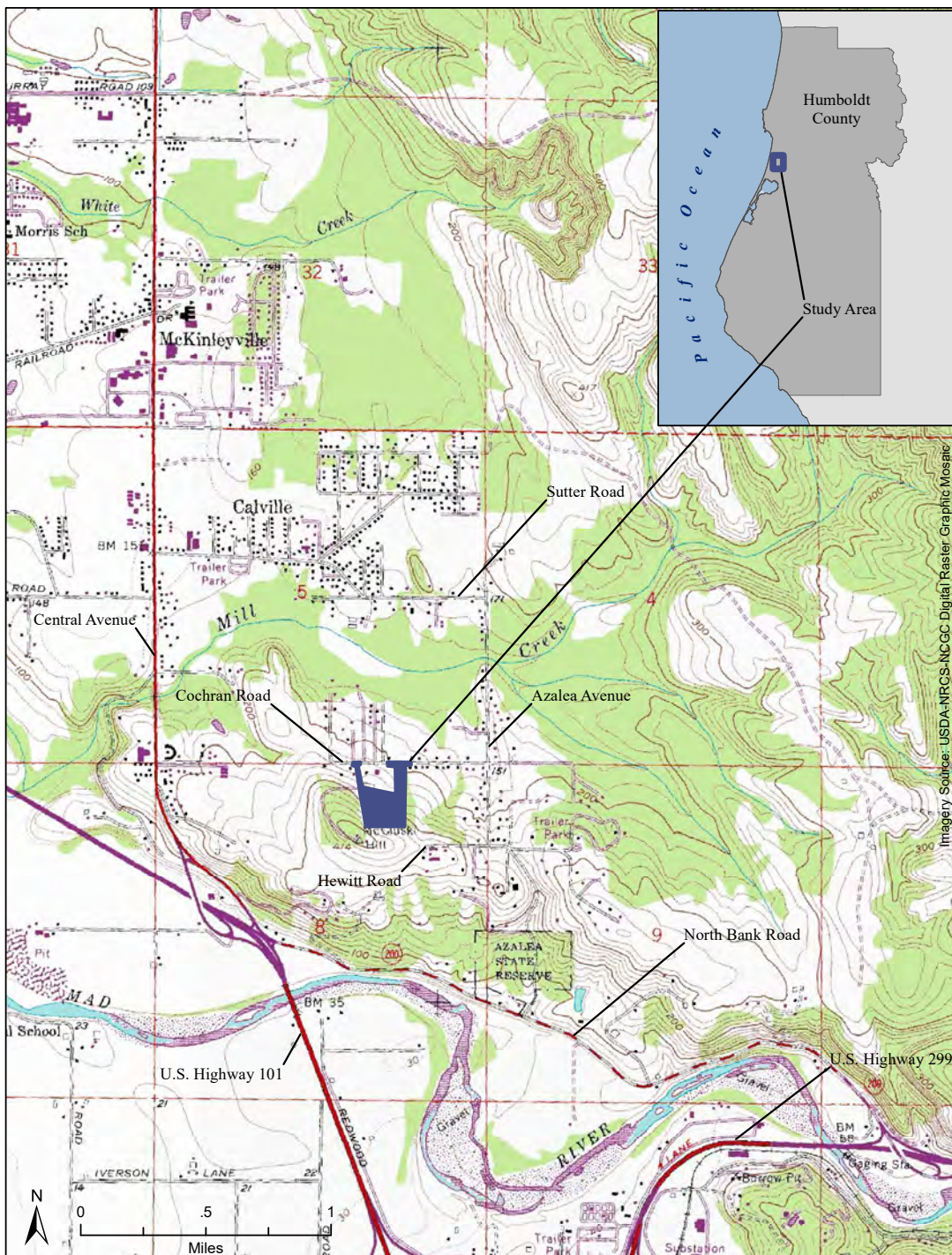


Figure 3. McKinleyville Community Services District's 4.5 MG Water Reservoir Project Area.

the two parcels of interest total 15 acres in size (13.09 and 1.91 acres*, respectively), the project area currently being proposed would only consist of the northern 8.94 acres of APN 509-021-045, all 1.91 acres of APN 509-021-046, and a combined 0.67 acres of contiguous portions of Cochran Road, resulting in a cumulative total project area of 11.52 acres (Appendix A, Figure 1).

Current design plans (30% Submittal, Kennedy Jenks 2021) for the new reservoir reference the onsite construction of a circular prestressed concrete tank that would be ~142 feet (~43 m) in diameter, with a total height of ~52 feet (~16 m). The new tank would be backfilled around its full circumference to an approximate depth of 18 feet (~5.5 m) to resist sliding forces associated with potential earthquake events. Access to, and around, the new reservoir for routine maintenance would require construction of a 17-foot- (~5 m)-wide paved road, which would originate from the already-developed surface associated with the existing storage tanks, and that would also include a 3-foot- (1 m)-wide concrete swale (resulting in a 20-foot- [~6 m]-wide paved surface) around the new reservoir's circumference. Cut slopes on the uphill side of the proposed reservoir are described as being no steeper than 1.5H:1V and fill slopes on the downhill side of the proposed reservoir would be constructed no steeper than 2H:1V.

Addition of the new reservoir would also necessitate the replacement and relocation of the existing overflow drain pipeline with a new 16-inch (~40.5 cm) pipeline, which, once installed would serve both new and existing reservoirs at the water storage site. The new overflow drain pipeline would be routed to the northeast to direct discharges slightly upslope of the existing storm drain system on the south side of Cochran Road between Landis and Quail Run Courts. Installation of the new pipeline would incorporate both buried sections as well as above-grade sections to minimize impacts to the environmentally sensitive habitats identified in the northeast project area extension (addressed herein).

Upon completion, the new reservoir would be connected to MCSD's existing telemetry system to monitor and control water levels and existing onsite utilities would provide electricity to power a small mixer installed inside the reservoir to help maintain water quality by reducing water age.

2.0 Regulatory Context

Partial funding for the proposed project was secured through a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant, which is being administered by the grant recipient, California Office of Emergency Services (CAL-OES), to facilitate MCSD's seismic resiliency upgrade. In addition to being subject to analysis as required by the California Environmental Quality

*Humboldt County Planning and Building Department (2021) reports the parcel size of APN 509-021-045 as 13.09 "GIS" acres" (5.3 ha), and the assessed lot size as 12.67 acres (5.13 ha). No such area discrepancy was reported for APN 509-021-046.

Act (CEQA), the federal origin of at least some of the project funding also necessitates that the project proposal be evaluated independently through the National Environmental Protection Act (NEPA) review process as well. Both CEQA and NEPA require an analysis of potential project impacts to associated biological resources and our efforts inform both parallel environmental review processes.

Generally, a combination of federal, state, and local agencies have regulatory authority over proposed actions that may affect biological resources. A brief summary of relevant statutes, laws, regulations, and policies applicable to the biological resources potentially affected by the proposed project follows. The regulatory context specific to wetlands and other waters is addressed elsewhere in the associated *Final Wetland Delineation Report, McKinleyville Community Services District 4.5 MG Water Reservoir Project* (J.B. Lovelace & Associates 2021), being prepared concurrently.

2.1 Federal Regulatory Context

2.1.1 National Environmental Policy Act (NEPA)

The National Environmental Policy Act (NEPA) requires federal agencies to assess the environmental impacts of proposed actions or projects which are carried out, financed, or approved (in whole or in part) by federal agencies. NEPA implementation is overseen by the President’s Council on Environmental Quality (CEQ) and involves the development of an Environmental Impact Statement (EIS) or Finding of No Significant Impact (FONSI), both of which include consideration of biological resources such as special status species.

2.1.2 Federal Endangered Species Act (FESA)

2.1.2.1 Threatened and Endangered Species

The Federal Endangered Species Act (FESA) protects plant and wildlife species that are endangered or threatened with extinction. The United States Fish and Wildlife Service (USFWS) and National Marine Fisheries Service (NMFS) are responsible for administering the FESA and determining whether certain taxa should be designated as Endangered, Threatened or Candidate species. Endangered species are in danger of becoming extinct throughout all or a significant portion of its range, whereas Threatened species are at significant risk of becoming Endangered in the foreseeable future. Candidate species have not yet been formally designated as either of the former, but are regarded as candidates for listing. Plants are protected under FESA only if “take[†]” occurs on federal lands or as a result of federal actions.

[†] Section 9 of the FESA prohibits the take of listed fish and wildlife, where take is defined as “...harass, harm [including adverse modification or degradation of Critical Habitat], pursue, hunt, shoot, wound, kill, trap, capture, collect, or attempt to engage in such conduct...” (16 USC 1531; 50 CFR 17.3). This prohibition also applies to “incidental take,” which is defined as take that is “incidental to but not the intended purpose of an otherwise lawful activity” 16 U.S.C. § 1539(a)(1)(B).

Under Section 7 of the FESA, consultation with the USFWS is required if actions, including permit approvals or funding, could adversely affect an Endangered species or its Critical Habitat. Formal consultations determine whether a proposed action(s) is likely to jeopardize the continued existence of a listed species or destroy or adversely modify its designated Critical Habitat.

2.1.2.2 Critical Habitat

Some federally-listed species also have designated (and protected) Critical Habitats. Critical Habitat refers to specific geographical areas with physical and biological features essential to the conservation of a federally-listed species.

2.1.2.3 Species of Concern

Other species not listed as Threatened, Endangered, or Candidate species, yet which are declining and/or are otherwise in need of conservation are designated as “Species of Concern.”

2.1.3 Migratory Bird Treaty Act (MBTA) (USC §§ 703–711)

The Migratory Bird Treaty Act (MBTA) of 1918 protects all migratory birds, including active nests and eggs against take, including “incidental take.” Birds protected under the MTBA include all native waterfowl, shorebirds, hawks, eagles, owls, doves, common songbirds such as, ravens, crows, swifts, martins, swallows, and others, including their body parts (feathers, plumes etc.), active nests, and eggs. A complete list of protected species can be found at 50 CFR 10.13.

2.1.4 Bald and Golden Eagle Protection Act (BGEPA) (USC § 668)

The Bald and Golden Eagle Protection Act (BGEPA) of 1940 specifically protects Bald Eagle (*Haliaeetus leucocephalus*) and Golden Eagle (*Aquila chrysaetos*) and their nests from take or trade in parts of either species.

2.2 California State Regulatory Context

2.2.1 California Environmental Quality Act (CEQA)

The California Environmental Quality Act (CEQA) requires state and local agencies to review proposed projects to identify potential significant project-related environmental impacts and to avoid or mitigate any such impacts, where they may occur. CEQA recognizes a “project” as an activity undertaken by public agency, or a private activity requiring discretionary approval, which may cause either a direct change in the environment or a foreseeable indirect change in the environment. In the absence of a qualifying exemption, the CEQA review process usually results in the development of a Negative Declaration (ND), a Mitigated-Negative Declaration (MND), or an Environmental Impact Report (EIR).

CEQA Section 15380 provides relevant definitions and clarifies which organisms require consideration as part of the CEQA environmental review process. These include species, subspecies, or varieties of plants and animals, which qualify as being “endangered” or “rare.” Endangered species’ “survival and reproduction in the wild are in immediate jeopardy from one or more causes, including loss of

habitat, change in habitat, overexploitation, predation, competition, disease, or other factors.”

Rare species are at risk of becoming endangered under worsening environmental conditions throughout all or a significant portion of their range, and/or likely to become endangered within the foreseeable future throughout all or a significant portion of its range and may be listed as Threatened under the federal Endangered Species Act. Species are presumed endangered, rare, or threatened in the context of CEQA if so listed under the Federal and/or California state endangered species acts (FESA and/or CESA, respectively). Section 15380(d) also provides for consideration of species not already designated as endangered, rare, or threatened if they otherwise qualify as described herein.

CEQA Sections 15380, 15125, and 15126 also provide for consideration of California “Sensitive Natural Communities” within the environmental review process. California sensitive natural communities are those described vegetation communities (i.e., vegetation Alliances and/or Associations [CNPS 2020b, 2021]), for which the California Department of Fish and Wildlife’s Vegetation Classification and Mapping Program (VegCAMP) and the California Native Plant Society (CNPS) have assigned a State rarity rank of 1-3 (CDFW 2020a; see also Appendix F), using NatureServe’s “Heritage Methodology” (NatureServe 2020). This is the same system used to assign global and state rarity ranks to individual species, and allows for a more empirical method of providing a reliable, consistent, and transparent evaluation of the level of risk of extinction of a given taxon or ecosystem.

2.2.2 California Endangered Species Act (CESA)

The California Endangered Species Act (CESA) protects plant and wildlife species that are endangered or threatened with extinction as well, however under this Act, the California Department of Fish and Wildlife (CDFW) is responsible for determining whether certain taxa should be designated as Endangered, Threatened or Candidate species and administering the CESA. Title 14, California Code of Regulations (Section 670.2 and 670.5) lists Threatened or Endangered animals in California.

2.2.3 California Special Status Designation

The California Department of Fish and Wildlife (CDFW) maintains lists of “Special” animals and plants. “Special status” applies to “species, subspecies, Distinct Population Segments (DPS), or Evolutionarily Significant Units (ESU) where at least one of the following conditions applies:

- Officially listed or proposed listing under the state or federal Endangered Species Acts (CESA/FESA);
- Taxa considered by CDFW to be a Species of Special Concern (SSC);
- Taxa which meet the criteria for listing, even if not included on any list, as described in Section 15380 of the CEQA guidelines;

- Taxa that are biologically rare, very restricted in distribution, or declining throughout their range but not currently threatened by extirpation.
- Population(s) in California that may be peripheral to the major portion of a taxon's range but are threatened with extirpation in California;
- Taxa strongly associated with habitats that are declining in California at a significant rate (e.g., wetlands, riparian, vernal pools, native grasslands, old-growth forests, desert aquatic systems, valley shrubland habitats, etc.);
- Taxa designated as special status, sensitive or declining species by state or federal agencies, or a non-governmental organization and determined to be rare, restricted, declining or threatened across their range in California.”

Among these California special status species are Fully Protected Species, Species of Special Concern, Watch List Species, and plants protected under the Native Plant Protection Act.

2.2.3.1 California “Fully Protected Species”

California Fish and Game Code designates certain animal species as "Fully Protected" under Sections 3511 (birds), 4700 (mammals), 5050 (reptiles and amphibians), and 5515 (fish). Fully Protected species are species that are rare or face possible extinction, but are not listed as Threatened or Endangered and may not be taken or possessed at any time.

2.2.3.2 California “Species of Special Concern”

California Species of Special Concern are known to have declining populations, have limited ranges, or are otherwise vulnerable to extinction. This status is intended by CDFW to prevent the eventual listing of such species as Threatened or Endangered by implementing pre-emptive conservation measures.

2.2.3.3 California “Watch List” Species

Watch Listed species are monitored by the California Department of Fish and Wildlife to determine if increased protective status designation becomes warranted. Species on CDFWs “Watch List” are:

- “not on the current Special Concern list but were on previous lists and they have not been state listed under CESA;
- were previously state or federally listed and now are on neither list; or
- are on the list of ‘Fully Protected’ species.”

2.2.3.4 California Native Plant Protection Act (NPPA)

The Native Plant Protection Act (NPPA) prohibits the taking, possession, or sale of any plant with the state designation of rare, threatened or endangered as defined by the California Department of Fish and Wildlife (CDFW). CDFW administers the NPPA using the California Native Plant Society’s (CNPS) Inventory of Rare and Endangered Plants of California (CNPS 2020a) generally considers plants with the Rare Plant Ranks of 1A, 1B, 2A, 2B, 3 and 4.

2.2.4 California Fish and Game Code Nesting Birds Protections

California Fish and Game Code Section 3503 states that it is unlawful to take, possess, or needlessly destroy the nest or eggs of any bird, except as otherwise provided by this code or any regulation made pursuant thereto. Section 3503.5 specifically protects raptors (birds in the orders Falconiformes and Strigiformes) from take, possession, or destruction. Section 3513 makes it unlawful to take, possess, or destroy any birds of prey or to take, possess, or destroy the nest or eggs of any such bird.

3.0 Historical Context and Existing Conditions

3.1 Historical Context

The proposed project site occurs within the traditional territory of the Wiyot people (Wiyot Tribe 2021), which was first populated by settlers of European descent in the mid-1800's. The location is on the south side of Mill Creek, just south of "Calville," a sub-community of McKinleyville, which was settled by employees of the California Barrel Company in the late 19th-century (Historical Sites Society of Arcata 2021). Since that time the primary anthropogenic influences in the immediate vicinity of the proposed project area are assumed to have consisted of timber harvest and livestock grazing. Incremental subdivision and residential development of the surrounding landscape in the latter part of the 20th-century have resulted in the larger of the two parcels of interest becoming one of the few remaining undeveloped parcels greater than two acres (0.81 ha) in size.

3.2 Current Environmental Conditions

3.2.1 Regional Geographic and Ecological Context

For purposes of natural resource evaluation, it can be helpful to consider the relationship between the location of a project and the surrounding geographical and ecological context, and various classification systems have been developed to facilitate such an exercise. One such landscape-defined regionalization, classification, and mapping system has been developed by a subgroup of the USDA Forest Service's Ecological Classification and Mapping Task Team (ECOMAP), which stratifies the Earth into "progressively smaller areas of increasingly uniform ecological potentials" (Bailey 1994). That analysis identifies the current proposed project area as being part of the "Humboldt Bay Flats and Terraces Subsection" within the following hierarchical organizational system:

Humid Temperate Domain
 Mediterranean Division
 Mixed Forest and Redwood Forest Province
 California Coastal Steppe
 Northern California Coast Section
 Humboldt Bay Flats and Terraces Subsection

An alternative, floristically-defined geographical classification system presented in *The Jepson Manual: Vascular Plants of California, Second Edition* (Baldwin et al. 2012) identifies the site as being part of the “North Coast” subregion within the greater “Northwestern California” floristic region.

3.2.2 Proposed Project Area Site Conditions

The proposed project area itself ranges in elevation between ~60–120 meters (~200–400 feet) (AMSL) and is located within a rural neighborhood on the north-facing slope of McCluski Hill, approximately 4 kilometers (~2.5 miles) inland from the Pacific Ocean (Figure 1). McCluski Hill is part of a west-northwestward-projecting lobe of a dissected coastal terrace that lies between the Mad River floodplain and associated diked-former-tidelands that comprise the “Arcata Bottoms” to the south, and Mill Creek, a Class 1 tributary of the Mad River, to the north (Figures 1–3). Being situated on the north slope of this elevated landform, the entirety of the project area lies within the Mill Creek watershed. The site is also located along a primary approach path for the Arcata-Eureka (nonhub primary commercial service) airport, ~5 kilometers (~3 miles) to the northwest, and is subject to frequent low-flying air traffic overhead (Figure 1).

The shape and orientation of the combined parcels of interest form a rectangular trapezoid that extends north from Hewitt Road along the southern boundary at the top of McCluski Hill, downslope to an elevation where the grade transitions from ~19% to ~11% along the northern flank of the hillside. Slightly downslope of the approximate location of this topographic transition, two narrow parallel extensions along the combined parcels’ east and west boundaries continue from the main bulk of the project area, north to Cochran Road. These two parallel extensions partially encompass a distinct and unrelated, “inset” adjacent parcel (APN 509-021-040), which separates the majority of the project area’s northern boundary from Cochran Road by ~110–130 meters (~360–430 feet).

The proposed project area includes the entirety of APN 509-021-046, most of the northern portion of APN 509-021-045 and contiguous portions of Cochran Road, but current design plans indicate that the southern limit of the proposed project area would stop ~97 meters (~320 feet) north of the latter parcel’s southern boundary (Planwest Partners, Inc. pers. comm.) (Appendix A, Figure 1). Virtually all of the northwestern extension of the project area consists of the paved segment of the gated private driveway, Hilltop Lane, which is the primary means of access to both the existing and proposed water storage infrastructure.

3.2.2.1 Soils

Soils within the immediate vicinity of the project area are, for the most part, deep and well-drained fine–coarse loams derived from recent marine sediments, sometimes overlain to a limited extent with eolian and/or colluvial sediments (NRCS 2020). Discrete regions of poorly-drained hydric soils also occur within mesic drainages and along the slope toe where the water table can sometimes be relatively shallow. The primary corresponding soil map unit within the proposed project area is the Lepoil-Espa-Candymountain Complex (15 to 50 percent slopes) though a small inclusion of Arcata and Candymountain soils (2 to

9 percent slopes) is also mapped as occurring in the extreme northeastern project area extension adjacent to Cochran Road (NRCS 2020).

3.2.2.2 Hydrology

Precipitation appears (based on surface observations) to percolate readily into the well-drained substrates throughout the majority of the proposed project area with two notable exceptions. These occur along the toe of the slope in the north-central and northeastern portions of the project area where the water table is shallow enough to reach the surface and produce overland flow. Surface flow associated with the former feature located in the north-central region of the proposed project area becomes intermittent during the driest months of the year, whereas surface flow associated with the northeastern portion of the project area appears to be perennial even during periods of below-normal precipitation.

Upslope (offsite) mesic habitats to the east of the parcels of interest also contribute additional variable hydrologic input to the latter system at the approximate location where the northeastern branch diverges from the main body of the project area. Here, the seasonally flooded–saturated soils support increasingly hydrophytic vegetation. Some amount of anthropogenic hydrologic input from the overflow drain pipe for the existing water tanks, which daylight in this area also likely contributes to this system, though the lack of obvious evidence of scouring and/or overland flow at the drainpipe outfall indicates that such contribution is probably rare, insubstantial, or both.

Following the slope of the terrain, surface and subsurface flow drains north and north-northeasterly before eventually being collected into the existing stormwater infrastructure at Cochran Road between the intersections with Landis and Quail Run Courts. The latter engineered system eventually empties to Mill Creek, ~600 linear meters (~2,000 linear feet) downstream from this point of collection.

3.2.2.3 Vegetation (See also Appendix A, Figure 1)

Plant communities occurring within the proposed project area are described below and are presented in an order following the general hydrological gradient at the site: from upland vegetation to plant communities dominated by wetland species.

“Common Velvet Grass - Sweet Vernal Grass Meadows”

(*Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance)

Much of the proposed project area consists of grazed non-native grassland habitat that is consistent with plant community membership rules for the *Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance (“Common Velvet Grass - Sweet Vernal Grass Meadows”) as defined in the California Native Plant Society’s (CNPS) *A Manual of California Vegetation* (CNPS 2021), though the relative dominance of those two grass species varies across the site. Other than a few isolated *Baccharis pilularis* (“coyote brush”) shrubs, herbaceous plants present in this habitat include alien species such as *Linum bienne* (“flax”), *Leontodon saxatilis* (“hawkbit”), *Leucanthemum vulgare* (“ox-eye daisy”),

Raphanus raphanistrum (“jointed charlock”), etc., with occasional small patches of native *Iris douglasiana* (“Douglas Iris”) adjacent to forest edges.

“Coastal Brambles”

(*Rubus [parviflorus, spectabilis, ursinus]* Shrubland Alliance)

Grassland habitats at the site variously intergrade with stands of native *Rubus ursinus* (“California blackberry”)-dominated “Coastal Brambles” (i.e., the *Rubus [parviflorus, spectabilis, ursinus]* Shrubland Alliance as defined in CNPS [2021]). Portions of this vegetation community exhibit evidence of plant community succession where the dense vegetation provides some protection for establishing native shrubs (e.g., *Ribes menziesii* var. *menziesii*, “canyon gooseberry;” *Rosa nutkana* var. *nutkana*, “Nootka rose;” and *Baccharis pilularis*, “coyote brush”) and tree saplings (i.e.; *Alnus rubra*, “red alder;” *Frangula purshiana*, “cascara;” *Picea sitchensis*, “Sitka spruce;” *Abies grandis*, “grand fir;” and *Pseudotsuga menziesii* var. *menziesii*, “Douglas-fir;”) from browsing herbivores. Occasional naturalized *Pinus radiata* (“Monterey pine”) saplings are also establishing within, and adjacent to, these Coastal Bramble habitats.

On-going disturbance from domesticated livestock present at the site (i.e., cattle, goats, and pigs) is evident throughout these two vegetation communities. The relatively flat narrow strip between the existing water tanks and the recessed northern project area boundary is particularly disturbed, as this is the location where water and shelter are provided, and where regular feeding and loafing occurs. Grazing-related disturbances in this location primarily consist of barren and compacted soil that is sparsely vegetated by close-cropped and stunted ruderal herbaceous vegetation typical of similar such agricultural areas in the region. Associated plant species include the aforementioned members of the *Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance as well as *Agrostis stolonifera* (“creeping bent”), *Aira caryophyllea* (“silver hair grass”), *Bromus hordeaceus* (“soft chess”), *Festuca perennis* (“ryegrass”), *Raphanus raphanistrum* (“jointed charlock”), *Hypochaeris radicata* (“hairy cat’s-ear”), *Trifolium* spp. (“clover”), *Rumex* spp. (various “docks”), *Cirsium vulgare* (“bull thistle”), *Silybum marianum* (“milk thistle”), and others.

Many of these non-native plants are recognized to have the potential to adversely affect native vegetation and significantly impair important ecological processes and have been variously classified as “invasive” and/or “noxious” (Appendix G). *Rubus armeniacus* (“Himalayan blackberry”), another noteworthy invasive plant occurring at the site is becoming established in some of the aforementioned Coastal Bramble patches and along forested edges.

“Sitka Spruce Forest and Woodland”

(*Picea sitchensis* Forest and Woodland Alliance)

Forested habitats cover the majority of adjacent parcels along both eastern and western boundaries of the project area, and a small lobe of developing early successional forest is emerging from within the “Coastal bramble” habitat described previously, just inside the southwestern boundary. Slightly north of that

location, a narrow strip of *Alnus rubra* Forest Alliance (“Red Alder Forest”) extends east into the project area from the gated access entrance at Hilltop Lane, for ~120 meters (~400 feet) along the constructed hillslope below the existing water storage tanks on APN 509-021-046. This young forest of somewhat regularly-spaced trees was likely replanted to help conceal the existing water tanks from the adjacent neighborhood following construction. In this area, there is no shrub layer in the understory (except along the fence line) and the close-cropped herbaceous vegetation is actively grazed by domesticated goats. Mature, and in some instances, senescent planted and/or naturalized *Pinus radiata* (“Monterey pine”) trees also occur near the existing water tanks on APN 509-021-046 as well as along Hilltop Lane and the contiguous section of Cochran Road.

The forested habitat along the eastern project area boundary represents a somewhat disjunct portion of the larger, adjacent patch of coniferous forest to the east of the project area, though the conifers also interdigitate with small inclusions of Red Alder Forest along the eastern boundary. Here, the forested edge extends ~30–50 meters (~40–165 feet) into the project area and descends northward from near Hewitt Road at the top of McCluski Hill, down along an easterly-facing slope before reaching the lower and more gradual terrain draining the mesic habitats along the northeastern flank of this elevated landform. Much of the project area’s northeastern branch is forested.

This predominantly *Picea sitchensis* (“Sitka spruce”)-dominated forest community is consistent with the membership rules for the *Picea sitchensis* Forest and Woodland (“Sitka Spruce Forest and Woodland”) Alliance as defined in *A Manual of California Vegetation* (CNPS 2021) and includes other mixed coniferous (*Abies grandis*, “grand fir” and *Sequoia sempervirens*, “coast redwood”) and broad-leaved deciduous (*Alnus rubra*, “red alder” and *Frangula purshiana*, “cascara”) tree components. In the understory of this forested habitat, dominant shrubs include *Rubus spectabilis* (“salmonberry”), *Ribes sanguineum* var. *glutinosum* (“red-flowering currant”), *Vaccinium ovatum* (“evergreen huckleberry”), *Vaccinium parvifolium* (“red huckleberry”), and *Sambucus racemosa* var. *racemosa* (“red elderberry”). The most prevalent herbaceous plants in this habitat include *Oxalis oregana* (“redwood sorrel”), *Lysimachia latifolia* (“Pacific starflower”), *Maianthemum dilatatum* (“false Solomon’s seal”), *Claytonia sibirica* (“candy flower”), *Asarum caudatum* (“wild ginger”), *Prosartes smithii* (“Smith’s fairy bells”), *Oenanthe sarmentosa* (“water parsley”), *Polystichum munitum* (“sword fern”), *Dryopteris expansa* (“wood fern”), *Blechnum spicant* (“deer fern”), *Carex obnupta* (“slough sedge”), and *Carex* c.f. *leptopoda* (“slender-footed sedge”). Four localized occurrences of invasive plants are also establishing within these forested habitats: *Delairea odorata* (“cape ivy”), *Hedera helix* (“English ivy”), *Ilex aquifolium* (“English holly”), and *Cotoneaster franchetii* (“Franchet’s Cotoneaster”).

Evidence of legacy and contemporary anthropogenic disturbance is apparent throughout this forested habitat and wind has downed at least two shallow-rooted

mature *Picea sitchensis* (“Sitka spruce”) trees along the leading northern edge of the forest in recent history. Given the age (i.e., 84 years, based on trunk-cross-sectional tree-ring analysis) of one windthrown tree with a diameter-at-breast-height (DBH) of ~75 cm (~ 30 inches) at the time of the treefall event, the estimated age of this forest stand is ~125–150 years old.

The overall stand structural characteristics associated with this habitat most closely reflect an incipient example of the “biomass accumulation/competitive exclusion stage” in the updated model of forest structural development proposed by Franklin et al. (2002). This developmental stage primarily consists of rapid growth and accumulation of biomass, tree crown structural differentiation, competitive exclusion of both less vigorous individual trees and other organisms, and self-pruning of lower canopy branches and foliage. A few larger individuals among the cohort established at the site do currently present with increasingly mature dimensional characteristics (e.g., DBH >> 100 cm [~40 inches], height ≈ 45 m [~150 feet], etc.), however the canopy structure of this stand is still lacking abundant complexity.

“Slough Sedge Swards” and “Small-fruited Bulrush Marsh”
(*Carex obnupta* and *Scirpus microcarpus* Herbaceous Alliances)

Approximately half-way along the northeastern branch of the project area, the mesic Sitka spruce forest gives way to herbaceous and mixed herb–shrub vegetation of two distinct types. Following the dominant drainage path emerging from the forested wetland habitat, a mosaic of *Carex obnupta* (“slough sedge”)- and *Scirpus microcarpus* (“small-fruited bulrush”)-dominated plant communities extend north along the eastern half of the northeastern branch of the project area to Cochran Road (and the associated stormwater infrastructure).

This herbaceous wetland vegetation is initially representative of “Slough Sedge Swards” (*Carex obnupta* Herbaceous Alliance) before transitioning into what is more appropriately classified as “Small-fruited Bulrush Marsh” (*Scirpus microcarpus* Herbaceous Alliance). In addition to the aforementioned dominant plants associated with these habitats, other commonly co-occurring species throughout include native obligate and facultative hydrophytes such as *Oenanthe sarmentosa* (“water parsley”), *Nasturtium officinale* (“water cress”), *Athyrium filix-femina* var. *cyclosorum* (“lady fern”), *Juncus* spp. (various “rushes”), *Veronica americana* (“American brooklime”), *Stachys mexicana* (“Mexican hedge nettle”), *Erythranthe guttata* (“seep monkeyflower”), and *Epilobium ciliatum* ssp. *watsonii* (“Watson’s willowherb”), as well as the alien *Ranunculus repens* (“creeping buttercup”). Isolated individual trees established nearby include *Salix lasiandra* spp. *lasiandra* (“Pacific willow”), *Salix lasiolepis* (“arroyo willow”), *Alnus rubra* (“red alder”), *Picea sitchensis* (“Sitka spruce”), and *Sequoia sempervirens* (“coast redwood”).

The remaining western half of the northeastern project area extension is slightly higher in elevation and more well-drained. In this area, additional patches of *Rubus ursinus* (“California blackberry”)- and *Rosa nutkana* (“Nootka rose”)-

dominated Coastal Brambles are established along the transitional soil moisture gradient. These brambles variously give way to an upland strip of *Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance, which extends along the western edge of this branch of the project area before eventually reaching Cochran Road.

“Water Foxtail Meadows”

(*Alopecurus geniculatus* Provisional Herbaceous Alliance)

One other distinct vegetation community present at the site is associated with a discrete palustrine emergent wetland feature located within the main bulk of the project area, just south of the point where the two northern extensions diverge. This feature lies approximately 30 meters (~100 feet) east of the existing water tanks on APN 509-021-046 and ~60 meters (~200 feet) south of the main northern boundary of the project area where the water table surfaces near the slope transition.

The associated vegetation in this discrete area is sparse but consists of the following native herbaceous wetland plants: *Isolepis cernua* (“low bulrush”), *Alopecurus geniculatus* (“water foxtail”), *Juncus bufonius* (“toad rush”), and *Juncus effusus* ssp. *pacificus* (“Pacific rush”), as well as two alien grasses: *Glyceria declinata* (“low manna grass”) and *Holcus lanatus* (“velvet grass”). Also growing nearby (i.e., < 10 m [~30 feet] away) are the native *Rubus ursinus* (“California blackberry”) and young *Alnus rubra* (“red alder”). This aquatic feature drains further downslope before crossing offsite onto the adjacent unrelated parcel (APN 509-021-040) for ~60 meters (~200 feet) before becoming superficially undiscernible at a *Salix lasiolepis* (“arroyo willow”) thicket just outside the northeastern branch of the project area. It is conceivable that during years with abundant precipitation, this wetland feature conveys surface and/or subsurface flow to the palustrine wetland habitats within the northeastern project area extension previously described herein.

4.0 Methods

Methodologies and adopted conventions used in the performance of this biological resource assessment are described below. Our assessment consisted of six primary tasks:

1. Review of scientific literature and natural resource database occurrence records, as well as consultation with resource experts to assess the breadth of special status and other protected biological resources that could potentially be affected by the proposed project;
2. Refinement of information resulting from the aforementioned task to narrow the focus to only those resources having reasonable potential to occur within the immediate vicinity of the proposed project area (including offsite species occurring nearby, which could potentially be affected by the proposed project);
3. Performance of field reconnaissance to:

- a. identify any wetland or other Sensitive Natural Communities present within the proposed project area;
 - b. assess the potential suitability of habitat and environmental conditions at the site to support relevant protected biological resources and determine the need for additional botanical or other species-specific field surveys;
4. Performance of floristically-appropriate special status botanical surveys
 5. Evaluate the potential for project-related impacts to all special status organisms and other sensitive biological resources found to be present at the site and/or that were determined to have a high potential to occur within the vicinity of the proposed project;
 6. Recommend mitigation measures to avoid or minimize potential adverse impacts to relevant sensitive biological resources.

4.1 Preliminary Research and Field Reconnaissance

Preliminary investigations included queries of species and California Sensitive Natural Community occurrence records for the "Arcata North" and 8 surrounding 7.5-minute U.S. Geological Survey (USGS) quadrangles (Arcata South, Blue Lake, Crannell, Eureka, Korb, Panther Creek, Trinidad, and Tye City) in the following databases: the U.S. Fish and Wildlife Service's (USFWS) *Information for Planning and Consultation (IPaC)* (USFWS 2020); California Department of Fish and Wildlife's (CDFW) *Natural Diversity Database (CNDDDB)* (CNDDDB 2020); the CalFlora database (CalFlora 2020); the California Native Plant Society's (CNPS) *Online Inventory of Rare, Threatened, and Endangered Plants of California* (CNPS 2020a); and CNPS's *Manual of California Vegetation Online* (CNPS 2020b) among others. The resulting comprehensive list of special status species and California Sensitive Natural Communities that could potentially be affected by the proposed project was subsequently refined to omit those species for which no suitable habitat occurs within the immediate vicinity of the proposed project area. Observations made during our field reconnaissance site visit conducted on June 30, 2020, further informed this process.

Refined lists of species and Sensitive Natural Communities addressed herein because they were determined to have reasonable potential to occur within the study area or could potentially be affected by the proposed project, and corresponding lists of species evaluated but omitted from further consideration in this effort are provided in Appendices B and C. Appendix B presents the described information in such a way as to facilitate evaluation through the federal National Environmental Policy Act (NEPA) and Endangered Species Act (ESA) review processes. Appendix C presents the same information, but is organized to facilitate evaluation through the California Environmental Quality Act (CEQA) review process. A more detailed list of all federal- and/or state-protected species considered to have a reasonable potential to occur within the immediate vicinity of the proposed project is provided in Appendix D. This latter list includes descriptions of known habitat characteristics and relevant occurrence record information, as well as a coarse determination of the likelihood for potential occurrence at the site for each (Table 1).

Table 1. Criteria for Evaluation of “Potential for Occurrence” (See also Appendix D).

Present. The species is known to occur within the immediate vicinity of the study area based on direct observations during fieldwork, recent historical occurrence records, and/or other similar information.

High Potential. The species has a high probability of occurring within the study area. Habitat characteristics associated with the species’ occurrence are present within the immediate vicinity of the study area, and most of the habitat at or adjacent to the site is considered suitable. Local occurrence records exist.

Moderate Potential. The species has a moderate probability of being found within the study area. Habitat characteristics associated with the species’ occurrence are present; however, some of the habitat at or adjacent to the site is unsuitable. Local occurrence records may exist.

Low Potential. The species has a low probability of being found in the study area. Some habitat characteristics associated with the species’ occurrence are present; however, the majority of habitat at and adjacent to the site is unsuitable. Local occurrence records may or may not exist. If the former, such records could be historical.

As a result of both our preliminary research and field reconnaissance site visit, we determined that suitable habitat for federal and/or California state special status botanical species does occur within the project area and floristically-appropriate botanical surveys were warranted. Based on published (CalFlora 2020; CNPS 2020a; Jepson Flora Project 2020) blooming periods for species identified as having reasonable potential to occur, two distinct floristically-appropriate survey periods (i.e., April–May and June–August) were determined necessary to adequately address the breadth of special status botanical species potentially present.

4.2 Focused Field Surveys

Field surveys for special status botanical species were conducted throughout the proposed project area during the period July 26–27, 2020 and on April 22, 2021; and were consistent with methodologies detailed in the U.S. Fish and Wildlife Service’s *Guidelines for Conducting and Reporting Botanical Inventories for Federally Listed, Proposed, and Candidate Plants* (2000); the California Department of Fish and Wildlife’s *Protocols for Surveying and Evaluating Impacts to Special Status Native Plant Populations and Sensitive Natural Communities* (CDFW 2018a); and CNPS’ *Revised CNPS Botanical Survey Guidelines* (CNPS 2001). The former seasonal period was determined to be floristically appropriate for all but four (4) earlier-blooming species, which were subsequently addressed in a botanical survey conducted during the following spring season on April 22, 2021. A complete list of botanical species encountered during our botanical surveys is provided in Appendix F.

No focused or species-specific fish or wildlife surveys were conducted as part of this effort, however, the entire project area was assessed throughout our fieldwork with consideration for the potential suitability of habitat at the site for

special status fish and wildlife species. A list of all wildlife species detected incidentally during our fieldwork is provided in Appendix G.

All fieldwork was performed by J.B. Lovelace and Associate's Principal Environmental Scientist, J. Brett Lovelace. Natural-resource-related geographic field data were collected using Environmental Systems Research Institute's (ESRI) ArcGIS Collector (v.20.2.4) mobile application installed on an iOS device referencing a Bad Elf Flex™ Global Navigation Satellite System (GNSS) receiver capable of sub-meter accuracy. All such data were subsequently uploaded and orthorectified using a combination of ESRI's web application, ArcGIS Online, and ArcMap (ESRI 2015) geographic information system (GIS) desktop software with the most recent available satellite imagery (National Agriculture Imagery Program [NAIP] 2018; Google Earth 2020) to produce relevant figures depicting our findings (Appendix A).

Taxonomic nomenclature for vascular plants presented in this effort is consistent with *The Jepson Manual: Vascular Plants of California, Second Edition* (Baldwin et al. 2012), or the *Jepson eFlora* (Jepson Flora Project 2021) where updated taxonomic changes may have occurred subsequent to publishing of the former resource. Both sources were also used to classify encountered plant species as either native or alien. "Native" plants are defined as "occurring naturally in an area, as neither a direct nor indirect consequence of human activity;" whereas "alien" species are "not native; introduced purposely or accidentally into an area" (Baldwin et al. 2012).

Some alien species may be further classified as being "invasive" where they have a demonstrated ability to threaten "wildlands" by displacing and/or hybridizing with native species and/or are likely to "alter biological communities, or alter ecosystem processes" (California Invasive Plant Council [Cal-IPC] 2021). Various entities evaluate the degree of risk posed by alien vegetation to native ecosystems at different geographical scales and assign invasive status ranks and/or classifications to prioritize management efforts to reduce and/or eradicate species that pose the greatest perceived threat.

Given that the response of some species may vary with geography and under different environmental conditions, invasive status rankings for a given species are not always consistent across the spectrum of classification systems. For the purposes of this biological resource assessment, alien vegetation is considered to be "invasive" if a species under consideration is assigned a "high" invasive rank by the California Invasive Plant Council (Cal-IPC 2021), is considered a "high priority" invasive species in the Humboldt County Weed Management Area (WMA) (2010), is listed as a "noxious weed" by the California Department of Food and Agriculture (CDFA 2021) and/or the U.S. Department of Agriculture (USDA 2021), or otherwise warrants concern based on known or perceived potential to adversely alter biological communities or associated ecosystem processes.

Classification and nomenclature of natural [vegetation] communities follows the modern systematic vegetation classification system of “alliances” and “associations” as presented originally in *A Manual of California Vegetation, Second Edition* (Sawyer et al. 2009), and subsequent updates provided in *Manual of California Vegetation Online* (CNPS 2020b; 2021). Taxonomic treatment of other biota is consistent with: the Moss eFlora (Wilson 2020) for mosses, *Guide to Oregon Liverworts* (Wagner 2014) for liverworts, *Macrolichens of the Pacific Northwest, Second Edition* (McCune & Geiser 2009) for lichens; the 61st Supplement of the American Ornithological Society’s *Check-list of North American Birds* (Chesser et al. 2020) for avian species; *Scientific and Standard English Names of Amphibians and Reptiles of North America North of Mexico, with Comments Regarding Confidence in our Understanding, Eighth Addition* (Moriarty 2017) for amphibian and reptile species; *Revised Checklist of North American Mammals North of Mexico* (Bradley et al. 2014) for mammals; and nomenclature used by the Xerces Society for Invertebrate Conservation (Xerces Society 2021) for invertebrate species.

5.0 Results

In consideration of the parallel environmental review processes being applied to the proposed project, we attempt herein to present the results of our biological resource assessment such that they may be readily evaluated independently, through the respective lenses of either the federal National Environmental Policy Act (NEPA) and/or federal Endangered Species Act (ESA), or the California Environmental Quality Act (CEQA). It should be recognized that there is substantial overlap in the consideration of some sensitive biological resources between these two regulatory environments. Salient findings subject to federal regulatory jurisdiction are presented first. Thereafter, we present our findings within the broader context requiring consideration under CEQA.

Lists of special status species considered and addressed in detail in this effort, as well as those considered but dismissed due to a lack of presence of suitable habitat within the vicinity of the proposed project area are provided in Appendices B and C, organized relative to these two jurisdictional arenas: federal or California state (respectively). A single, more detailed list of those species determined to have reasonable potential to occur within the proposed project area (or nearby species occurring offsite, which could potentially be affected by the proposed project), and which includes an assessment of the likelihood of occurrence at the site, is provided in Appendix D. Finally, Appendices F and G list all species detected during our fieldwork.

5.1 Federally-Regulated Special Status Species, Critical Habitats, Migratory Birds, and Wetlands and Waters of the U.S.

5.1.1 Listed Species under the Federal Endangered Species Act (FESA)

5.1.1.1 Botanical Species

Of the 69 state and/or federal special status botanical species identified for consideration during our initial research for the proposed project, only three (3) were designated as Threatened, Endangered, and/or Candidate species under the Federal Endangered Species Act of 1974 (Table 2; Appendix B). Only one of these, *Lilium occidentale* (“western lily”) is considered to have any reasonable potential to occur within the project area. The other two are restricted to coastal dune habitats, which do not occur at the site, and were, therefore, omitted from further consideration in this effort (Appendix B).

***Lilium occidentale* (“Western Lily”)**

Neither *Lilium occidentale* (“western lily”) nor any other federally-recognized special status botanical species were encountered during our floristically-appropriate botanical surveys.

Table 2. Federal ESA-Listed Botanical Species Identified for Consideration.

Species	Federal ESA Designation
Vascular Plants	
<i>Erysimum menziesii</i> (“Menzies’ wallflower”)	Endangered
<i>Layia carnososa</i> (“beach Layia”)	Endangered
<i>Lilium occidentale</i> (“western lily”)	Endangered

Bold text indicates species with reasonable potential to occur within the proposed project area

5.1.1.2 Fish and Wildlife

Of the 83 state and/or federal special status fish and wildlife species identified for consideration during our initial research for the proposed project, only 15 were designated as Threatened, Endangered, and/or Candidate species under the Federal Endangered Species Act of 1974 (Table 3; Appendix B). Only two of these, Marbled Murrelet (*Brachyramphus marmoratus*) and Northern Spotted Owl (*Strix occidentalis caurina*), were considered to have possible reasonable potential to occur within the project area. The other 13 consist of nine fish, one sea turtle, and three bird species, all of which are known to occupy habitat types not present within the immediate vicinity of the project area such as marine environments and perennial streams lacking barriers to anadromy, coastal dune and strand habitats, tidally-influenced wetlands, and riparian forests with abundant willow (*Salix* spp.) and poplar (*Populus* spp.) (or other tree species which do not occur in the floristic region under consideration). Given the lack of suitable habitat within the project area for these latter 13 species, they were subsequently omitted from further consideration in this effort (Appendix B).

Table 3. Federal ESA-Listed fish and Wildlife Species Identified for Consideration.

Species	Federal ESA Designation
Fish	
<i>Acipenser medirostris</i> (Green Sturgeon) Southern DPS	Threatened
<i>Eucyclogobius newberryi</i> (Tidewater Goby)	Endangered
<i>Oncorhynchus kisutch</i> (Coho Salmon) Pop. 2 S. Oregon / N. California ESU	Threatened
<i>Oncorhynchus kisutch</i> (Coho Salmon) Pop. 4 Central California Coast ESU	Endangered
<i>Oncorhynchus mykiss irideus</i> (Steelhead) Pop. 16 N. California DPS	Threatened
<i>Oncorhynchus tshawytscha</i> (Chinook Salmon) Pop. 17 California Coastal ESU	Threatened
<i>Oncorhynchus tshawytscha</i> (Chinook Salmon) Pop. 30 Upper Klamath/Trinity Rivers ESU	Candidate
<i>Spirinchus thaleichthys</i> (Longfin Smelt) Southern DPS	Candidate
<i>Thaleichthys pacificus</i> (Eulachon)	Threatened
Reptiles	
<i>Chelonia mydas</i> (Green Sea Turtle)	Threatened
Birds	
<i>Brachyramphus marmoratus</i> (Marbled Murrelet)	Threatened
<i>Charadrius alexandrinus nivosus</i> (Western Snowy Plover)	Threatened
<i>Coccyzus americanus occidentalis</i> (Yellow-billed Cuckoo)	Threatened
<i>Rallus obsoletus obsoletus</i> (California Ridgway's Rail)	Endangered
<i>Strix occidentalis caurina</i> (Northern Spotted Owl)	Threatened

Bold text indicates species with reasonable potential to occur within the proposed project area

Marbled Murrelet

Although the maturing coniferous forest within and adjacent to the project site includes a few larger individual trees, the disjunct and small patch-size combined with the lack of well-developed forest stand structural complexity, scarcity of establishing epiphyte assemblages, and virtual lack of canopy litter accumulations or arboreal histosol development, collectively render this habitat unsuitable for use by breeding Marbled Murrelets at present. The confirmed presence of breeding Red-tailed Hawk and Great Horned Owl in the immediate vicinity during our 2020 fieldwork likely presents predatory pressures in this area and therefore even further diminishes any potential suitability of this habitat for use by breeding Marbled Murrelets. Correspondence with Green Diamond Resource Company wildlife biologist staff (Early & Lucchesi pers. comm.) indicates that no surveys for Marbled Murrelet have occurred within nearby industrial timberlands under their ownership in the vicinity of the project area due to the lack of potentially suitable habitat in the area. The three nearest CNDDDB records of “occupancy” for this species are from 13 (n = 1) and 19 (n = 2) miles distant near Iaquia Buttes and the headwaters of Freshwater Creek (1983), and Tall Trees Grove along Redwood Creek (1975, 1988), respectively.

Northern Spotted Owl

Similar patch-size and habitat connectivity limitations, as well as stand-structure developmental insufficiencies associated with the conifer forest at the project site are believed to render this forest stand unsuitable as nesting habitat for Northern Spotted Owl. In addition to the aforementioned characteristics, the absence of larger snags, tree cavities, and downed coarse woody debris indicate significant limitations in the availability of potential refugia for nesting, roosting, and thermoregulation, as well as limited habitat for prey species. The confirmed presence of breeding Red-tailed Hawk and Great Horned Owl in the immediate vicinity during our 2020 fieldwork likely presents competitive and potential predatory pressures in this area as well and further diminishes any potential suitability of this habitat for Northern Spotted Owl.

The nearest known positive detection record for Northern Spotted Owl is on Green Diamond Resource Company timberlands, ~2 miles to the northeast in the vicinity of the upper headwaters of Mill and Lindsay Creeks (CNDDDB 2020). Correspondence with Green Diamond wildlife biologist staff (Early & Lucchesi pers. comm.) indicates that this location is currently considered “unoccupied” and that the site is surveyed ≥ 3 times annually, with no detections having occurred during the 6-year period 2015–2020. Early & Lucchesi (pers. comm.) also further confirmed that no Northern Spotted Owls were detected in conjunction with two nearby timber harvest plans (THPs), also located in the Lindsay Creek watershed. Those THPs had 13 and 18 survey stations (respectively) and each was surveyed 6 times annually between March–May over the 6-year period from 2015–2020.

It is remotely conceivable that the maturing coniferous forest within and adjacent to the project site could provide some limited foraging habitat for an occasional far-ranging Northern Spotted Owl. However unlikely, even should such an event occur, the temporary diurnal activities associated with the proposed construction would not overlap (temporally or otherwise) with the nocturnal foraging of an unlikely, hypothetical far-ranging individual in the maturing forested habitats at the site.

5.1.2 Critical Habitats

No Critical Habitats occur within the vicinity of the project area.

5.1.3 Bald and Golden Eagles

One adult Bald Eagle was observed flying over the project area at altitude during our fieldwork. This single individual was promptly harassed by a Red-tailed Hawk but continued along its original trajectory, traveling to the south. This individual had no apparent interest in, or association with, the project area at that time. Correspondence with Green Diamond wildlife biologist staff (Early & Lucchesi pers. comm.) indicates that no nests of either species are known from timberlands under their ownership in the vicinity of the project area.

5.1.4 Other Federally-Regulated Special Status Species

Other botanical and wildlife species resulting from our initial research, which are not afforded protection under the Federal Endangered Species Act (1974), yet which are otherwise recognized by federal agencies (i.e., USFWS, USFS, BLM) as “Sensitive” and/or “Birds of Conservation Concern” and worthy of consideration in the review of proposed actions such as the current project were also addressed as part of this biological resource assessment. These “other federal” species are listed in Appendix B, and those considered to have a reasonable potential to occur within the project area are addressed in greater detail in Appendix E.

Two such “other” federal special status species were incidentally detected at the site during our fieldwork: White-tailed Kite (*Elanus leucurus*) and an undetermined species of the *Selasphorus* hummingbird genus (i.e., either Allen’s Hummingbird [*Selasphorus sasin*] or Rufous Hummingbird [*S. rufus*]). While the former was only observed as a “fly-over” detection and did not exhibit any apparent interest in, or association with, the proposed project area, the latter hummingbird could potentially be nesting at the site.

5.1.5 Migratory Birds

Forest, shrub, bramble, and grassland habitats throughout the project area all provide suitable breeding habitat for migratory bird species, as do individual trees, snags, shrubs, and even anthropogenic structures. Some hypothetical examples of the latter include sheltered eaves, overhangs, ledges, cavities in utility poles, and constructed “cavities” associated with sheds, outbuildings, utility boxes, and other existing infrastructure. Evidence of at least five (5) active bird nests protected under the Federal Migratory Bird Treaty Act (MBTA) was observed incidentally within the project area during our fieldwork (Table 4; Appendix A, Figure 2).

Table 4. Incidental Nesting Bird Observations.

Species/Observations	Location
<i>Buteo jamaicensis</i> (Red-tailed Hawk) Human-stimulated agitation; inter-specific territorial defense (with <i>Haliaeetus leucocephalus</i> , Bald Eagle), site-fidelity, obs. June, July, August 2020	Sitka spruce forest, northeastern project area
<i>Bubo virginianus</i> (Great-horned Owl) Roosting juveniles (n = 2), obs. 7/26/20	Large coast redwood on east-facing slope w/in Sitka spruce forest (eastern project area)
<i>Contopus sordidulus</i> (Western Wood-Pewee) Human-stimulated agitation; conspecific territorial defense, site-fidelity of a pair, vociferous male, obs. 7/26/20	Arroyo willow (<i>Salix lasiolepis</i>) thicket, northeastern project area
<i>Empidonax difficilis</i> (Pacific-slope Flycatcher) Nests with eggs (n = 1) and with nestlings (n = 1), human-stimulated agitation, obs. 7/26/20	Tipped-up root masses of windthrown Sitka spruce, northeastern project area
<i>Zonotrichia leucophrys</i> (White-crowned Sparrow) Nest-provisioning, human-stimulated agitation, obs. 6/30/20	Grassland-bramble edge, southern project area

Other incidental evidence of nesting bird activity was also observed during our work as well. In addition to the territorial singing of male songbirds, other evidence of active avian nesting throughout the site included nest-provisioning behavior of multiple species, and small (~1–2-inch, diameter) circular cavities in at least two red alder (*Alnus rubra*) snags (Appendix A, Figure 2).

5.1.6 Wetlands and Waters of the U.S.

Both forested and emergent freshwater wetland habitats were identified at the site. These wetland habitats have been generally characterized previously herein within the context of their associated plant communities (Section 3.2.2.2), which are depicted in Appendix A (Figure 1). A more thorough treatment of the methods and findings pertaining to the identification and delineation of these wetland habitats is addressed elsewhere in the associated *Final Wetland Delineation Report, McKinleyville Community Services District 4.5 MG Water Reservoir Project* (J.B. Lovelace & Associates 2021), being prepared concurrently.

5.2 State Special Status Species, Species Protected under the California Fish and Game Code (CFGC), Sensitive Natural Communities, and Wetlands and Waters of the State

5.2.1 State Special Status Species

5.2.1.1 Botanical Species

Sixty-nine (69) special status botanical species were identified for consideration pursuant to CEQA Section 15380 during our initial research for the proposed project (Appendix C). Of these, 47 are considered to have reasonable potential to occur within the project area (Table 5; Appendix C). The remaining 22 were omitted from further consideration in this effort based on the lack of suitable habitat being present within the project area (Appendix C). Of those 47 species considered to have reasonable potential to occur, 10 were determined to have a high potential (Table 5), including one state- and federally-listed Endangered plant: *Lilium occidentale* (“western lily”).

Results from our special status botanical surveys yielded the single rare plant species, *Ribes laxiflorum* (“trailing black currant”) (Appendix A, Figure 2). *Ribes laxiflorum* is a perennial deciduous shrub with a California Rare Plant Rank of 4.3, indicating that the species is “uncommon in California” with “limited distribution,” and that the degree and immediacy of threats to known occurrences is considered to be low (CNPS 2021). *Ribes laxiflorum* is not currently listed as a federal or state Threatened, Endangered, or Candidate species, and while the species’ Global Rank (“5?”) reflects that it is considered to be “secure” globally, the State Rank (“3”) indicates that it is “vulnerable” in California. The *R. laxiflorum* occurrence identified within the proposed project area consisted of six individuals growing at the buttressed base of a large Sitka spruce tree within the maturing Sitka Spruce Forest and Woodland habitat near the location where the northeast branch of the project area extends north from the main bulk of the proposed project area (Appendix A, Figure 2).

No other federal- or state-listed plants, nor any other state or federal special status botanical species were found to occur within the project area during our floristically-appropriate botanical surveys.

Table 5. Special Status Botanical Species with Reasonable Potential to Occur within the Proposed Project Area.

Species	FESA*	CESA†	CRPR‡	GRank§	SRank§	Potential for Occurrence		
						L	M	H
Vascular Plants								
<i>Angelica lucida</i> ("sea-watch")	None	None	4.2	G5	S3		X	
<i>Calamagrostis bolanderi</i> ("Bolander's reed grass")	None	None	4.2	G4	S4			
<i>Cardamine angulata</i> ("seaside bittercress")	None	None	2B.2	G4G5	S3		X	
<i>Carex arcta</i> ("northern clustered sedge")	None	None	2B.2	G5	S1		X	
<i>Carex buxbaumii</i> ("Buxbaum's sedge")	None	None	4.2	G5	S3		X	
<i>Carex leptalea</i> ("bristle-stalked sedge")	None	None	2B.2	G5	S1		X	
<i>Carex lyngbyei</i> ("Lyngbye's sedge")	None	None	2B.2	G5	S3	X		
<i>Carex praticola</i> ("northern meadow sedge")	None	None	2B.2	G5	S2	X		
<i>Carex viridula</i> ssp. <i>viridula</i> ("green yellow sedge")	None	None	2B.3	G5T5	S2	X		
<i>Castilleja mendocinensis</i> ("Mendocino Coast paintbrush")	None	None	1B.2	G2	S2	X		
<i>Chrysosplenium glechomifolium</i> ("Pacific golden saxifrage")	None	None	4.3	G5?	S3			X
<i>Coptis laciniata</i> ("Oregon goldthread")	None	None	4.2	G4?	S3?	X		
<i>Empetrum nigrum</i> ("black crowberry")	None	None	2B.2	G5	S1?	X		
<i>Erythronium revolutum</i> ("coast fawn lily")	None	None	2B.2	G4G5	S3	X		
<i>Gilia capitata</i> ssp. <i>pacifica</i> ("Pacific gilia")	None	None	1B.2	G5T3	S2	X		
<i>Hemizonia congesta</i> ssp. <i>tracyi</i> ("Tracy's tarplant")	None	None	4.3	G5T4	S4	X		
<i>Hosackia gracilis</i> ("harlequin lotus")	None	None	4.2	G3G4	S3		X	
<i>Iliamna latibracteata</i> ("California globe mallow")	None	None	1B.2	G2G3	S2	X		
<i>Juncus nevadensis</i> var. <i>inventus</i> ("Sierra rush")	None	None	2B.2	G5T3T4	S1	X		
<i>Lathyrus palustris</i> ("marsh pea")	None	None	2B.2	G5	S2		X	
<i>Lilium kelloggii</i> ("Kellogg's lily")	None	None	4.3	G3	S3			X
<i>Lilium occidentale</i> ("western lily")	Endangered	Endangered	1B.1	G1	S1			X
<i>Listera cordata</i> ("heart-leaved twayblade")	None	None	4.2	G5	S4			X
<i>Lycopodiella inundata</i> ("inundated bog club-moss")	None	None	2B.2	G5	S1?	X		
<i>Lycopodium clavatum</i> ("running-pine")	None	None	4.1	G5	S3			X
<i>Lycopus uniflorus</i> ("northern bugleweed")	None	None	4.3	G5	S4	X		
<i>Mitellastrum caulescens</i> ("leafy-stemmed mitrewort")	None	None	4.2	G5	S4		X	
<i>Monotropa uniflora</i> ("ghost-pipe")	None	None	2B.2	G5	S2		X	
<i>Montia howellii</i> ("Howell's montia")	None	None	2B.2	G3G4	S2			X
<i>Oenothera wolffii</i> ("Wolf's evening-primrose")	None	None	1B.1	G2	S1	X		
<i>Packera bolanderi</i> var. <i>bolanderi</i> ("seacoast ragwort")	None	None	2B.2	G4T4	S2S3	X		
<i>Piperia candida</i> ("white-flowered rein orchid")	None	None	1B.2	G3	S3		X	
<i>Pityopus californicus</i> ("California pinefoot")	None	None	4.2	G4G5	S4		X	
<i>Pleuropogon refractus</i> ("noddling semaphore grass")	None	None	4.2	G4	S4			X
<i>Ribes laxiflorum</i> ("trailing black currant")	None	None	4.3	G5?	S3			X
<i>Sidalcea malachroides</i> ("maple-leaved checkerbloom")	None	None	4.2	G3	S3			X
<i>Sidalcea malviflora</i> ssp. <i>patula</i> ("Siskiyou checkerbloom")	None	None	1B.2	G5T2	S2		X	
<i>Sidalcea oregana</i> ssp. <i>eximia</i> ("coast checkerbloom")	None	None	1B.2	G5T1	S1		X	
<i>Silene scouleri</i> ssp. <i>scouleri</i> ("Scouler's catchfly")	None	None	2B.2	G5T4T5	S2S3	X		
<i>Tiarella trifoliata</i> var. <i>trifoliata</i> ("trifoliolate laceflower")	None	None	3.2	G5T5	S2S3	X		
<i>Viola palustris</i> ("alpine marsh violet")	None	None	2B.2	G5	S1S2	X		
Nonvascular Botanical Species								
"Bryophytes" ("Mosses," "Liverworts," and "Hornworts")								
<i>Fissidens pauperculus</i> ("minute pocket moss")	None	None	1B.2	G3?	S2			X
<i>Trichodon cylindricus</i> ("cylindrical Trichodon")	None	None	2B.2	G4	S2	X		
Lichens								
<i>Bryoria pseudocapillaris</i> ("false gray horsehair lichen")	None	None	3.2	G3	S2	X		
<i>Bryoria spiralis</i> ("twisted horsehair lichen")	None	None	1B.1	G3	S1S2	X		
<i>Dolichousnea longissima</i> (= <i>Usnea longissima</i>) ("Methuselah's beard lichen")	None	None	4.2	G4	S4	X		
<i>Ramalina thrausta</i> ("angel's hair lichen")	None	None	2B.1	G5	S2?	X		

* Federal Endangered Species Act (1974) Designation (Refer to Appendix E)

† California Endangered Species Act (1973) Designation (Refer to Appendix E)

‡ California Native Plant Society's (CNPS) California Rare Plant Rank (Refer to Appendix E)

§ Global and State ("Heritage Method") Rarity Rank (Refer to Appendix E)

Bold text indicates species encountered within the proposed project area during our 2020-2021 fieldwork.

5.2.1.2 Fish and Wildlife

Eighty-three (83) special status fish and wildlife species were identified for consideration pursuant to CEQA Section 15380 during our initial research for the proposed project (Appendix C). Of these, 39 are considered to have reasonable potential to occur at the site and one fish species, (resident) Coastal Cutthroat Trout (*Oncorhynchus clarkii clarkii*), is known to inhabit Mill Creek (CNDDDB 2020), which receives discharges from with the stormwater system that drains the proposed project area (Table 6). The remaining 43 species were omitted from further consideration in this effort based on the lack of suitable habitat being present within the immediate vicinity of the project area (Appendix C). Of those 40 species considered to have reasonable potential to be affected by the proposed project, 13 were determined to have a high potential for occurrence (Table 6).

While no focused fish or wildlife surveys were performed as part of this effort, seven (7) special status wildlife species were incidentally detected at the site during our fieldwork (Table 7; Appendix A, Figure 2).

Northern Red-legged Frogs (*Rana aurora*)

Two (2) Northern Red-legged Frogs (*Rana aurora*) were encountered in the project area during our April 2021 fieldwork (Appendix A, Figure 2). One adult was observed in the Slough Sedge Sward habitat in the northeastern project area extension and the second adult was encountered in the grazed Common Velvet Grass–Sweet Vernal Grass Meadow habitat along the eastern project area boundary.

Special Status Birds

Four (4) (i.e., Bald Eagle, *Haliaeetus leucocephalus*; White-tailed Kite, *Elanus leucurus*; Vaux's Swift, *Chaetura vauxi*; and a *Selasphorus* hummingbird, *Selasphorus* spp.) of the five (5) special status bird species detections during our fieldwork consisted of brief overflights of the site (Table 7).

Of those four, one hummingbird of the genus *Selasphorus* was observed, but due to the brief observation it was not possible to identify the individual at the species level. Based on the published range and distribution information for members of that genus, it is reasonable to assume that the observation was of either Allen's Hummingbird (*Selasphorus sasin*) (most likely) or Rufous Hummingbird (*Selasphorus rufus*).

The fifth special status bird species detection was of Black-capped Chickadee (*Poecile atricapillus*). Multiple individuals were observed foraging in forested habitats at the site and at least one singing male was heard during our fieldwork. Small (~2.5–5 cm [~1–2-inch], diameter) circular tree cavities observed in Red Alder (*Alnus rubra*) snags along the eastern project area boundary (Appendix A, Figure 2) provide suitable nesting habitat for Black-capped Chickadee (Ehrlich et al. 1988; etc.), and it is possible that such observed tree cavities are utilized by this species for breeding.

Table 6. Special Status Fish and Wildlife Species with Reasonable Potential to Occur within the Immediate Vicinity of the Proposed Project Area.

Species	FESA*	CESA†	CDFW‡	GRank§	SRank§	Potential for Occurrence		
						L	M	H
Fish								
<i>Oncorhynchus clarkii clarkii</i> (Resident Coastal Cutthroat Trout)	None	None	SSC	G5T4	S3			X
Insects								
<i>Bombus caliginosus</i> (Obscure Bumble Bee)	None	None		G4?	S1S2	X		
<i>Bombus occidentalis</i> (Western Bumble Bee)	None	Candidate Endangered		G2G3	S1		X	
Amphibians								
<i>Rana aurora</i> (Northern Red-legged Frog)	None	None	SSC	G4	S3			X
<i>Rana boylei</i> (Foothill Yellow-legged Frog) (Northwest/North Coast Clade)	None	None	SSC	G5	S1	X		
<i>Rhyacotriton variegatus</i> (Southern Torrent Salamander)	None	None	SSC	G3G4	S2S3	X		
Reptiles								
<i>Emys marmorata</i> (Western Pond Turtle)	None	None	SSC	G3G4	S3	X		
Birds								
<i>Accipiter cooperi</i> (Cooper's Hawk)	None	None	WL	G5	S4			X
<i>Accipiter striatus</i> (Sharp-shinned Hawk)	None	None	WL	G5	S4			X
<i>Ardea alba</i> (Great Egret)	None	None		G5	S4	X		
<i>Ardea herodias fannini</i> (Great Blue Heron)	None	None		G5	S4	X		
<i>Asio flammeus</i> (Short-eared Owl)	None	None	SSC	G5	S3	X		
<i>Brachyramphus marmoratus</i> (Marbled Murrelet)	Threatened	Endangered		G3	S2	X		
<i>Chaetura vauxi</i> (Vaux's Swift)	None	None	SSC	G5	S2S3			X
<i>Circus hudsonius</i> (Northern Harrier)	None	None	SSC	G5	S3	X		
<i>Contopus cooperi</i> (Olive-sided Flycatcher)	None	None	SSC	G4	S3			X
<i>Egretta thula</i> (Snowy Egret)	None	None		G5	S4	X		
<i>Elanus leucurus</i> (White-tailed Kite)	None	None	FP	G5	S3S4			X
<i>Empidonax traillii brewsteri</i> (Willow Flycatcher)	None	Endangered		G5T3T4	S1S2	X		
<i>Falco columbarius</i> Merlin	None	None	WL	G5	S3S4			X
<i>Falco peregrinus anatum</i> (American Peregrine Falcon)	Delisted	Delisted	FP	G4T4	S3S4	X		
<i>Haliaeetus leucocephalus</i> (Bald Eagle)	None	Endangered	FP	G5	S3		X	
<i>Icteria virens</i> (Yellow-breasted Chat)	None	None	SSC	G5	S3			X
<i>Numenius americanus</i> (Long-billed Curlew)	None	None	WL	G5	S2	X		
<i>Pandion haliaetus</i> (Osprey)	None	None	WL	G4	S4		X	
<i>Passerculus sandwichensis alaudinus</i> (Bryant's Savannah Sparrow)	None	None	SSC	G5T2T3	S2S3	X		
<i>Poecile atricapillus</i> (Back-capped Chickadee)	None	None	WL	G5	S3			X
<i>Progne subis</i> (Purple Martin)	None	None	SSC	G5	S3		X	
<i>Selasphorus rufus</i> (Rufous Hummingbird)	None	None		G5	S1S2		X	
<i>Selasphorus sasin</i> (Allen's Hummingbird)	None	None		G5	S4			X
<i>Strix occidentalis caurina</i> (Northern Spotted Owl)	Threatened	Threatened		G3G4T3	S2	X		
<i>Toxostoma redivivum</i> (California Thrasher)	None	None		G5	SNR	X		
Mammals								
<i>Aplodontia rufa humboldtiana</i> (Humboldt Mountain Beaver)	None	None		G5TNR	SNR			X
<i>Arborimus albipes</i> (White-footed Vole)	None	None	SSC	G3G4	S2		X	
<i>Arborimus pomo</i> (Sonoma Tree Vole)	None	None	SSC	G3	S3		X	
<i>Corynorhinus townsendii</i> (Townsend's Big-eared Bat)	None	None	SSC	G4	S2		X	
<i>Erethizon dorsatum</i> (North American Porcupine)	None	None		G5	S3	X		
<i>Lasiurus cinereus</i> (Hoary Bat)	None	None		G3G4	S4			X
<i>Myotis evotis</i> (Long-eared Myotis)	None	None		G5	S3	X		
<i>Pekania pennanti</i> (Fisher) – NCSO DPS	None	None	SSC	G5	S2S3	X		

* Federal Endangered Species Act (1974) Designation (Refer to Appendix E)

† California Endangered Species Act (1973) Designation (Refer to Appendix E)

‡ California Department of Fish and Wildlife (CDFW) Special Status Designation (Refer to Appendix E)

§ Global and State ("Heritage Method") Rarity Rank (Refer to Appendix E)

Table 7. Special Status Wildlife Species Incidentally Detected Within the Proposed Project Area.

Species	FESA*	CESA†	CDFW‡	GRank§	SRank§	Detection Type
Amphibians						
<i>Rana aurora</i> (Northern Red-legged Frog)	None	None	SSC	G4	S3	Adults (n=2)
Birds						
<i>Chaetura vauxi</i> (Vaux's Swift)	None	None	SSC	G5	S2S3	Fly-over
<i>Elanus leucurus</i> (White-tailed Kite)	None	None	FP	G5	S3S4	Fly-over
<i>Haliaeetus leucocephalus</i> (Bald Eagle)	None	Endangered	FP	G5	S3	Fly-over
<i>Poecile atricapillus</i> (Back-capped Chickadee)	None	None	WL	G5	S3	Singing/ foraging
<i>Selasphorus</i> sp. (unidentified <i>Selasphorus</i> Hummingbird)	None	None				Fly-over
Mammals						
<i>Aplodontia rufa humboldtiana</i> (Humboldt Mountain Beaver)	None	None		G5TNR	SNR	Burrows
* Federal Endangered Species Act (1974) Designation (Refer to Appendix E)						
† California Endangered Species Act (1973) Designation (Refer to Appendix E)						
‡ California Department of Fish and Wildlife (CDFW) Special Status Designation (Refer to Appendix E)						
§ Global and State ("Heritage Method") Rarity Rank (Refer to Appendix E)						

Humboldt Mountain Beaver (*Aplodontia rufa humboldtiana*)

Also included among those seven special status species, is Humboldt Mountain Beaver (*Aplodontia rufa humboldtiana*). This primitive fossorial rodent has been reported from the nearby Azalea Park State Reserve (CNDDDB 2020) and sufficient evidence (i.e., slope aspect and soil, vegetation, and burrow dimensional characteristics) was observed within the project area during our fieldwork to infer the presence of this animal at the site (Appendix A, Figure 2). Although this member of the most primitive extant genus of rodents currently lacks state or federal protective status, in light of its disjunct and limited occurrence in California, its specific habitat requirements, and vulnerability to similar threats and constraints facing the closely-related (and federally Endangered) subspecies, Point Arena Mountain Beaver (*A. rufa nigra*), the California Department of Fish and Wildlife monitors actions affecting the Humboldt Mountain Beaver and its consideration within the context of the proposed project is warranted.

5.2.2 Other Biological Resources Protected Under California Fish & Game Code

As previously described herein (Section 5.1.5), forest, shrub, bramble, and grassland habitats throughout the project area all provide suitable breeding habitat for migratory bird species, as do individual trees, snags, shrubs, and anthropogenic structures (e.g., sheltered eaves, overhangs, ledges, cavities in utility poles, and constructed "cavities" associated with sheds, outbuildings, utility boxes, etc.).

Evidence of at least five (5) active bird nests protected under the California Fish and Game Code (§§ 2000, 3503, 3503.5, 3800, 3513) was observed incidentally within the project area during our fieldwork (Table 4, reproduced below; Appendix A, Figure 2). Other observed examples of active nesting bird behavior included the territorial singing of male songbirds, nest-provisioning by multiple species, and the aforementioned tree cavities in at least two red alder (*Alnus rubra*) snags along the eastern edge of the project area (Appendix A, Figure 2).

Table 4. Incidental Nesting Bird Observations. (Reproduced here for ease of reference.)

Species/Observations	Location
<i>Buteo jamaicensis</i> (Red-tailed Hawk) Human-stimulated agitation; inter-specific territorial defense (with <i>Haliaeetus leucocephalus</i> , Bald Eagle), site-fidelity, obs. June, July, August 2020	Sitka spruce forest, northeastern project area
<i>Bubo virginianus</i> (Great-horned Owl) Roosting juveniles (n = 2), obs. 7/26/20	Large coast redwood on east-facing slope w/in Sitka spruce forest (eastern project area)
<i>Contopus sordidulus</i> (Western Wood-Pewee) Human-stimulated agitation; conspecific territorial defense, site-fidelity of a pair, vociferous male, obs. 7/26/20	Arroyo willow (<i>Salix lasiolepis</i>) thicket, northeastern project area
<i>Empidonax difficilis</i> (Pacific-slope Flycatcher) Nests with eggs (n = 1) and with nestlings (n = 1), human-stimulated agitation, obs. 7/26/20	Tipped-up root masses of windthrown Sitka spruce, northeastern project area
<i>Zonotrichia leucophrys</i> (White-crowned Sparrow) Nest-provisioning, human-stimulated agitation, obs. 6/30/20	Grassland-bramble edge, southern project area

* Global and State (“Heritage Method”) Rarity Rank (Refer to Appendix E)

5.2.3 Sensitive Natural Communities

Forty-four (44) Sensitive Natural Communities were identified for consideration pursuant to CEQA Section 15380 during our initial research for the proposed project. Of those 44 communities, six (6) were considered to have reasonable potential to occur (Appendix C) at the site. During our fieldwork, four (4) Sensitive Natural Communities were identified within the project area (Table 8; Appendix D). Each has been characterized previously herein (Section 3.2.2.2) and the distribution and extent of each are depicted in Appendix A (Figure 1).

Table 8. Sensitive Natural Communities Present within the Proposed Project Area

Community	GRank* SRank
Forested Communities	
<i>Picea sitchensis</i> Forest and Woodland Alliance	G5
Sitka Spruce Forest and Woodland	S2
Shrub Communities	
<i>Rubus</i> (<i>parviflorus</i> , <i>spectabilis</i> , <i>ursinus</i>) Shrubland Alliance	G4
Coastal Brambles	S3
Herbaceous Communities	
<i>Carex obnupta</i> Herbaceous Alliance	G4
Slough Sedge Swards	S3
<i>Scirpus microcarpus</i> Herbaceous Alliance	G4
Small-Fruited Bulrush Marsh	S2

Three of the Sensitive Natural Communities identified within the project area (i.e., “Sitka Spruce Forest and Woodland” [*Picea sitchensis* Forest and Woodland Alliance], “Slough Sedge Swards” [*Carex obnupta* Herbaceous Alliance], and “Small-fruited Bulrush Marsh” [*Scirpus microcarpus* Herbaceous Alliance]) are associated with the freshwater wetland systems that occur in the northeastern project area extension. However, considering that the presence of some hydrophytic vegetation does not always coincide with the presence of other

wetland attributes (i.e., wetland hydrology and hydric soils) used to delineate wetland habitats (USACE 1984, 2010), these three vegetation communities are addressed within the context of this biological resource assessment analysis on their own, vegetation-community-conservation-merits, independent of any wetland association. As previously stated herein, wetland habitats associated with the proposed project area are treated elsewhere in the associated *Final Wetland Delineation Report, McKinleyville Community Services District 4.5 MG Water Reservoir Project* (J.B. Lovelace & Associates 2021), being prepared concurrently.

The remaining Sensitive Natural Community identified within the project area is, however, currently undergoing revisions (Keeler-Wolf & Boul pers. comm.). Under the current membership rules for “Coastal Brambles” (*Rubus [parviflorus, spectabilis, ursinus]* Shrubland Alliance) (CNPS 202b, 2021), a dominance of either of the three indicated *Rubus* species in a shrubland habitat, either individually or collectively, defines this vegetation alliance. Such an inclusive definition is broadly applicable to extensive areas of shrubland vegetation throughout northern California and beyond.

Rubus ursinus (“California blackberry”), the dominant plant comprising the Coastal Bramble patches with the proposed project area is a fairly widespread, early-successional, facultative shrub species, commonly found along forest edges and gaps within the north coast region. In recognition of the distinct ecological role and wider geographic range of this species, a revised alliance description planned for publication in 2021 (Keeler-Wolf & Boul pers. comm.; CNPS 2021), will split *R. ursinus* out from the *Rubus (parviflorus, spectabilis, ursinus)* Shrubland Alliance, and instead, place it in a distinct vegetation alliance: the *Gaultheria shallon – Rubus [ursinus]* Alliance (Table 9). Simultaneously, the reduced (Heritage) state rarity rank assigned to this new alliance (i.e., G4, S4) will result in it not qualifying as a California Sensitive Natural Community. In light of this imminent revision, we conclude that the *Rubus ursinus*-dominated coastal bramble habitats at the site should not be treated as a Sensitive Natural Community.

Table 9. Revised Vegetation Alliance Assignment for *Rubus ursinus*- (“California blackberry”)-Dominated Shrublands and Associated Membership Rules.

<i>Gaultheria shallon – Rubus (ursinus)</i> Alliance
<i>Gaultheria shallon</i> , <i>Rubus parviflorus</i> , or <i>R. ursinus</i> dominant or occur with comparable cover (Belsher 1999)
<i>Gaultheria shallon</i> , <i>Rubus parviflorus</i> , or <i>R. ursinus</i> dominant in the shrub canopy (Buck-Diaz et al. 2020, 2021).
<i>Gaultheria shallon</i> or <i>R. ursinus</i> dominant in the shrub canopy (Klein et al. 2015)

5.2.4 Wetlands and Waters of the State

Both forested and emergent freshwater wetland habitats were identified at the site. These wetland habitats have been generally characterized previously herein within the context of their associated plant communities (Section 3.2.2.2), which are depicted in Appendix A (Figure 1). A more thorough treatment of the methods

and findings pertaining to the identification and delineation of these wetland habitats is addressed elsewhere in the associated *Final Wetland Delineation Report, McKinleyville Community Services District 4.5 MG Water Reservoir Project* (J.B. Lovelace and Associates 2021), being prepared concurrently.

6.0 Potential Impacts to Sensitive Biological Resources and Mitigation Recommendations

Potential impacts to sensitive biological resources resulting from implementation of the proposed project are addressed below. Accompanying these assessments are corresponding mitigation measures to avoid and/or minimize potential impacts identified. In closing we provide a summarized recommended approach with the goal of outlining a progression of project implementation that would be least likely to adversely affect special status and/or other protected wildlife species, and which would likely result in the fewest possible biological resource-related constraints for the proposed project under present circumstances. Potential project-related impacts to Wetlands, Waters of the U.S., and Waters of the State are addressed elsewhere in the associated *Final Wetland Delineation Report, McKinleyville Community Services District 4.5 MG Water Reservoir Project* (J.B. Lovelace & Associates 2021), being prepared concurrently.

One primary mitigation measure pertinent to the proposed project, as a whole, is that of worker awareness and training. Worker awareness and training is of fundamental importance to the efficacy of any mitigation effort. Such training should be a requirement of project and construction personnel with reasonable likelihood of encountering sensitive biological resources prior to participation in order to provide education about relevant sensitive biological resources and ensure that respective mitigation protocols are applied should personnel encounter such a resource within the action area. Direction to avoid any designated “no entry” special treatment zones (Appendix A, Figure 3) should be included in such training.

6.1 Federally-Protected Biological Resources

6.1.1 Listed Species under the Federal Endangered Species Act (FESA)

6.1.1.1 Botanical Species

***Lilium occidentale* (“Western Lily”)**

The single federally-listed botanical species considered to have reasonable potential to occur within the proposed project area, *Lilium occidentale* (“western lily”) was not encountered at the site during floristically-appropriate field surveys performed for this species. Therefore, no project-related impacts to this species are expected.

6.1.1.2 Fish and Wildlife Species

Marbled Murrelet and Northern Spotted Owl

Considering the lack of suitable breeding habitat for Marbled Murrelet or Northern Spotted Owl within the immediate vicinity of the project area; the consistent lack of detections of the latter species reported (Early and Lucchesi pers. comm.) from nearby industrial timberland stands despite being actively surveyed for the past 5+ years; and no planned removal, alteration, or significant encroachment into forested habitat at the site; no project-related impacts are expected to either species.

On the basis of the aforementioned conclusion, no species-specific protocol surveys for either species are considered warranted at this time. In the highly unlikely event that either species is detected within the project area during pre-disturbance breeding bird surveys (see below) and/or any other project-related activities, work should cease and consultation with the U.S. Fish and Wildlife Service and California Department of Fish and Wildlife should be initiated immediately.

6.1.2 Other Federally-Protected Special Status Species

Mitigation measures provided in the following sections are considered sufficient to reduce and/or avoid potential project-related impacts to species potentially occurring within the project area (Table 6), which have been designated as “Sensitive” by the U.S. Forest Service or Bureau of Land Management, “Birds of Conservation Concern” by the U.S. Fish and Wildlife Service, and/or which are nesting migratory birds protected under the Migratory Bird Treaty Act (MTBA).

6.2 California State-Protected Biological Resources

6.2.1 Botanical Resources

6.2.1.1 Special Status Botanical Species

The single special status botanical species occurring at the site, *Ribes laxiflorum* (“trailing black currant”), is restricted to a discrete location near the buttressed base of a large Sitka spruce (*Picea sitchensis*) tree, well within the Sitka Spruce Forest and Woodland habitat at the eastern edge of the proposed project area (approximately 12 meters [~40 feet] inside of the forest edge). Considering that this rare species occurs within the surrounding Sitka Spruce Forest and Woodland habitat, itself a California Sensitive Natural Community for which protective mitigation recommendations are provided herein (Section 6.2.1.2, below), anticipated potential project-related impacts to this rare plant occurrence are limited to construction activities associated with the removal of the existing overflow drain pipeline. The outfall of the existing drain pipeline daylights just inside the edge of the associated Sitka Spruce and Woodland habitat, approximately 15 meters (~50 feet) from the *R. laxiflorum* occurrence.

To avoid potential project-related impacts to this rare plant occurrence, a qualified biologist should be present onsite during any project-related activities in

the vicinity of the occurrence to monitor construction activities and ensure that the rare species is not disturbed.

In order to promote the future potential for the establishment and recovery of this and other rare botanical species in general, disturbances to native vegetation and associated habitats should be minimized to the extent feasible during project implementation. Efforts should also be made to reduce the potential for the introduction of invasive vegetation into the project area as a result of the proposed project. Thorough cleaning of construction equipment prior to mobilization and demobilization, as well as timely restoration and revegetation of disturbed areas with native and regionally-appropriate seed and planting stock will help in this regard.

6.2.1.2 California Sensitive Natural Communities

In advance of any clearing and grubbing and/or other construction-related disturbance within the proposed project area, the contiguous perimeter of California Sensitive Natural Communities identified at the site (Table 8; Appendix A, Figure 1) should be clearly staked and flagged by a qualified biologist as a “no entry” special treatment zone (Appendix A, Figure 3) to prevent project-related impacts to these protected habitats. As described previously herein (Section 5.2.3), *Rubus ursinus* (“California blackberry”)-dominated Coastal Bramble habitat is not included as a sensitive natural community within the context of the proposed project, and therefore should not need such identification and restriction. However, this vegetation community does provide suitable nesting habitat for breeding birds and should be treated accordingly (refer to Section 6.2.2.4, below).

The majority of ground-disturbing activities associated with proposed construction will be limited to existing developed areas and a combination of grazed Velvet Grass – Sweet Vernal Grass Meadow and Coastal Bramble vegetation alliances, however, limited impacts to Water Foxtail Meadow and Sitka Spruce Forest and Woodland habitats are also anticipated. Adverse impacts to Slough Sedge Sward and Small-fruited Bulrush Marsh communities are not expected, though these latter habitats may ultimately benefit from discharges associated with periodic reservoir maintenance activities.

Wherever project-related activities have the potential to disturb Water Foxtail Meadow, Sitka Spruce Forest and Woodland, Slough Sedge Sward, and/or Small-fruited Bulrush Marsh California Sensitive Natural Communities, a qualified biologist should be present onsite during the performance of any such activities to monitor construction activities and ensure that potential project-related impacts to these sensitive habitats and the associated identified rare plant occurrence (described in Section 6.2.1.1, previously herein) are avoided.

Anticipated impacts to the Sitka Spruce Forest and Woodland habitats are limited to those associated with the removal of the existing overflow drain pipeline and construction of the proposed new overflow drain pipeline in the northeast project

area extension. The existing overflow drain pipeline lies within a combination of grazed upland Velvet Grass – Sweet Vernal Grass Meadow and Coastal Bramble habitats, with the exception of the final ~6 meters (~20 feet), which extend into the Sitka Spruce Forest and Woodland habitat. Removal of the shallow existing overflow drain pipeline will require encroachment into the Sitka Spruce Forest and Woodland habitat along the final ~6 meters (~20 feet) section. To facilitate removal of the existing overflow drain pipeline, temporary removal of protective staking and flagging established along the perimeter of this California Sensitive Natural Community should be limited to the minimum area necessary to facilitate completion of this project task. Immediately following task completion, staking and flagging should be replaced to re-establish the protective “no entry” special treatment zone.

Consistent with mitigation measures recommended for open trenching through wetland habitats provided in the associated *Final Wetland Delineation Report, McKinleyville Community Services District 4.5 MG Water Reservoir Project* (J.B. Lovelace & Associates 2021) being prepared concurrently, where limited open trenching occurs within the Sitka Spruce Forest and Woodland habitat to remove the existing overflow drain pipeline, the top 15.25–30.5 cm (~6–12 inches) of excavated material (i.e., “topsoil”) containing seeds, rhizomes, roots, and other vegetative propagules and organic material should be stockpiled separately from deeper material and kept moist for subsequent proportional replacement in the surface horizon during backfilling operations. Such handling will aid in rapid revegetation of disturbed substrate and maintain pre-construction soil texture and drainage properties. This surface layer should be replaced at the earliest opportunity and should not be compacted or otherwise handled in such a way as to discourage the restoration of pre-project vegetation and/or surface drainage characteristics. This surface layer material may need to be filled to approximately 2.5–5 cm (~1–2 inches) above grade to allow for natural backfill settling to finished grade level.

Backfill should include only native material excavated from the trench, though suitable native borrow material generated onsite during excavation of the new reservoir footprint may also be used here to compensate for any material deficit resulting from removal of the existing pipeline. As specified herein, the upper 15.25–30.5 cm (~6–12 inches) of backfill material should consist of surface material as described previously. Any sidecast spoils material generated during this project task should only be broadcast to a thickness that does not exceed one-inch (2.54 cm). Any spoils material that cannot be appropriately broadcast onsite should only be disposed of at permitted and/or otherwise approved locations.

To address anticipated impacts associated with construction of the proposed new overflow drain pipeline, current design plans available at the time of this writing (i.e., 30% Submittal, Kennedy Jenks 2021) have been developed to incorporate mitigation measures designed to minimize project-related disturbance to this forested California Sensitive Natural Community.

Original design plans for the new overflow drain pipeline considered open-trench construction methods along a proposed alignment considered to be most economical and that provided the best fall path. This original proposed approach would have resulted in substantial disturbance to the shallow root system of as many as 10 maturing Sitka spruce trees and would also have impacted Slough Sedge Sward and Small-fruited Bulrush Marsh Sensitive Natural Communities (i.e., additional freshwater wetland habitat areas) present in this location as well.

To minimize disturbance to these California Sensitive Natural Communities, the proposed new overflow pipeline alignment has been revised to construct the pipeline closer to the western boundary of the northeastern project area extension, thereby minimizing the extent of encroachment into the Sitka Spruce Forest and Woodland habitat and avoiding adverse impacts to the Slough Sedge Sward and Small-fruited Bulrush emergent wetland communities more centrally located within this portion of the project area. Similarly, revised construction methods still utilize the less expensive open-trenching methods initially, but then transition to an above-grade section prior to intersecting with the root zone of maturing Sitka Spruce trees, thereby minimizing and/or avoiding damage to these individuals and preventing premature project-related mortality and potential failure. The reduced and remaining impacts to the Sitka Spruce Forest and Woodland habitat resulting from construction of this pipeline are expected to be limited to the temporary disturbance during construction and the more permanent installation of ~17 (42" [length] x 48" [width] x 30" [depth]) supportive reinforced concrete footings placed every 15–20 feet along the ~260-foot length of the above-grade section.

The new overflow drain pipeline outfall is currently designed (30% Submittal, Kennedy Jenks 2021) as a concrete headwall of comparable dimensions to the pipeline support footings and would be placed in the upland strip of Velvet Grass–Sweet Vernal Grass Meadow vegetation along the northwestern edge of the northeast project area extension. Here, the outfall shall include some appropriate means of flow velocity dissipation (e.g., rock, etc.) to prevent scouring and/or erosion, and discharges are expected to both infiltrate and sheetflow overland through existing vegetation for approximately 15 meters (~50 feet) prior to reaching the adjacent palustrine emergent wetland habitat (Slough-Sedge Swards and Small-fruited Bulrush Marsh), and ultimately, the associated stormwater drain system on the south side of Cochran Road, ~40 linear meters (~130 feet) further north of the upland-wetland boundary.

The total combined volume of future discharges from the new overflow drain pipeline is expected to increase relative to current levels, proportionate to the increase in system storage capacity. However, existing measures already implemented as part of contemporary periodic reservoir maintenance activities are expected to ensure that the characteristics of individual future discharges are consistent with those already occurring as part of the current maintenance regime and such discharges will continue to comply with provisions set forth in the *Statewide NPDES General Permit for Drinking Water Discharges to Waters*

of the US, Order WQ 2014-0194-DWQ, General Order No. CAG140001 (SWRCB 2014).

Such existing measures include the drawing down of individual reservoirs prior to being serviced to minimize water waste and discharge volume, as well as ensuring that District staff are present on-site during such maintenance operations to monitor and regulate flow rates and velocities to avoid any scouring, erosion, and/or other adverse effects to affected biological resources. The periodicity and chemical composition of future overflow drain pipeline discharges are also anticipated to be consistent with current operations. As a result, the Slough Sedge Sward and Small-fruited Bulrush California Sensitive Natural Communities are not expected to be adversely impacted by future reservoir maintenance-related discharges, and may potentially even benefit from the increased cumulative volume of future discharges.

6.2.2 Fish and Wildlife Resources

Appropriate mitigation of potential project-related impacts to special status fish and wildlife species varies depending upon the species being affected and the nature of the impact. In most cases, project-related impacts can be mitigated by a combination of seasonal restrictions on construction activities, pre-construction biological field surveys, and/or during-construction biological monitoring of project activities. Treatment of anticipated potential impacts and corresponding recommended mitigation measures for special status fish and wildlife species determined to have reasonable potential to occur within the proposed project area (or that otherwise could be affected by the proposed project) follows. Treatments are arranged according to taxonomic group.

6.2.2.1 Insects

Potential project-related impacts to either (California state Candidate Endangered) *Bombus occidentalis* (“Western Bumble Bee”) or *Bombus caliginosus* (“Obscure Bumble Bee”) would depend on the presence of either species at the site, the timing and nature of project-related disturbances, and the methods and success of post-construction revegetation efforts. Initiation of excavation and ground disturbance activities in early spring is optimal for this group of predominantly ground-nesting insects. Such timing has the greatest potential to minimize mortality and/or disturbance to (underground) hibernating queen bumble bees and establishes a disturbance regime which, if maintained, can discourage any attempts of queen bumble bees to initiate new colonies within the impact area. This window is, however, narrow, and varies from year-to-year.

Historic local observations of Western Bumble Bee queen emergence range from mid-March to mid-April (Mesler pers. comm.), though this period can vary based on annual variations in climate and weather conditions. Pre-disturbance surveys for emergent queen bumble bees during this seasonal period are recommended as they have the potential to provide an accurate assessment as to the presence

of either of these species at the site, and consequently, the need for seasonal considerations relative to the optimal timing of the initiation of construction.

Post-construction restoration and revegetation efforts should consider replanting locally-appropriate native forage plant species known to be frequented by bumble bees such as *Rubus spectabilis* (“salmonberry”), *Rubus parviflorus* (“thimbleberry”), *Grindelia stricta* var. *platyphylla* (“gum plant”), *Lupinus affinis* (“fleshy Lupine”), *Lupinus nanus* (“sky Lupine”), *Lupinus variicolor* (“varied Lupine”), *Ceanothus thyrsiflorus* var. *thyrsiflorus* (“blueblossom”), *Rhododendron columbianum* (Labrador tea), *Rhododendron macrophyllum* (California Rhododendron), *Vaccinium ovatum* (“evergreen huckleberry”) *Keckiella corymbosa* (“red beardtongue”), etc.

6.2.2.2 Fish

Although no perennial streams capable of supporting fish species occur within the proposed project area, discharges associated with periodic reservoir maintenance activities described previously herein (Section 6.2.1.2, above) do have the potential to affect the aquatic environment in nearby Mill Creek, in the immediate downstream vicinity of the discharge point of the stormwater system that drains the proposed project area. Approximately one mile (~1.6 km) downstream of this stormwater discharge point, between Central Avenue and Turner Road, Mill Creek Falls presents a “total natural barrier” to anadromous fish species (CDFW 2021), and resident Coastal Cutthroat Trout (*Oncorhynchus clarkii clarkii*) is the only special status fish species known to occur upstream of Mill Creek Falls, in the stream reach potentially affected by reservoir maintenance activities (CNDDDB 2020; etc.).

Any potential influence of reservoir maintenance-related discharges is anticipated to be localized to the immediate downstream vicinity of the stormwater discharge point and is expected to attenuate to the point of being negligible within a short distance from the point of discharge. Any such influence is unlikely to adversely impact the aquatic environment in the vicinity of Mill Creek Falls and/or further downstream.

Coastal Cutthroat Trout (*Oncorhynchus clarkii clarkii*)

Discharges associated with periodic reservoir maintenance activities described previously herein (Section 6.2.1.2, above) do have the potential to impact resident Coastal Cutthroat Trout (*Oncorhynchus clarkii clarkii*), which are known to occur in nearby Mill Creek, downstream of the proposed project area (CNDDDB 2021, etc.). Future reservoir maintenance-related discharges are, however, expected to be short in duration and small in magnitude, and consistent with those already occurring as part of the current maintenance regime, which are carried out in compliance with provisions set forth in the *Statewide NPDES General Permit for Drinking Water Discharges to Waters of the US, Order WQ 2014-0194-DWQ, General Order No. CAG140001* (SWRCB 2014) to protect water quality.

Although the combined volume of future reservoir maintenance-related discharges is expected to increase relative to current levels (proportionate to the increase in system storage capacity), existing measures already implemented as part of contemporary periodic reservoir maintenance activities are expected to ensure that the characteristics of individual future discharges are consistent with those already occurring as part of the current maintenance regime. Existing measures include the drawing down of reservoirs prior to being serviced to minimize the volume of individual discharges, and on-site monitoring and regulation of flow rates and velocities by District staff to ensure that maintenance operations avoid any scouring, erosion, and/or other adverse effects to water quality and/or dependent aquatic biota and associated habitat. Allowing discharges to infiltrate and sheetflow overland through existing vegetation between the overflow drain pipeline outfall and the stormwater drain inlet should further reduce discharge velocities, thereby minimizing the potential for mobilization and transport of fine sediments while also providing for volatilization of residual dissolved chlorine typically associated with domestic water treatment processes.

To further reduce the potential for adverse impacts to resident Coastal Cutthroat Trout in Mill Creek, reservoir-related discharges should be limited to the seasonal periods and/or extended precipitation events where any reservoir-related artificial increase in streamflow would be negligible relative to ambient natural flows to minimize the potential for fish stranding and/or inducing migratory movements or other behavioral changes. The optimal seasonal period for such reservoir maintenance-related discharges is November 15–April 15. Periodic reservoir maintenance-related discharges should not occur during the period from May–June to avoid the potential for impacting resident Coastal Cutthroat Trout in Mill Creek during their breeding season.

6.2.2.3 Amphibians

Southern Torrent Salamander (*Rhyacotriton variegatus*)

Potential project-related impacts are not anticipated for Southern Torrent Salamander (*Rhyacotriton variegatus*) given that construction activities will not occur within any portion of the forested habitats within the project area where this species would be likely to occur.

Northern Red-legged Frog (*Rana aurora*)

Although suitable breeding habitat for this species does not occur within the project area, as evidenced by our 2021 field observations, adult and/or juvenile Northern Red-legged Frogs can be expected to utilize the vegetated habitat with saturated soils immediately below the proposed location for the new reservoir; mesic habitats throughout the Sitka Spruce Forest and Woodland, Slough Sedge Swards, and Small-fruited Bulrush marsh; and even drier vegetated habitats elsewhere within the project area for foraging, cover, and/or dispersal.

We recommend pre-construction surveys by a qualified biologist immediately prior to the initiation of vegetation removal and/or ground disturbance. Such

surveys should occur the same day impacts begin (at minimum), working in advance of ground disturbing equipment. An additional survey the day prior to initiation of ground disturbance should also be considered to minimize frog-relocation delays to construction activities. In consultation with the California Department of Fish and Wildlife, should any Northern Red-legged Frogs be encountered, those individuals should be relocated to appropriate suitable habitat elsewhere onsite, well beyond the action area.

In the event that Northern Red-legged Frog is encountered in abundance within the action area and initial survey and relocation efforts are determined by a qualified biologist to be insufficient to adequately mitigate project-related impacts to this species, the presence of a biological monitor may be necessary for on-going relocation efforts for this protected species. Construction activities should also avoid the creation of temporary ponds and/or other impoundments that could attract breeding frogs into the action area during construction.

Foothill Yellow-legged Frog (*Rana boylei*)

Suitable breeding habitat for Foothill Yellow-legged Frog (*Rana boylei*) does not occur within the project area. Although unlikely, there is some potential for adult and/or juvenile Foothill Yellow-legged Frogs to utilize the vegetated habitat with saturated soils immediately below the proposed location for the new reservoir, and even drier vegetated habitats within the project area for foraging and/or cover.

The pre-construction surveys by a qualified biologist recommended previously for Northern Red-legged Frog should adequately address the potential occurrence of Foothill Yellow-legged Frog within the action area as well. Should any Foothill Yellow-legged Frogs be encountered during such surveys, such individuals should be relocated to appropriate suitable habitat elsewhere onsite, well beyond the action area and in consultation with the California Department of Fish and Wildlife. In the unexpected event that Foothill Yellow-legged Frog is encountered in abundance within the action area and initial survey and relocation efforts are determined by a qualified biologist to be insufficient to adequately mitigate project-related impacts to this species, the presence of a biological monitor may be necessary for on-going relocation efforts for this protected species.

6.2.2.4 Reptiles

Western Pond Turtle (*Emys marmorata*)

Typical basking and foraging habitat for Western Pond Turtle (*Emys marmorata*) does not occur within the project area and given the frequency and extent of coastal fog experienced at the site, it is unlikely that this species occurs here. However, there is some chance that this species could choose to breed in the transitional and/or upland habitats at the site between March–August.

In the unlikely event that nests, eggs, young, and/or adult Western Pond Turtle are encountered within the project area, a qualified biologist should assess the occurrence and, if the occurrence consists of adult or juvenile turtles, such

individuals should be relocated to appropriate suitable habitat elsewhere onsite, well beyond the action area and in consultation with the California Department of Fish and Wildlife. In the event of a discovery of a Western Pond Turtle nest, an appropriately-sized, “no-entry” special treatment area buffer should be created around the nest by a qualified biologist and be clearly marked in the field to prevent entry into the buffer. Consultation should be initiated with the California Department of Fish and Wildlife to identify appropriate measures to facilitate the continuation of project implementation while protecting the nest until hatching has occurred and juvenile turtles can be safely relocated to nearby suitable habitat. Construction activities should also avoid the creation of temporary ponds and/or other impoundments that could attract turtles into the action area.

6.2.2.5 Birds

As discussed previously herein (Section 5.1.1.2), no suitable breeding habitat for Marbled Murrelet (*Brachyramphus marmoratus*) or Northern Spotted Owl (*Strix occidentalis caurina*) occurs within the immediate vicinity of the project area. On that basis, in combination with the lack of detections of the latter species reported (Early and Lucchesi pers. comm.) from nearby industrial timberland stands despite being actively surveyed for the past 5+ years; and no planned removal, alteration, or significant encroachment into forested habitats at the site; no project-related impacts are expected to either species.

Temporary construction-related activities within the action area do, however, have the potential to result in direct and/or indirect impacts to other special status birds, raptors and other nesting birds protected under the California Fish and Game Code (§§ 2000, 2050 *et seq.*, 3503, 3503.5, 3511, 3513, and 3800), and/or other migratory nesting birds also protected under the federal Migratory Bird Treaty Act (MTBA). Direct impacts would most likely occur through removal of nesting habitat during the course of pre-construction clearing and grubbing of grassland and/or shrub/bramble plant communities, as well as the limbing or removal of individual trees. Disturbance of such nesting habitat during the bird nesting season has the potential to result in the take* of eggs, nestlings, dependent fledglings, and/or attendant adults.

Considering the construction design and methods proposed at the time of this writing, unmitigated direct impacts could result in take of a variety of nesting resident and migratory bird species, as well as the following special status birds:

- Yellow-breasted Chat (*Icteria virens*)
- Black-capped Chickadee (*Poecile atricapillus*)
- Rufous Hummingbird (*Selasphorus rufus*)
- Allen’s Hummingbird (*Selasphorus sasin*)

* “Take” is defined in the California Fish and Game Code §86 as “to hunt, pursue, catch, capture, kill, or attempt to hunt, pursue, catch, capture, or kill” and also applies to actions incidental to, but not the intended purpose of, an otherwise lawful activity (i.e., “incidental take”).

No removal of forested nesting bird habitat is anticipated to occur during the implementation of the proposed project; therefore, no risk of take resulting from direct impacts to forested breeding habitat is expected for the remaining special status birds considered to have reasonable potential to occur at the site (Table 7), including:

- Cooper's Hawk (*Accipiter cooperii*)
- Sharp-shinned Hawk (*Accipiter striatus*)
- Vaux's Swift (*Chaetura vauxi*)
- Olive-sided Flycatcher (*Contopus cooperi*)
- White-tailed Kite (*Elanus leucurus*)
- Willow Flycatcher (*Empidonax traillii brewsteri*)
- Bald Eagle (*Haliaeetus leucocephalus*)
- Osprey (*Pandion haliaetus*)
- Purple Martin (*Progne subis*)

Indirect impacts can also result in take of nesting birds, primarily manifest through project-related disturbances such as construction noise, equipment-related impact and/or vibration, proximity to humans, attraction of nest predators to the construction site through inappropriate waste management and disposal, and/or other disturbances incidental to the temporary increase in human presence and activity during construction and restoration. Should such disturbances be of sufficient contrast relative to baseline conditions in the absence of project-related activities, they could result in project-related nest failure and take by way of nest abandonment, starvation and/or inhibited development due to the inability of adults to adequately feed young undisturbed, and/or attraction of nest predators and consequent nest predation.

Considering the construction methods and design proposed at the time of this writing, and given the greater effect range of indirect, disturbance-related impacts, implementation of the proposed project could result in take of a broader diversity of nesting birds across a wider area, if not otherwise mitigated for. This wider group of potentially-affected species could include special status birds, raptors and other nesting birds protected under the California Fish and Game Code, and/or other migratory nesting birds mentioned previously herein as being unlikely to be at risk of direct project-related impacts (should they be present in the vicinity during construction). Among this broader group of potentially-affected species, two raptors confirmed to be nesting in the project area vicinity during our 2020 fieldwork (i.e., Red-tailed Hawk, *Buteo jamaicensis* and Great Horned Owl, *Bubo virginianus*) are quite likely to be affected by project-related disturbance given the proximity of the proposed construction area to their nesting habitat (i.e., adjacent Sitka Spruce Forest and Woodland habitat to the east of the proposed construction area), and given their increased sensitivity to anthropogenic disturbance.

The reduction in habitat for terrestrial and/or fossorial prey species (e.g.; Botta's Pocket Gopher, *Thomomys bottae*; California Vole, *Microtus californicus*; Shrew Mole, *Neurotrichus gibbsii*; Deer Mouse, *Peromyscus maniculatus*; etc.) is another potential indirect impact from the proposed project. Construction of the proposed reservoir will reduce such habitat within the project area by ~15%, though additional similar habitat also extends throughout APN 509-021-045, beyond the extent of the proposed project area boundary, and the identified reduction is not thought likely to independently result in the decline of local raptor populations.

Options to mitigate for potential direct and indirect project-related impacts to protected avian resources include seasonal restrictions on construction activities, pre-construction biological field surveys, during-construction biological monitoring of project activities, or some combination thereof. Impacts to nesting birds may be avoided by limiting construction activities to the period outside of the breeding/nesting season. This season varies depending upon the species being considered and can, as a whole, shift slightly from year-to-year based on interannual climatic variation and weather patterns. In consideration of such variation, the period from February–August is generally accepted as bracketing the breeding bird season for the region (though it is not uncommon for second and third clutch attempts, or delayed nest initiation due to prior disturbance or nest failure, to push some nesting efforts further into September).

Should such seasonal operating restrictions prove infeasible, pre-disturbance surveys for nesting birds should be conducted prior to the start of vegetation- and/or ground-disturbance activities. Nesting bird surveys should focus on the footprint of the action area, and include a 100-foot radius around its perimeter (where breeding habitat exists) to account for nearby nests that could be adversely impacted by project-related disturbances. Given the potentially short time period between arrival on breeding grounds and nest building for some bird species, suitable nesting habitat should be resurveyed each time a period of five (or more) days has elapsed without disturbance proportionate to that of on-going construction.

If, through such pre-disturbance surveys, active bird nesting is confirmed within the survey area, species-appropriate “no entry” buffers should be clearly staked and flagged in the field around nesting territories by a qualified biologist. The size of such protective buffers should be developed in consultation with the California Department of Fish and Wildlife and should take into account the nature and intensity of the offending disturbance to ensure they are appropriately sized in order to prevent nest failure. Project activities that would potentially cause nest failure should not occur within established “no entry” buffers until the end of the breeding/nesting period for the species, or until a qualified biologist either determines that the breeding effort has failed or the young have fledged. In cases where such focused surveys are performed, a qualified biologist may be able to provide a more precise breeding and corresponding seasonal restriction period for the species being considered (for that specific year).

In some instances, it may also be possible for construction activities to continue within reasonable proximity to an active bird nest while said nest is concurrently being monitored by a qualified biologist who is able to observe nesting behavior in response to the construction-related disturbance. It should be emphasized, however, that the disturbance tolerance thresholds of nesting birds vary by species, individual, and the stage of the nesting effort being affected. Such measures should only be engaged with approval from relevant regulatory agencies having jurisdiction over the species of interest.

6.2.2.6 Mammals

Given that proposed construction activities will not involve removal, alteration, and/or significant encroachment into forested habitats within the project area, potential project-related direct impacts are not anticipated for any of the special status mammal species identified as having reasonable potential to occur within the project area (Table 7), with the possible exception of Humboldt Mountain Beaver (*Aplodontia rufa humboldtiana*).

The distribution of observed evidence of this latter species' presence at the site indicates that these burrowing animals are restricted to the mesic forested habitat along the eastern and northeastern edges of the project area (Appendix A, Figure 2). This primitive rodent species has a highly simplified renal structure which prevents them from being able to effectively concentrate urine, resulting in a significant need for hydration to be able to adequately replace water lost through copious excretion. Indeed, they have been found to consume 33% of their body mass in water, and excrete a comparable amount of urine, on a daily basis (Nungesser and Pfeiffer 1965 *in* USFWS 1998). In light of this moisture-dependency, they are not expected to occur within the more exposed and relatively xeric portion of the action area where the majority of construction activities are proposed. One exception is the construction of the above-grade portion of the overflow drain pipeline in the northeast project area extension.

In this latter location there is some potential for interaction between construction activities and Humboldt Mountain Beaver during pipeline installation. Given that there will be no trench excavation in this location, direct take of Humboldt Mountain Beaver is unlikely, though there is some chance that it could occur during construction of the concrete pipeline supports.

To minimize the potential for direct take of this species, we recommend pre-construction surveys by a qualified biologist immediately prior to the initiation of vegetation removal and/or ground disturbance in this area in order to identify the current location of Humboldt Mountain Beaver burrows and ensure that installation of the pipeline and/or supportive footings do not result in take of this species. If evidence of this species is found within proximity to the construction activities, an appropriately-sized "no-entry" special treatment zone buffer should be clearly staked and flagged in the field by a qualified biologist and the presence of a biological monitor should be considered during construction.

In the unexpected event that Humboldt Mountain Beaver are encountered during construction, those individuals should be relocated by a qualified biologist to appropriate suitable habitat elsewhere onsite, well beyond the action area. Such actions should only occur in consultation with the California Department of Fish and Wildlife. Should this species be encountered in abundance within the action area, and initial survey and relocation efforts are determined to be insufficient to adequately mitigate project-related impacts to this species, a biological monitor should be present for on-going relocation efforts for the duration of construction in affected areas.

There is some potential for noise- and/or vibration-related disturbance to this species, though significant vibration is not expected to be produced from the revised pipeline installation methods already planned for this section of the overflow drain pipeline to minimize impacts to the surrounding Sitka Spruce Forest and Woodland habitat. Any temporary indirect disturbances to Humboldt Mountain Beaver resulting from installation of the above-grade pipeline are not considered to be significantly detrimental to this species. Similarly, such indirect (disturbance-related) impacts to other potentially-occurring special status mammals inhabiting forested habitats in the immediate vicinity of the project area (Table 7) are considered to present little–no risk of take.

6.3 Recommended Approach

In closing, we provide a summarized recommended approach to project implementation that would be least likely to adversely affect special status and/or other protected wildlife species, and which would likely result in the fewest possible biological resource-related constraints for the proposed project under present circumstances.

Clearly stake and flag any “no-entry” Special Treatment Zones (e.g., California Sensitive Natural Communities, special status botanical occurrences, identified nesting bird areas, etc.) in advance of construction-related disturbance to prevent encroachment into such areas (Appendix A, Figure 3). All flagging and staking should be removed upon conclusion of final restoration activities or earlier if determined appropriate by a qualified biologist.

If at all possible, project implementation should occur during the period between September–January, outside of the nesting season for birds. If such a schedule is infeasible, we recommend the following general approach in order to have the least likelihood of adversely affecting special status and/or other protected wildlife species, and the fewest biological constraints for the proposed project.

Initiate vegetation maintenance/removal (only where necessary) prior to the onset of the breeding bird season (i.e., prior to February) and maintain an on-going disturbance regime (e.g., regular, periodic mowing [on a weekly basis], etc.) until construction begins to minimize the likelihood for nesting bird constraints.

Between mid-March to mid-April, conduct a survey for Western Bumble Bee prior to any excavation and/or grading during the period to assess for the presence of this California state Candidate Endangered species at the site. If this species is not detected, no seasonal constraints specific to this insect are warranted. If Western Bumble Bee is detected at the site, ground excavation and/or grading should commence during the period between when it can be determined that the majority of queen Western Bumble Bee emergence has occurred and the majority of new colony initiation has not yet begun.

Perform pre-construction nesting bird surveys of suitable nesting habitat within five days prior to the commencement of construction-related disturbance to identify any nesting birds that might be impacted by the project. If any are identified, address as described previously herein (Section 6.2.2.4). Where nesting habitat is not removed or otherwise maintained in a condition unsuitable for nesting, and a period without construction-comparable-disturbance exceeding five days occurs, additional nesting bird surveys should be repeated prior to re-initiation of construction disturbance.

One day in advance of initial clearing and grubbing, conduct surveys for Northern Red-legged Frog and relocate to suitable habitat onsite, well away from the action area (and in consultation with the Department of Fish and Wildlife). On the day of, and immediately prior to, commencement of ground disturbance, conduct a follow-up survey in advance of equipment to identify and relocate any additional Northern Red-legged Frog that might still be present, and further assess the need for additional such surveys and/or the on-going presence of a biological monitor.

In advance of construction of the above-grade overflow drain pipeline in the Sitka Spruce Forest and Woodland habitat, perform pre-disturbance surveys for Humboldt Mountain Beaver. If evidence of Humboldt Mountain Beaver is identified, address as described previously herein (Section 6.2.2.5).

In those construction areas where vegetation removal and maintenance are contraindicated (e.g., Sitka Spruce Forest and Woodland habitat, etc.) pre-disturbance nesting bird, Northern Red-legged Frog, and/or Humboldt Mountain Beaver surveys can be timed to most appropriately coincide with project activities scheduled near such areas.

Consult with a qualified biologist and relevant regulatory agencies if any state- and/or federally-listed Threatened, Endangered, or Candidate species; or any other special status species is encountered during pre-construction surveys to identify appropriate additional mitigation measures.

Should any state- and/or federally-listed Threatened, Endangered, or Candidate species; or any other special status species be encountered within the action area during project implementation, a qualified biologist should be consulted to

evaluate the need for additional mitigation measures and consultation with relevant regulatory agencies should be initiated.

Following completion of construction, the scheduling and timing of future reservoir maintenance-related discharges should observe seasonal periods affecting resident Coastal Cutthroat Trout in Mill Creek. Specifically, discharges should be limited to the seasonal period from November 15–April 15 to minimize the potential for fish stranding and/or inducing migratory movements or other behavioral changes. Periodic reservoir maintenance-related discharges should not occur during the period from May–June to avoid the potential for impacting resident Coastal Cutthroat Trout in Mill Creek during the breeding season for that species.

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Appendices

Figure 1. Distribution of Vegetation Communities within the Proposed Project Area

Figure 2. Special Status Species & Other Incidental Sensitive Biological Resource Detections

Figure 3. Sensitive Biological Resource Special Treatment Zones

Appendix A, Figure 1. Distribution of Vegetation Communities within the Proposed Project Area.



McKinleyville Community Services District. 4.5 MG Water Reservoir Project

Distribution of Vegetation Communities within the Proposed Project Area

(This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)



Appendix A, Figure 2. Special Status Species & Other Incidental Sensitive Biological Resource Detections.



McKinleyville Community Services District. 4.5 MG Water Reservoir Project
Special Status Species & Other Incidental Sensitive Biological Resource Detections
 (Natural resources that may or may not exist beyond the proposed project area are not depicted here.)



**Appendix A, Figure 3. Sensitive Biological Resource
Special Treatment Zones.**



McKinleyville Community Services District. 4.5 MG Water Reservoir Project

Sensitive Biological Resource Special Treatment Zones

(This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)



Appendix D – Wetland Delineation Report

Final Wetland Delineation Report
McKinleyville Community Services District 4.5MG Water Reservoir Project
Humboldt County, California

Prepared for Planwest Partners, Inc.
1125 16th Street
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Submitted: June 4, 2021



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Summary

The McKinleyville Community Services District (MCSD) has secured funding through a Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant being administered by the grant recipient, California Office of Emergency Services (CAL-OES), to increase the seismic resiliency of MCSD's municipal water delivery system. Towards that end MCSD is proposing the addition of a new 4.5 million-gallon (MG) water storage reservoir adjacent to two existing water storage tanks in the southern portion of the unincorporated township of McKinleyville, California (Humboldt County). Construction of the new water reservoir would ensure MCSD's ability to continue providing water to its customers for up to four days should the system's connection to the regional wholesale water provider, Humboldt Bay Municipal Water District (HBMWD), be lost due to a seismic event.

J.B. Lovelace & Associates conducted a routine wetland delineation at the proposed project location (Humboldt County APNs 509-021-045 and 046) from August 26–28, 2020, and a subsequent site visit also occurred on April 22, 2021 to assess hydrological conditions at the site during the spring season. Through the course of our work, we identified the presence of 1.083 acres of freshwater wetland habitat within the proposed project area. These wetland habitats consist of a 0.605-acre portion of a larger offsite seasonally saturated, Sitka spruce-dominated palustrine forested wetland system, and two discrete seasonally flooded–saturated palustrine emergent wetland features collectively totaling 0.478 acres. No other federal or state waters were identified at the site.

The proposed project does have the potential to impact wetland habitats identified through this effort, though current (30% Submittal) design plans available at the time of this writing have already incorporated measures to minimize potential impacts to these sensitive habitats based on our initial findings. Such measures include changes to the original proposed location of the new reservoir to avoid fill of one palustrine emergent wetland feature, as well as changes in the original proposed alignment of a new reservoir overflow drain pipeline, and the adoption of alternative construction methods to avoid and reduce potential impacts to palustrine forested and emergent wetlands during construction of this design element.

Herein, we suggest additional mitigation measures and best management practices to avoid and/or reduce potential wetland impacts associated with the construction of the proposed reservoir, which are consistent with those recommended and/or required by local, state, and/or federal agencies with applicable regulatory jurisdiction and/or trustee responsibilities.

1.0 Introduction

In August of 2020, J.B. Lovelace & Associates was engaged by Planwest Partners, Inc. to conduct a wetland delineation for McKinleyville Community Services District's (MCSD) proposed 4.5 million-gallon (MG) water reservoir construction project in the unincorporated township of McKinleyville, in Humboldt County, California (Figures 1–3). Our efforts included a review of current National Wetlands Inventory data (USFWS 2020) and subsequent fieldwork to identify and delineate any wetlands and/or other waters present within the proposed project area. This document describes the methodologies and findings associated with our work, addresses potential project-related impacts to identified wetland habitats, and provides recommendations to mitigate such impacts.

1.1 Purpose and Need

Humboldt Bay Municipal Water District (HBMWD) is a regional wholesale water provider that supplies water sourced from the Mad River to MCSD through a single pipeline buried below the bed of the Mad River. This single source of water to MCSD's customers is seismically vulnerable and could fail during a severe earthquake. In the event of such a failure, MCSD's current emergency water storage capacity would last for approximately two days, assuming normal average daily demand. The addition of the proposed new 4.5 MG water reservoir would significantly increase system resiliency, helping to ensure MCSD's ability to continue providing water to its customers for up to four days should the connection to HBMWD be lost due to a seismic event.

1.2 Project Location and Description

The proposed augmentation of MCSD's water storage capacity would occur in the northern portion of Humboldt County Assessor's Parcel number (APN) 509-021-045 in southern McKinleyville (Humboldt County, California), with related construction activities also involving two existing water storage tanks located on the immediately adjacent APN 509-021-046 (Appendix A). Both parcels in question are located outside of the California Coastal Zone and are currently zoned as "Rural Residential (Low Density)," "Residential Suburban" (Humboldt County 2021). Primary access to the project area would be by way of a gated private driveway (Hilltop Lane) from Cochran Road, though unimproved access is also potentially possible directly from Cochran Road at the northeastern portion of the project area and from Hewitt Road along its southern boundary. Although the two parcels of interest total 15 acres in size (13.09 and 1.91 acres¹, respectively), the project area currently being proposed would only consist of the northern 8.94 acres of APN 509-021-045, all 1.91 acres of APN 509-021-046,

¹Humboldt County Planning & Building Department (2021) reports the parcel size of APN 509-021-045 as 13.09 "GIS" acres" (5.3 ha), and the assessed lot size as 12.67 acres (5.13 ha). No such area discrepancy was reported for APN 509-021-046.

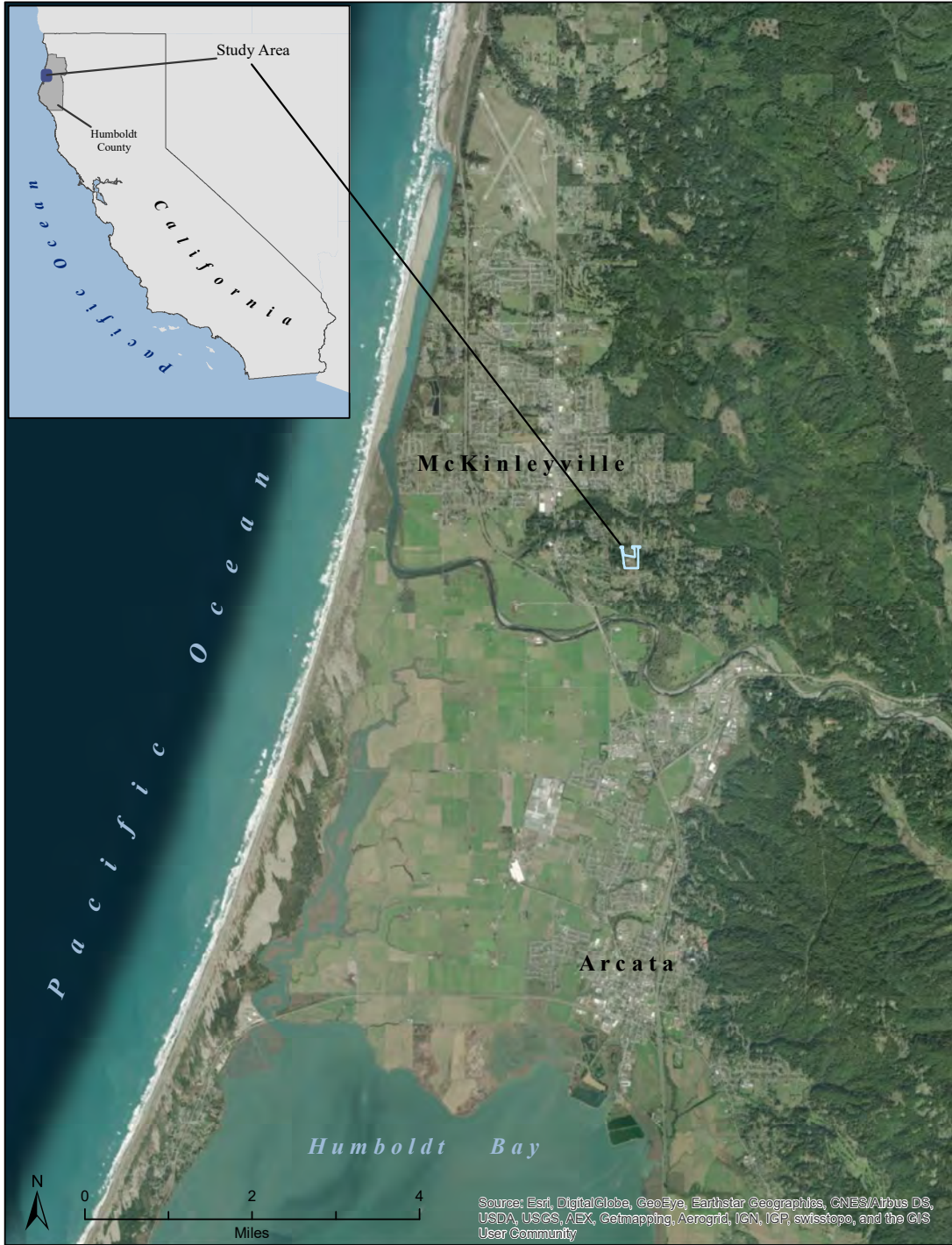


Figure 1. McKinleyville Community Services District's 4.5 MG Water Reservoir Project Vicinity.

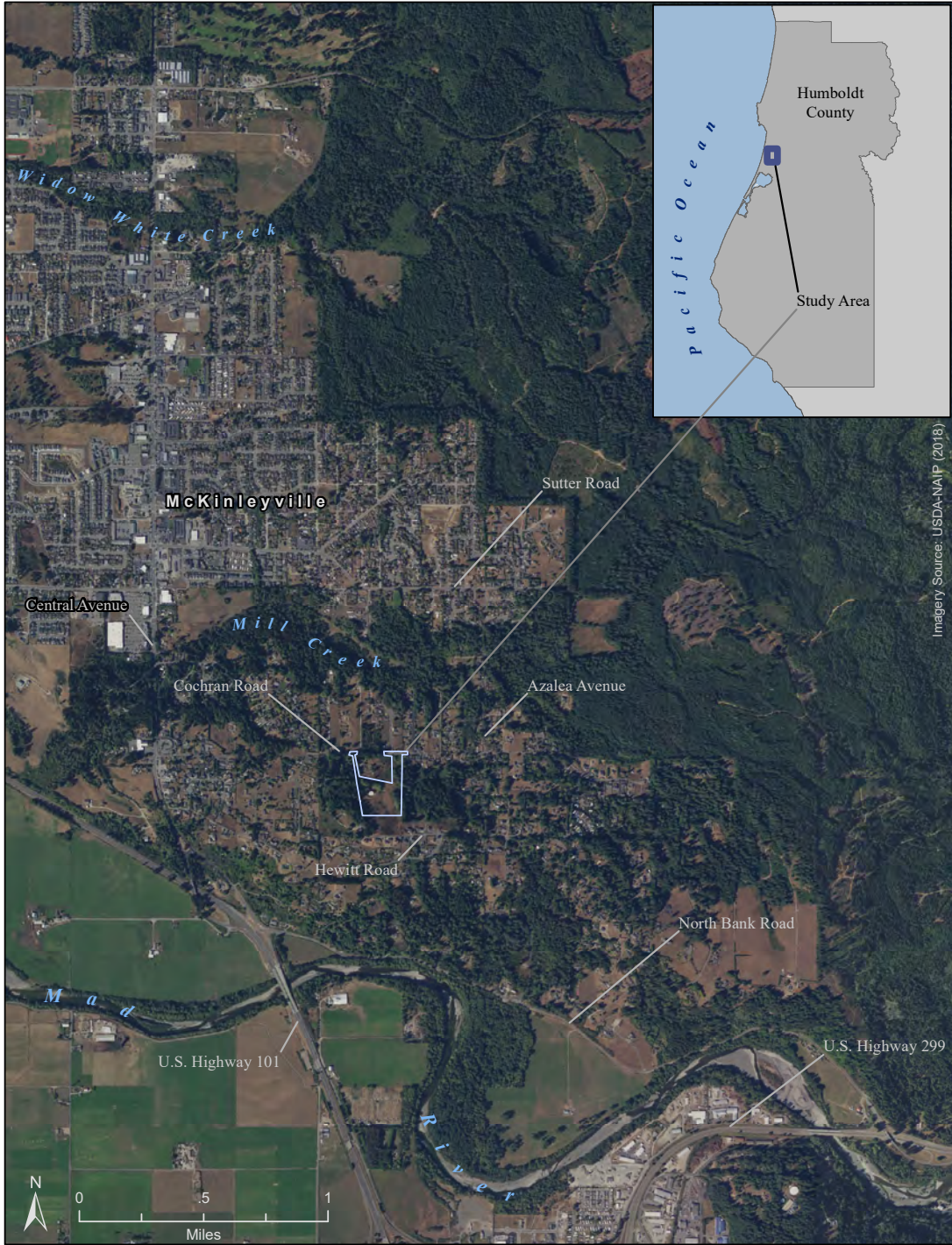


Figure 2. McKinleyville Community Services District's 4.5 MG Water Reservoir Project Area.

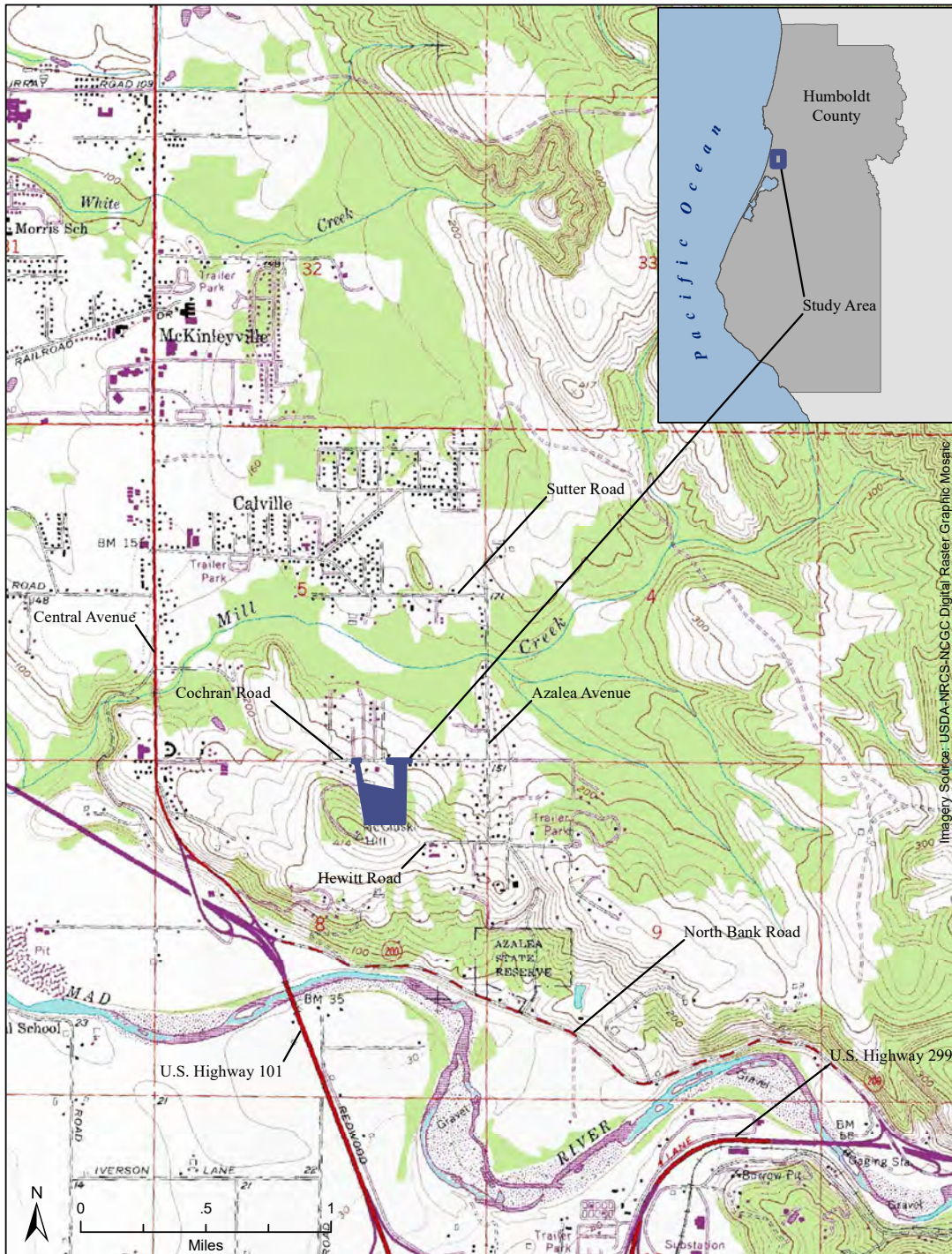


Figure 3. McKinleyville Community Services District's 4.5 MG Water Reservoir Project Area.

and a combined 0.67 acres of contiguous portions of Cochran Road, resulting in a cumulative total project area of 11.52 acres (Appendix A).

Current design plans (30% Submittal, Kennedy Jenks 2021) for the new reservoir reference the onsite construction of a circular prestressed concrete tank that would be ~142 feet (~43 m) in diameter, with a total height of ~52 feet (~16 m). The new tank would be backfilled around its full circumference to an approximate depth of 18 feet (~5.5 m) to resist sliding forces associated with potential earthquake events. Access to, and around, the new reservoir for routine maintenance would require construction of a 17-foot- (~5 m)-wide paved road, which would originate from the already-developed surface associated with the existing storage tanks, and that would also include a 3-foot- (1 m)-wide concrete swale (resulting in a 20-foot- [~6 m]-wide paved surface) around the new reservoir's circumference. Cut slopes on the uphill side of the proposed reservoir are described as being no steeper than 1.5H:1V and fill slopes on the downhill side of the proposed reservoir would be constructed no steeper than 2H:1V.

Addition of the new reservoir would also necessitate construction of a new 16-inch (~40.5 cm) overflow drain pipeline, which, once installed would serve both new and existing reservoirs at the water storage site. The new drain line would be routed to the northeast where it would discharge to the existing storm drain system on the south side of Cochran Road between Landis and Quail Run Courts. Installation of the new drain would incorporate both buried sections as well as above-grade sections to minimize impacts to the environmentally sensitive habitats identified in the northeast project area extension (addressed herein).

Upon completion, the new reservoir would be connected to MCSD's existing telemetry system to monitor and control water levels and existing onsite utilities would provide electricity to power a small mixer installed inside the reservoir to help maintain water quality by reducing water age

2.0 Regulatory Context

2.1 Federal Regulatory Context

Executive Order 11990 (*Protection of Wetlands*) (1977) established the legal basis for federal protection of wetland habitats and directs federal agencies to consider the effects of proposed actions with a federal nexus (including projects utilizing federally-sourced funds) to the survival and quality of wetlands. Said Order further mandates that agencies:

“...shall provide leadership and shall take action to avoid the destruction, loss or degradation of wetlands, and to preserve and enhance natural and beneficial values of wetlands in carrying out the agency's responsibilities...”

The U.S. Environmental Protection Agency's (EPA) *Statement of Procedures on Floodplain Management and Wetlands Protection* (EPA 1979) clarifies that such requirements be implemented through existing procedures such as the National Environmental Policy Act (NEPA), yet in instances where NEPA is not required and/or where anticipated project-related impacts do not warrant the development of an Environmental Impact Statement (EIS), alternative but equivalent evaluation and notice procedures must be established.

Section 404 of the federal Clean Water Act (33 U.S. CFR § 1344) and Section 10 of the Rivers and Harbors Act of 1899 (33 USC § 403) regulate actions affecting navigable and other special waters of the U.S., including wetlands. The Clean Water Act, as amended, also designates the U.S. Army Corps of Engineers (USACE) and the EPA as the primary federal agencies with regulatory jurisdiction over impacts to wetlands and other waters of the U.S. (33 U.S. CFR 328).

The definition of "waters of the U.S." was recently revised as part of the Navigable Waters Protection Rule (85 FR 22341 [April 21, 2020]) and limit such waters to:

- territorial seas and traditional navigable waters (i.e., historically, currently, and/or with future potential to be used for interstate and/or international commerce, including waters subject to the ebb and flow of the tide);
- tributaries to territorial seas and traditional navigable waters;
- lakes, ponds, and impoundments of jurisdictional waters that contribute surface flow to a traditional navigable water in a typical year; or
- wetlands adjacent to, and sharing hydrologic connectivity with, jurisdictional waters.

The common definition of "wetlands" utilized by both the EPA and the USACE has not changed since its adoption in 1980 (40 CFR 230.3[t] [45 FR 85346]) and 1986 (33 CFR 328.3[b] [51 FR 41250]), respectively. Both agencies define wetlands as:

"...those areas that are inundated or saturated by surface or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas.

2.2 California State Regulatory Context

The state of California maintains independent regulatory authority over impacts to wetlands and other waters of the state under Sections 401 and 402 of the federal Clean Water Act (33 USC §§ 1341 & 1342 and 40 CFR §§ 121 & 122) as amended, and the Porter-Cologne Water Quality Control Act (California Water Code § 13000 *et seq.*). The state agency with primary regulatory responsibility

for waters of the state is the State Water Resources Control Board (SWRCB) and its nine regional boards. The North Coast Regional Water Quality Control Board (NCRWQCB) maintains jurisdiction over all water resources in its regulatory scope, including isolated wetlands and headwaters in the region that includes the proposed project area.

"Waters of the state" are defined in the California Water Code as:

"...any surface water or groundwater, including saline waters, within the boundaries of the state"

and include all waters of the U.S., natural wetlands, wetlands created by modification of a surface Water of the state, as well as some artificial wetlands as described in the SWRCB's (2019) *State Wetland Definition and Procedures for Discharges of Dredged or Fill Material to Waters of the State*. Therein, the SWRCB also defines a wetland as an area which, under normal circumstances:

- "(1) ...has continuous or recurrent saturation of the upper substrate caused by groundwater, or shallow surface water, or both;
- (2) the duration of such saturation is sufficient to cause anaerobic conditions in the upper substrate; and
- (3) the area's vegetation is dominated by hydrophytes or the area lacks vegetation."

The SWRCB's wetland definition is largely consistent with that provided by the USACE (1987) and differs substantively only in that the former explicitly recognizes the potential existence of unvegetated wetland habitats and recognizes that some wetlands may occur where supportive substrates may not technically qualify as "soils."

Within the state of California, development potentially affecting wetlands and/or other waters of the state is also subject to review by the California Department of Fish and Wildlife (CDFW) (California Fish and Game Code §§ 1600–1607), which serves as a trustee agency pursuant to the California Environmental Quality Act (CEQA). CDFW requires prior notification through their Lake and Streambed Alteration (LSA) Agreement process before the commencement of any actions that may:

- "divert or obstruct the natural flow of any river, stream, or lake;
- change the bed, channel, or bank of any river, stream, or lake;
- use material from any river, stream, or lake; or
- deposit or dispose of material into any river, stream, or lake."

Rivers, streams, and/or lakes subject to this requirement include intermittent features which may be dry for periods of time, as well as those that remain wet throughout the year.

CDFW also serves in an advisory capacity regarding impacts to wetland habitats, and is generally a commenting agency for actions subject to CEQA and other local, county and/or state environmental review processes. CDFW utilizes a third, and more inclusive definition of wetlands, originally presented in the U.S. Fish and Wildlife Service's (USFWS) *Classification of Wetlands and Deepwater Habitats of the United States* (Cowardin et al. 1979):

“Wetlands are lands transitional between terrestrial and aquatic systems where the water table is usually at or near the surface or the land is covered by shallow water. For the purposes of this classification wetlands must have one or more of the following three attributes:

- (1) at least periodically, the land supports predominantly hydrophytes;
- (2) the substrate is predominantly undrained hydric soil; and
- (3) the substrate is non-soil and is saturated with water or covered by shallow water at some time during the growing season of each year.”

2.3 Local Agency Regulatory Context

2.3.1 Humboldt County General Plan and Humboldt County Code

The Humboldt County Planning and Building Department maintains responsibility for reviewing and permitting proposed development within the County and ensuring that any such development is consistent with the provisions of the County's updated General Plan and the Humboldt County Code, including those provisions developed to protect wetlands and other sensitive biological resources. Both the Humboldt County General Plan (Chapter 10 § 10.3.4 BR-S11) and County Code (§ 314-61.1.7.6.5) reference the County's adoption of the USACE's wetland definition described previously herein (Section 2.1).

Humboldt County's "Streamside Management Area and Wetlands Ordinance" (SMAWO) (Humboldt County Code § 314-61 *et seq.*) establishes minimum standards "pertaining to the use and development of land located within Streamside Management Areas (SMAs), wetlands, and other wet areas" within the unincorporated areas of Humboldt County that lie outside of the Coastal Zone. Humboldt County Code § 314-61.1.7.6.4 characterizes "other wet areas" as:

“Natural ponds, springs, vernal pools, marshes and wet meadows. The existence of possible other wet areas shall be identified by the responsible department using normal soils investigation criteria. These criteria indicate the presence of any of the following: standing water, evidencing a natural pond or poor drainage conditions, wetland soils, or hydrophytic vegetation (e.g., swamp grass).”

2.3.2 Amended McKinleyville Community Plan

The amended McKinleyville Community Plan is a long-range public policy statement for land use within the McKinleyville Planning Area, which includes

MCSD's proposed 4.5 MG water reservoir project area. Rural land use policies (§ 2505) within the McKinleyville Community Plan include:

- “1. The community shall maintain its rural qualities within and beyond the Urban Expansion Area by defining and protecting its streams, riparian corridors and greenbelts, wetlands, open spaces, and parks.
2. Comprehensive and effective protection of streams, riparian corridors, greenbelts, wetlands, open spaces, and potential parks shall be an important component of maintaining rural qualities throughout all of McKinleyville.”

Said Plan also specifies the following goals (§ 3421) pertaining to sensitive and critical habitats:

- “1. To identify and preserve wetlands, streams, and their buffers to protect fisheries, preserve natural habitats, and provide open space.
2. To identify and map Streamside Management Areas as buffers to protect the streams and their natural habitats from significant impacts.
3. To identify and map Wetland and Wetland Buffer Areas (distinct from the Streamside Management Areas), to protect wetlands from significant impacts, and to retain the many valuable social and ecological functions which wetlands provide.
4. To protect sensitive fish and wildlife habitats by minimizing erosion, runoff and interference with surface water flows.”

Finally, Section 3422.7 indicates that wetland areas shall be:

“defined according to the criteria utilized by the CA Dept. of Fish and Game (also included in the County's Open Space Implementation Standards). In summary, the definition requires that a given area satisfy at least one of the following three criteria:

- the presence of at least periodic predominance of hydrophytic vegetation; or
- predominately hydric soils; or
- periodic inundation for seven (7) consecutive days.”

3.0 Historical Context & Existing Conditions

3.1 Historical Context

The proposed project site occurs within the traditional territory of the Wiyot people (Wiyot Tribe 2021), which was first populated by settlers of European descent in the mid-1800's. The location is on the south side of Mill Creek, just south of “Calville,” a sub-community of McKinleyville, which was settled by employees of the California Barrel Company in the late 19th-century (Historical Sites Society of Arcata 2021). Since that time the primary anthropogenic influences in the immediate vicinity of the proposed project area are assumed to

have consisted of timber harvest and livestock grazing. Incremental subdivision and residential development of the surrounding landscape in the latter part of the 20th-century have resulted in the larger of the two parcels of interest becoming one of the few remaining undeveloped parcels greater than two acres (0.81 ha) in size.

3.2 Current Environmental Conditions

3.2.1 Regional Geographic and Ecological Context

For purposes of natural resource evaluation, it can be helpful to consider the relationship between the location of a project and the surrounding geographical and ecological context, and various classification systems have been developed to facilitate such an exercise. One such landscape-defined regionalization, classification, and mapping system has been developed by a subgroup of the USDA Forest Service's Ecological Classification and Mapping Task Team (ECOMAP), which stratifies the Earth into "progressively smaller areas of increasingly uniform ecological potentials" (Bailey 1994). That analysis identifies the current proposed project area as being part of the "Humboldt Bay Flats and Terraces Subsection" within the following hierarchical organizational system:

Humid Temperate Domain
Mediterranean Division
Mixed Forest and Redwood Forest Province
California Coastal Steppe
Northern California Coast Section
Humboldt Bay Flats and Terraces Subsection

An alternative, floristically-defined geographical classification system presented in *The Jepson Manual: Vascular Plants of California, Second Edition* (Baldwin et al. 2012) identifies the site as being part of the "North Coast" subregion within the greater "Northwestern California" floristic region.

3.2.2 Proposed Project Area Site Conditions

The proposed project area itself ranges in elevation between ~60–120 meters (~200–400 feet) (AMSL) and is located within a rural neighborhood on the north-facing slope of McCluski Hill, approximately 4 kilometers (~2.5 miles) inland from the Pacific Ocean (Figure 1). McCluski Hill is part of a west-northwestward-projecting lobe of a dissected coastal terrace that lies between the Mad River floodplain and associated diked-former-tidelands that comprise the "Arcata Bottoms" to the south, and Mill Creek, a Class 1 tributary of the Mad River, to the north (Figures 1–3). Being situated on the north slope of this elevated landform, the entirety of the project area lies within the Mill Creek watershed.

The shape and orientation of the combined parcels of interest form a rectangular trapezoid that extends north from Hewitt Road along the southern boundary at the top of McCluski Hill, downslope to an elevation where the grade transitions from ~19% to ~11% along the northern flank of the hillside. Slightly downslope of the approximate location of this topographic transition, two narrow parallel

extensions along the combined parcels' east and west boundaries continue from the main bulk of the project area, north to Cochran Road. These two parallel extensions partially encompass a distinct and unrelated, "inset" adjacent parcel (APN 509-021-040), which separates the majority of the project area's northern boundary from Cochran Road by ~110–130 meters (~360–430 feet).

The proposed project area includes the entirety of APN 509-021-046, most of the northern portion of APN 509-021-045 and contiguous portions of Cochran Road, but current design plans indicate that the southern limit of the proposed project area would stop ~97 meters (~320 feet) north of the latter parcel's southern boundary (Planwest Partners, Inc. pers. comm.) (Appendix A). Virtually all of the northwestern extension of the project area consists of the paved segment of the gated private driveway, Hilltop Lane, which is the primary means of access to both the existing and proposed water storage infrastructure.

3.2.2.1 Soils

Soils within the immediate vicinity of the project area are, for the most part, deep and well-drained fine–coarse loams derived from recent marine sediments, sometimes overlain to a limited extent with eolian and/or colluvial sediments (NRCS 2020). Discrete regions of poorly-drained hydric soils also occur within mesic drainages and along the slope toe where the water table can sometimes be relatively shallow. The primary corresponding soil map unit within the proposed project area is the Lepoil-Espa-Candymountain Complex (15 to 50 percent slopes) though a small inclusion of Arcata and Candymountain soils (2 to 9 percent slopes) is also mapped as occurring in the extreme northeastern project area extension adjacent to Cochran Road (NRCS 2020) (Appendix A, Figure 2).

3.2.2.2 Hydrology

Current U.S. Fish and Wildlife Service's (USFWS) National Wetlands Inventory data (USFWS 2020) indicate that no wetland, riparian, or deepwater habitats have yet been identified within the proposed project area prior to the current effort.

Precipitation appears (based on surface observations) to percolate readily into the well-drained substrates throughout the majority of the proposed project area with two notable exceptions. These occur along the toe of the slope in the north-central and northeastern portions of the project area where the water table is shallow enough to reach the surface and produce overland flow. Surface flow associated with the former feature located in the north-central region of the proposed project area becomes intermittent during the driest months of the year, whereas surface flow associated with the northeastern portion of the project area appears to be perennial even during periods of below-normal precipitation.

Upslope (offsite) mesic habitats to the east of the parcels of interest also contribute additional variable hydrologic input to the latter system at the approximate location where the northeastern branch diverges from the main

body of the project area. Here, the seasonally flooded–saturated soils support increasingly hydrophytic vegetation. Some amount of anthropogenic hydrologic input from the overflow drain pipe for the existing water tanks, which daylight in this area also likely contributes to this system, though the lack of obvious evidence of scouring and/or overland flow at the drainpipe outfall indicates that such contribution is probably rare, insubstantial, or both.

Following the slope of the terrain, surface and subsurface flow drains north and north-northeasterly before eventually being collected into the existing stormwater infrastructure at Cochran Road between the intersections with Landis and Quail Run Courts. The latter engineered system eventually empties to Mill Creek, ~600 linear meters (~2,000 linear feet) downstream from this point of collection.

Recent Regional Drought Conditions

The National Oceanic and Atmospheric Administration’s (NOAA) National Integrated Drought Information System (NIDIS) program indicates that the vicinity of the study area (i.e., coastal Humboldt County, California) was assigned “Moderate” (D1) and “Abnormally Dry” (D0) Drought Intensity Category designations for the respective time periods during which our initial wetland delineation fieldwork (i.e., August 2020) and subsequent follow-up site visit (i.e., April 2021) occurred (NOAA 2021). Relevant precipitation data (Table 1) for the respective ~3-month periods preceding our fieldwork further reflect these abnormally dry climatic conditions, indicating that accumulated precipitation was ~24% of “normal” during August of 2020 and 56% of “normal” during April 2021.

Table 1. Antecedent Precipitation Summary. Comparison of recent and “normal” precipitation values for the Humboldt Bay region during the respective three-month periods preceding our August 26–28, 2020 wetland delineation fieldwork and subsequent April 22, 2021 site visit.

Period	Precipitation			
	Observed ¹ (Inches)	"Normal" ² (Inches)	Difference (Inches)	Percent of "Normal"
2020				
June	0.20	0.75	-0.55	27%
July	0.02	0.18	-0.16	11%
(1-26) August	0.08	0.31	-0.23	26%
Total	0.30	1.24	-0.94	24%
2021				
February	4.34	5.51	-1.17	79%
March	3.00	5.54	-2.54	54%
(1-22) April	0.09	2.13	-2.04	4%
Total	7.43	13.18	-5.75	56%

¹ California Department of Water Resources & U.S. Geological Survey (2021). Observations for Eureka (Woodley Island), CA

² U.S. Department of Agriculture, Natural Resource Conservation Service’s (2021) “WETS” Data (1981-2010) for Eureka (Woodley Island), CA

3.2.2.3 Vegetation (See also Appendix A, Figure 1)

Plant communities occurring within the proposed project area are described below and are presented in an order following the general hydrological gradient at the site: from upland vegetation to plant communities dominated by wetland species. Reference of individual plant species includes published (USACE 2020) "wetland vegetation indicator status ratings" for each (see also Section 4, Table 2).

"Common Velvet Grass - Sweet Vernal Grass Meadows"

(*Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance)

Much of the proposed project area consists of grazed non-native grassland habitat that is consistent with plant community membership rules for the *Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance ("Common Velvet Grass - Sweet Vernal Grass Meadows") as defined in the California Native Plant Society's (CNPS) *A Manual of California Vegetation* (CNPS 2021), though the relative dominance of those two grass species varies across the site.

Wetland vegetation indicator status ratings for *Holcus lanatus* and *Anthoxanthum odoratum* are FAC and FACU, respectively (USACE 2020). Other than a few isolated *Baccharis pilularis* ("coyote brush") (NL) shrubs, herbaceous plants present in this habitat include alien species such as *Linum bienne* ("flax") (NL), *Leontodon saxatilis* ("hawkbit") (FACU), *Leucanthemum vulgare* ("ox-eye daisy") (FACU), *Raphanus raphanistrum* ("jointed charlock") (NL), etc., with occasional small patches of native *Iris douglasiana* ("Douglas Iris") (NL) adjacent to forest edges.

"Coastal Brambles"

(*Rubus [parviflorus, spectabilis, ursinus]* Shrubland Alliance)

Grassland habitats at the site variously intergrade with stands of native *Rubus ursinus* ("California blackberry") (FACU)-dominated "Coastal Brambles" (i.e., the *Rubus [parviflorus, spectabilis, ursinus]* Shrubland Alliance as defined in CNPS [2021]). Portions of this vegetation community exhibit evidence of plant community succession where the dense vegetation provides some protection for establishing native shrubs (e.g., *Ribes menziesii* var. *menziesii*, "canyon gooseberry" [NL]; *Rosa nutkana* var. *nutkana*, "Nootka rose" [FAC]; and *Baccharis pilularis*, "coyote brush" [NL]) and tree saplings (i.e.; *Alnus rubra*, "red alder" [FAC]; *Frangula purshiana*, "cascara" [FAC]; *Picea sitchensis*, "Sitka spruce" [FAC]; *Abies grandis*, "grand fir" [FACU]; and *Pseudotsuga menziesii* var. *menziesii*, "Douglas-fir" [FACU]) from browsing herbivores. Occasional naturalized *Pinus radiata* ("Monterey pine") (NL) saplings are also establishing within, and adjacent to, these Coastal Bramble habitats.

On-going disturbance from domesticated livestock present at the site (i.e., cattle, goats, and pigs) is evident throughout these two vegetation communities. The relatively flat narrow strip between the existing water tanks and the recessed northern project area boundary is particularly disturbed, as this is the location where water and shelter are provided, and where regular feeding and loafing occurs. Grazing-related disturbances in this location primarily consist of barren

and compacted soil that is sparsely vegetated by close-cropped and stunted ruderal herbaceous vegetation typical of similar such agricultural areas in the region. Associated plant species include the aforementioned members of the *Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance as well as *Agrostis stolonifera* (“creeping bent”) (FAC), *Aira caryophylla* (“silver hair grass”) (FACU), *Bromus hordeaceus* (“soft chess”) (FACU), *Festuca perennis* (“ryegrass”) (FAC), *Raphanus raphanistrum* (“jointed charlock”) (NL), *Hypochaeris radicata* (“hairy cat’s-ear”) (FACU), *Trifolium* spp. (“clover”) (various), *Rumex* spp. (various “docks”) (various), *Cirsium vulgare* (“bull thistle”) (FACU), *Silybum marianum* (“milk thistle”) (NL), and others.

Many of these non-native plants are recognized to have the potential to adversely affect native vegetation and significantly impair important ecological processes and have been variously classified as “invasive” and/or “noxious” (Appendix G). *Rubus armeniacus* (“Himalayan blackberry”) (FAC), another noteworthy invasive plant occurring at the site is becoming established in some of the aforementioned Coastal Bramble patches and along forested edges.

“Sitka Spruce Forest and Woodland”

(*Picea sitchensis* Forest & Woodland Alliance)

Forested habitats cover the majority of adjacent parcels along both eastern and western boundaries of the project area, and a small lobe of developing early successional forest is emerging from within the “Coastal bramble” habitat described previously, just inside the southwestern boundary. Slightly north of that location, a narrow strip of *Alnus rubra* Forest Alliance (“Red Alder Forest”) extends east into the project area from the gated access entrance at Hilltop Lane, for ~120 meters (~400 feet) along the constructed hillslope below the existing water storage tanks on APN 509-021-046. This young forest of somewhat regularly-spaced trees was likely replanted to help conceal the existing water tanks from the adjacent neighborhood following construction. In this area, there is no shrub layer in the understory (except along the fence line) and the close-cropped herbaceous vegetation is actively grazed by domesticated goats. Mature, and in some instances, senescent planted and/or naturalized *Pinus radiata* (“Monterey pine”) (NL) trees also occur near the existing water tanks on APN 509-021-046 as well as along Hilltop Lane and the contiguous section of Cochran Road.

The forested habitat along the eastern project area boundary represents a somewhat disjunct portion of the larger, adjacent patch of coniferous forest to the east of the project area, though the conifers also interdigitate with small inclusions of Red Alder Forest along the eastern boundary. Here, the forested edge extends ~30–50 meters (~40–165 feet) into the project area and descends northward from near Hewitt Road at the top of McCluski Hill, down along an easterly-facing slope before reaching the lower and more gradual terrain draining the mesic habitats along the northeastern flank of this elevated landform. Much of the project area’s northeastern branch is forested.

This predominantly *Picea sitchensis* (“Sitka spruce”) (FAC)-dominated forest community is consistent with the membership rules for the *Picea sitchensis* Forest & Woodland (“Sitka Spruce Forest and Woodland”) Alliance as defined in *A Manual of California Vegetation* (CNPS 2021) and includes other mixed coniferous (*Abies grandis*, “grand fir” [FACU] and *Sequoia sempervirens*, “coast redwood” [NL]) and broad-leaved deciduous (*Alnus rubra*, “red alder” [FAC] and *Frangula purshiana*, “cascara” [FAC]) tree components. In the understory of this forested habitat, dominant shrubs include *Rubus spectabilis* (“salmonberry”) (FAC), *Ribes sanguineum* var. *glutinosum* (“red-flowering currant”) (FACU), *Vaccinium ovatum* (“evergreen huckleberry”) (FACU), *Vaccinium parvifolium* (“red huckleberry”) (FACU), and *Sambucus racemosa* var. *racemosa* (“red elderberry”) (FACU). The most prevalent herbaceous plants in this habitat include *Oxalis oregana* (“redwood sorrel”) (FACU), *Lysimachia latifolia* (“Pacific starflower”) (FACW), *Maianthemum dilatatum* (“false Solomon’s seal”) (FAC), *Claytonia sibirica* (“candy flower”) (FAC), *Asarum caudatum* (“wild ginger”) (FACU), *Prosartes smithii* (“Smith’s fairy bells”) (NL), *Oenanthe sarmentosa* (“water parsley”) (OBL), *Polystichum munitum* (“sword fern”) (FACU), *Dryopteris expansa* (“wood fern”) (FACW), *Blechnum spicant* (“deer fern”) (FAC), *Carex obnupta* (“slough sedge”) (OBL), and *Carex* c.f. *leptopoda* (“slender-footed sedge”) (FAC). Four localized occurrences of invasive plants are also establishing within these forested habitats: *Delairea odorata* (“cape ivy”) (FAC), *Hedera helix* (“English ivy”) (FACU), *Ilex aquifolium* (“English holly”) (FACU), and *Cotoneaster franchetii* (“Franchet’s Cotoneaster”) (NL).

Evidence of legacy and contemporary anthropogenic disturbance is apparent throughout this forested habitat and wind has downed at least two shallow-rooted mature *Picea sitchensis* (“Sitka spruce”) trees along the leading northern edge of the forest in recent history. Given the age (i.e., 84 years, based on trunk-cross-sectional tree-ring analysis) of one windthrown tree with a diameter-at-breast-height (DBH) of ~75 cm (~30 inches) at the time of the treefall event, the estimated age of this forest stand is ~125–150 years old.

The overall stand structural characteristics associated with this habitat most closely reflect an incipient example of the “biomass accumulation/competitive exclusion stage” in the updated model of forest structural development proposed by Franklin et al. (2002). This developmental stage primarily consists of rapid growth and accumulation of biomass, tree crown structural differentiation, competitive exclusion of both less vigorous individual trees and other organisms, and self-pruning of lower canopy branches and foliage. A few larger individuals among the cohort established at the site do currently present with increasingly mature dimensional characteristics (e.g., DBH >> 100 cm [~40 inches], height ≈ 45 m [~150 feet], etc.), however, in aggregate, the canopy structure of this stand is still lacking abundant complexity.

“Slough Sedge Swards” and “Small-fruited Bulrush Marsh”
(*Carex obnupta* and *Scirpus microcarpus* Herbaceous Alliances)

Approximately half-way along the northeastern branch of the project area, the mesic Sitka spruce forest gives way to herbaceous and mixed herb–shrub vegetation of two distinct types. Following the dominant drainage path emerging from the forested wetland habitat, a mosaic of *Carex obnupta* (“slough sedge”) (OBL)- and *Scirpus microcarpus* (“small-fruited bulrush”) (OBL)-dominated plant communities extend north along the eastern half of the northeastern branch of the project area to Cochran Road (and the associated stormwater infrastructure).

This herbaceous wetland vegetation is initially representative of “Slough Sedge Swards” (*Carex obnupta* Herbaceous Alliance) before transitioning into what is more appropriately classified as “Small-fruited Bulrush Marsh” (*Scirpus microcarpus* Herbaceous Alliance). In addition to the aforementioned dominant plants associated with these habitats, other commonly co-occurring species throughout include native obligate and facultative hydrophytes such as *Oenanthe sarmentosa* (“water parsley”) (OBL), *Nasturtium officinale* (“water cress”) (OBL), *Athyrium felix-femina* var. *cyclosorum* (“lady fern”) (FAC), *Juncus* spp. (various “rushes”) (various), *Veronica americana* (“American brooklime”) (OBL), *Stachys mexicana* (“Mexican hedge nettle”) (FACW), *Erythranthe guttata* (“seep monkeyflower”) (OBL), and *Epilobium ciliatum* ssp. *watsonii* (“Watson’s willowherb”) (FACW), as well as the alien *Ranunculus repens* (“creeping buttercup”) (FAC). Isolated individual trees established nearby include *Salix lasiandra* spp. *lasiandra* (“Pacific willow”) (FACW), *Salix lasiolepis* (“arroyo willow”) (FACW), *Alnus rubra* (“red alder”) (FAC), *Picea sitchensis* (“Sitka spruce”) (FAC), and *Sequoia sempervirens* (“coast redwood”) (NL).

The remaining western half of the northeastern project area extension is slightly higher in elevation and more well-drained. In this area, additional patches of *Rubus ursinus* (“California blackberry”) (FACU)- and *Rosa nutkana* (“Nootka rose”) (FAC)-dominated Coastal Brambles are established along the transitional soil moisture gradient. These brambles variously give way to an upland strip of *Holcus lanatus* – *Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance, which extends along the western edge of this branch of the project area before eventually reaching Cochran Road.

“Water Foxtail Meadows”
(*Alopecurus geniculatus* Provisional Herbaceous Alliance)

One other distinct vegetation community present at the site is associated with a discrete palustrine emergent wetland feature located within the main bulk of the project area, just south of the point where the two northern extensions diverge. This feature lies approximately 30 meters (~100 feet) east of the existing water tanks on APN 509-021-046 and ~60 meters (~200 feet) south of the main northern boundary of the project area where the water table surfaces near the slope transition.

The associated vegetation in this localized area is sparse, but representative of “Water Foxtail Meadows” (*Alopecurus geniculatus* Provisional Herbaceous Alliance) and consists of the following native herbaceous wetland plants: *Isolepis cernua* (“low bulrush”) (OBL), *Alopecurus geniculatus* (“water foxtail”) (OBL), *Juncus bufonius* (“toad rush”) (FACW), and *Juncus effusus* ssp. *pacificus* (“Pacific rush”) (FACW), as well as two alien grasses: *Glyceria declinata* (“low manna grass”) (FACW) and *Holcus lanatus* (“velvet grass”) (FAC). Also growing nearby (i.e., < 10 m [~30 feet] away) are the native *Rubus ursinus* (“California blackberry”) (FACU) and young *Alnus rubra* (“red alder”) (FAC).

4.0 Methods

A routine wetland delineation was conducted within the proposed project area between August 26–28, 2020 to identify potentially occurring state- and federal-jurisdictional wetlands and/or other waters. A subsequent additional site visit was also performed on April 22, 2021, which provided additional opportunity to observe hydrological conditions at the site during the spring season.

Methodologies used in the performance of this fieldwork were consistent with those described in the *U.S. Army Corps of Engineer’s Wetland Delineation Manual* (USACE 1987); the *Regional Supplement to the Corps of Engineers Wetland Delineation Manual: Western Valleys, Mountains, and Coastal Regions (Version 2.0)* (USACE 2010).

Two transects consisting of three or more sampling points each, were established within the proposed project area to identify the boundary between suspected wetlands and adjacent upland habitats. These transects were oriented parallel to perceived hydrological gradients associated with each suspected wetland feature, and in such a way as to intersect distinct vegetation communities and/or apparent topographical transitions. One additional sampling point was also established in a distinct plant community (i.e., Sitka spruce forest) adjacent to one of the aforementioned transects to evaluate the suspected continuity of wetland conditions therein.

At each sampling point; soil, hydrology, and vegetation characteristics were documented using regionally specific Wetland Determination Data Forms (USACE 2010) and were evaluated to determine if “wetland indicators” (i.e., characteristics diagnostic of wetland habitats) were present or absent for each. Such data were then used to make a preliminary determination for conditions at each sampling point (i.e., “wetland” or “upland”), pending final verification and approval by the U.S. Army Corps of Engineers and/or other relevant regulatory agencies with applicable jurisdiction. The results from wetland sampling points were then used, in conjunction with additional observations of associated vegetation, soil, and hydrology characteristics (using a one-inch diameter soil probe), to delineate and map all wetland habitats identified within the proposed project area. Abnormally dry climatic conditions experienced throughout the region during the period of our fieldwork were considered during this process.

The vegetation sampling plot size for each sampling point extended radially from the center of each sampling plot as follows: 5 feet (~1.5 m) for the herbaceous stratum, and 30 feet (~9.1 m) for vine, shrub, and/or tree strata, wherever the latter three were present. Vegetation occurring within each plot was identified to at least the species-level, and the abundance (i.e., estimated absolute percent cover) of dominant species in each vegetative stratum was used to assess the extent of wetland vegetation at each sampling point based on published "wetland vegetation indicator status ratings" (USACE 2020) for each species. These indicator status-ratings are defined in Table 2 (below).

At the center of each sampling point, soil pits were dug to a depth of at least 20 inches (~50 cm) to evaluate the soil profile for evidence of hydric soils and/or indicators of wetland hydrology. Moist soil coloration was compared with *Munsell Soil Color* chips (Gretag-Macbeth 2009) and documented, along with other soil attributes such as strata thickness, soil texture, soil moisture, and the presence/absence of redoximorphic features and/or organic material. Surface and subsurface indicators of wetland hydrology (e.g., inundation, algal mats, water marks, drift/sediment deposits, oxidized rhizospheres, etc.) were also documented where present.

Table 2. Wetland Vegetation Indicator Status Ratings.¹

Rating Code	Rating	Description
OBL	Obligate Wetland Plants	Almost always occur in wetlands. With few exceptions, these plants are found in standing water or seasonally saturated soils near the surface.
FACW	Facultative Wetland Plants	Usually occur in wetlands, but may occur in non-wetlands. These plants predominately occur with hydric soils, often in geomorphic settings where water saturates the soil or floods the soil surface at least seasonally.
FAC	Facultative Plants	Occur in wetlands and non-wetlands. These plants can grow in hydric, mesic, or xeric habitats. The occurrence of these plants in different habitats represents responses to a variety of environmental variables other than just hydrology, such as shade tolerance, soil pH, and elevation, and they have a wide tolerance of soil moisture conditions.
FACU	Facultative Upland Plants	Usually occur in non-wetlands, but may occur in wetlands. These plants predominately occur on drier or more mesic sites in geomorphic settings where water rarely saturates the soil or floods the soil surface seasonally.
UPL	Upland Plants	Almost never occur in wetlands. These plants occupy mesic to xeric non-wetlands habitats. They almost never occur in standing water or saturated soils.
NL	Not Listed	Not included in the National List. Generally considered to occur predominantly in uplands, though numerous exceptions exist.

¹ Adapted from *National Wetland Plant List Indicator Rating Definitions* (Lichvar et al. 2012).

All fieldwork was performed by J.B. Lovelace and Associate's Principal Environmental Scientist, J. Brett Lovelace. Natural-resource-related geographic field data were collected using Environmental Systems Research Institute's (ESRI) ArcGIS Collector (v.20.2.4) mobile application installed on an iOS device referencing a Bad Elf Flex™ Global Navigation Satellite System (GNSS) receiver capable of sub-meter accuracy. All such data were subsequently uploaded and orthorectified using a combination of ESRI's web application, ArcGIS Online, and ArcMap (ESRI 2015) geographic information system (GIS) desktop software with the most recent available satellite imagery (National Agriculture Imagery Program [NAIP] 2018; Google Earth 2020) to produce relevant figures depicting our findings (Appendix A, Figures 1 and 3).

Taxonomic nomenclature for vascular plants presented in this effort is consistent with *The Jepson Manual: Vascular Plants of California, Second Edition* (Baldwin et al. 2012), or the *Jepson eFlora* (Jepson Flora Project 2021) where updated taxonomic changes may have occurred subsequent to publishing of the former resource. Both sources were also used to classify encountered plant species as either native or alien. "Native" plants are defined as "occurring naturally in an area, as neither a direct nor indirect consequence of human activity;" whereas "alien" species are "not native; introduced purposely or accidentally into an area" (Baldwin et al. 2012).

Some alien species may be further classified as being "invasive" where they have a demonstrated ability to threaten "wildlands" by displacing and/or hybridizing with native species and/or are likely to "alter biological communities, or alter ecosystem processes" (California Invasive Plant Council [Cal-IPC] 2021). Various entities evaluate the degree of risk posed by alien vegetation to native ecosystems at different geographical scales and assign invasive status ranks and/or classifications to prioritize management efforts to reduce and/or eradicate species that pose the greatest perceived threat.

Given that the response of some species may vary with geography and under different environmental conditions, invasive status rankings for a given species are not always consistent across the spectrum of classification systems. For the purposes of this biological resource assessment, alien vegetation is considered to be "invasive" if a species under consideration is assigned a "high" invasive rank by the California Invasive Plant Council (Cal-IPC 2021), is considered a "high priority" invasive species in the Humboldt County Weed Management Area (WMA) (2010), is listed as a "noxious weed" by the California Department of Food & Agriculture (CDFA 2021) and/or the U.S. Department of Agriculture (USDA 2021), or otherwise warrants concern based on known or perceived potential to adversely alter biological communities or associated ecosystem processes.

Classification and nomenclature of natural [vegetation] communities follow the modern systematic vegetation classification system of "alliances" and "associations" as presented originally in *A Manual of California Vegetation*,

Second Edition (Sawyer et al. 2009), and subsequent updates provided in *Manual of California Vegetation Online* (CNPS 2020b).

5.0 Results

We identified the presence of 1.083 acres of freshwater wetland habitat within the proposed project area during the performance of our wetland delineation fieldwork (Tables 3 & 4; Appendix A, Figure 3). These wetland habitats consist of a 0.605-acre portion of a larger offsite seasonally saturated palustrine forested wetland system, and two discrete seasonally flooded–saturated palustrine emergent wetland features collectively totaling 0.478 acres. No other federal or state waters were identified at the site.

Table 3. Quantitative Summary of Delineated Wetland Habitat within the Proposed MCSD 4.5 MG Water Reservoir Project Study Area. (Data reflect discrete wetland polygons mapped in the field, which may or may not represent fractional portions of a given wetland feature, which extends beyond the proposed project area boundary.)

Wetland System	NWI Code*	Acres
Palustrine Wetlands		
Palustrine Emergent Wetlands		
	PEM1E	0.435
	PEM1E	0.043
	<i>Total</i>	<i>0.478</i>
Palustrine Forested Wetlands		
	PFO4B	0.605
	<i>Total</i>	<i>0.605</i>
	Total Wetland Area	1.083

*National Wetland Inventory (NWI) Codes are consistent with classifications described in *Classification of Wetlands and Deepwater Habitats of the United States, Second Edition* (FGDC 2013).

Wetland habitats delineated within the proposed project area are characterized below, and are addressed within the context of their respective wetland classification category, consistent with *Classification of Wetlands and Deepwater Habitats of the United States, Second Edition* (FGDC 2013). A summary of sampling results from our wetland delineation fieldwork is also provided in Table 4 (below).

Table 4. Summary of Wetland Sampling Point Results.

Sample Point ID	Wetland Vegetation	Hydric Soils	Wetland Hydrology	Preliminary Determination
1A				Upland
1B		X	X	Transitional
1C	X	X	X	Wetland
1D		X		Transitional
2	X	X	X	Wetland
3A	X	X	X	Wetland
3B		X	X	Transitional
3C				Upland

5.1 Palustrine System Wetlands and Relevant Water Regime Modifiers

Palustrine wetlands are non-tidal (freshwater) wetlands or tidal wetlands with low ocean-derived salinity levels (<0.5 ppt). Palustrine wetlands are typically vegetated, though in instances where they lack vegetation, they are generally both small (< ~20 acres) and shallow (< 6.6 feet). The latter two criteria help to distinguish palustrine wetlands from larger and deeper freshwater wetlands and waters, which are classified as part of the lacustrine system.

Hydrological conditions associated with “seasonally saturated” wetland water regimes are characterized (FGDC 2013) as having substrates that are:

“saturated at or near the surface for extended periods during the growing season, but unsaturated conditions prevail by the end of the season in most years. Surface water is typically absent, but may occur for a few days after heavy rain and upland runoff.”

Whereas, hydrological conditions associated with “seasonally flooded–saturated” wetland water regimes are characterized (FGDC 2013) as follows:

“Surface water is present for extended periods (generally for more than a month) during the growing season, but is absent by the end of the season in most years. When surface water is absent, the substrate typically remains saturated at or near the surface.”

5.1.1 Seasonally Saturated Palustrine Forested Wetlands (PFO4B)

Palustrine forested wetlands are characterized as having > 30% aerial cover of woody vegetation > 6m (20 feet) tall. In the case of the forested wetlands identified within the proposed project area, these can be further classified at the sub-class level as being dominated by needle-leaved evergreen species (Sitka spruce, *Picea sitchensis*). Vegetation characteristics associated with the Sitka spruce (*Picea sitchensis*)-dominated palustrine forested wetland habitat identified at the site have been described previously herein (Section 3.2.2.3). Quantitative wetland sampling within this area also confirmed that the associated plant species composition is dominated (i.e., using the “dominance test” [USACE 2010]) by hydrophytic species (Appendix C).

Soil sampling within this area revealed silty loams with abundant roots and organic material in the upper ~18–20 cm (~7–8 inches), underlain by restrictive sandy clay loams extending to a depth of at least ~51 cm (~20 inches). Moist soil matrix color ranged from 10YR to 7.5YR, with matrix values ranging from 2–3 and chroma ranging from 1–2. Associated redoximorphic features included depleted areas (2.5Y 5/1), concentrations in the matrix (10YR 4/6), and oxidized rhizospheres (10YR 4/6) of significant contrast and abundance. The associated hydric soils indicators included “Depleted Dark Surface” and “Depleted Below Dark Surface” (USDA-NRCS 2010). Indicators of wetland hydrology in this period of regional drought (refer to Section 3.2.2.2) consisted of oxidized rhizospheres

along living roots and a shallow aquitard created by the high clay content of the substrate below ~18–20 cm (~7–8 inches) (USACE 1987, 2010).

5.1.2 Seasonally Flooded–Saturated Palustrine Emergent Wetlands (PEM1E)

Palustrine “emergent” wetlands are characterized as having > 30% aerial cover of (typically perennial) persistent, erect, rooted, herbaceous wetland vegetation (FGDC 2013). One of the two seasonally flooded–saturated palustrine emergent wetland features identified at the site occurs within the northeastern project area extension and represents a downstream continuation of the same wetland system that supports the Sitka spruce (*Picea sitchensis*) forest after it transitions from a forested plant community to vegetation dominated by herbaceous species. Specifically, the vegetation communities associated with this palustrine emergent wetland feature include both “Slough Sedge Swards” (*Carex obnupta* Herbaceous Alliance) and “Small-fruited Bulrush Marsh” (*Scirpus microcarpus* Herbaceous Alliance) as described previously herein (Section 3.2.2.3). Quantitative sampling within this palustrine emergent wetland feature confirmed that the associated plant species composition is dominated (i.e., using the “dominance test” [USACE 2010]) by hydrophytic species (Appendix C).

Soil sampling within this area revealed a ~7.5 cm (~3 inch)-thick surface clay loam layer underlain by sandy clay loams extending to a depth of at least ~51 cm (~20 inches). Moist soil matrix color was 10YR 2/2 in the upper 20 cm (~8 inches), and 2.5Y 5/2 extending from ~20 cm (~8 inches) to at least ~51 cm (~20 inches). Associated redoximorphic features of significant contrast and abundance were evident across all strata with concentrations and oxidized rhizospheres (7.5YR 4/6) in the upper ~20 cm (~8 inches), and both concentrations (10YR 3/6) and depletions (2.5Y 5/1) below ~20 cm (~8 inches). Carbon streaking was also evident between 7.5–20 cm (3–8 inches). Indicators of hydric soils included “Redox Dark Surface” and “Depleted Below Dark Surface” (USDA-NRCS 2010).

Soil saturation during this period of regional drought (refer to Section 3.2.2.2) was encountered at a depth of ~51 cm (~20 inches) during our August 2020 fieldwork and other indicators of wetland hydrology consisted of oxidized rhizospheres along living roots, the presence of reduced iron, and vegetation passed the “FAC-Neutral Test” (USACE 1987, 2010). Subsequent field observations in April of 2021 included extensive surface saturation throughout this habitat, as well as inundation and (overland) laminar flow in multiple locations.

The remaining palustrine emergent wetland features consists of a seasonally flooded–saturated spring in the north-central portion of the proposed project area, which emerges near the toe of the slope and drains downhill for ~30 m (~100 feet) before intersecting with the project area/parcel boundary. The adjacent parcel (APN 509-021-040), which is not included in the proposed project area, was not investigated as part of this effort. However, it is assumed that this wetland feature is connected hydrologically to the wetland habitats in the northeastern project area extension (described above) during periods of

abundant precipitation (although no apparent evidence of any surface “channel” was evident in the latter location during our work). Substrate saturation and drainage patterns evident in available aerial imagery (Google Earth 2016, etc.) support this assumption.

Standing water and saturated soils were observed at this location July 26-27, 2020 during fieldwork conducted for the associated biological resource assessment being prepared concurrently (J.B. Lovelace & Associates *in Prep.*), at which time there was sufficient moisture for a resident domestic pig to have excavated an inundated wallow. The vegetation of the surrounding upland areas is comprised of “Common Velvet Grass-Sweet Vernal Grass Meadows” (*Holcus lanatus-Anthoxanthum odoratum* Herbaceous Semi-Natural Alliance), but the sparsely-vegetated plant community supported by this discrete wetland feature is representative of “Water Foxtail Meadows” (*Alopecurus geniculatus* Provisional Herbaceous Alliance) described previously herein (Section 3.2.2.3). Quantitative wetland sampling within this wetland feature confirmed that the associated plant species composition is dominated (i.e., using the “dominance test” [USACE 2010]) by hydrophytic species (Appendix C), and as referenced previously, this wetland “spring” feature is subject to regular grazing disturbance by the domesticated cattle, goats, and pigs present in this portion of the proposed project area.

Soil sampling within this area revealed sandy clay loams extending to at least ~51 cm (~20 inches), with carbon streaking evident in the upper ~25 cm (~10 inches). Observed hydric soil indicators consisted of “Redox Dark Surface” (USDA-NRCS 2010), with [moist] soil matrix color ranging from 7.5YR 3/2 to 10YR 2/2. Associated redoximorphic features of significant contrast and abundance (10YR 4/4 and 10YR 3/4, respectively) included concentrations in the matrix and oxidized rhizospheres.

Soils were saturated at the surface during our August 2020 fieldwork and the water table was encountered at a depth of ~30.5 cm (~12 inches) during this period of regional drought (refer to Section 3.2.2.2). Other indicators of wetland hydrology consisted of oxidized rhizospheres along living roots, the presence of reduced iron, drainage patterns, saturation visible on aerial imagery (Google Earth 2016, etc.), and vegetation passed the “FAC-Neutral Test” (USACE 1987, 2010). Subsequent field observations in April of 2021 included inundation and overland surface flow.

6.0 Anticipated Impacts and Associated Mitigation Measures

Federal, State, and local governments have policies in place that require no net loss of the quantity of wetland area and the quality of associated ecological functions. Some such policies go further to encourage gains in both. Consistent with these requirements, impacts to wetland habitats should be avoided wherever possible. Where avoidance is not possible, measures should be taken to mitigate wetland impacts to the extent that at least the minimum requirement

of “no net loss” is achieved. Where feasible, measures to expand and/or enhance wetland habitat are encouraged.

6.1 Wetland Buffers

Humboldt County’s *Development Standards for Wetlands and Other Wet Areas* (Humboldt County General Plan Chapter 10 [Biological Resources] § 10.3.4, BR-S10) and *Streamside Management Areas and Wetlands Ordinance* (Humboldt County Code § 314-61.1.7.6.6) specify that development standards for wetlands (outside of the Coastal Zone) shall be consistent with the standards for streamside management areas, except that the wetland setback buffer widths are as follows (with the setback being measured from the edge of respective delineated wetlands):

- Seasonal wetlands = fifty (50) feet;
- Perennial wetlands = one hundred fifty (150) feet;

These standards and the code do provide for potential reductions in wetland buffer widths based on site-specific analysis and consultation with the California Department of Fish and Wildlife.

6.2 Anticipated Impacts and Measures Already Adopted

Implementation of the proposed project would result in temporary impacts to the palustrine emergent wetland feature in the north-central portion of the project area (i.e., the spring), and both temporary and permanent impacts within the wetland buffers associated with the aforementioned wetland feature as well as the palustrine wetland system in the northeastern project area extension (but not within the latter wetland system itself). Current (30% Submittal) design plans (Kennedy Jenks 2021) available at the time of this writing have already incorporated measures to minimize potential impacts to these sensitive habitats based on our initial findings and include both changes to the original proposed locations of various design elements as well as the adoption of alternative construction methods.

One such measure includes changes to the original proposed location of the new reservoir itself, placing it further south to avoid fill of the palustrine emergent wetland feature (i.e., the spring) in the north-central portion of the project area. The original project design positioned the new reservoir in-line with the two existing tanks (to the east-southeast), which would have resulted in the placement of the fill slope below the new reservoir directly overtop of the wetland feature in question. Considering the need to maintain a common elevation along the base of the existing and proposed tanks, the revised design positions the new reservoir as far south as is feasible, given the slope of the surrounding terrain. This revised design results in the base of the fill slope extending to a point approximately 3 meters (~ 10 feet) away from the upland/wetland boundary at this location.

Other measures already adopted include changes to the original proposed alignment of the new reservoir overflow drain pipeline in the northeastern project area extension, and the adoption of alternative associated construction methods to avoid and minimize impacts to both palustrine forested and emergent wetlands in this area. Original design plans for the new overflow drain pipeline proposed open-trench construction methods along an alignment considered to be most economical and that provided the best fall path. This original proposed approach would have resulted in substantial disturbance to the shallow root systems of as many as 10 maturing Sitka spruce trees associated with the palustrine forested wetland system and would also have impacted adjacent palustrine emergent wetland habitats also present at this location.

To avoid direct disturbance to these wetland habitats, and to minimize impacts to the root systems of contiguous maturing Sitka spruce in adjacent transitional one–two-parameter habitats, the new overflow pipeline alignment has been revised to instead construct the pipeline along the western boundary of the northeastern project area extension. This new alignment would place the overflow drain pipeline outside of the delineated wetland habitats within this area (though still within the associated wetland buffer), and further from the Sitka spruce trees. Additionally, revised construction methods further propose transitioning from open-trench (below-grade) pipeline installation to an above-grade section prior to intersecting with the root zone of maturing Sitka Spruce trees, thereby minimizing and/or avoiding damage to these individuals and potential premature project-related mortality and/or failure.

The reduced and remaining impacts resulting from construction of this above-grade pipeline within the wetland buffer are expected to be limited to the permanent installation of ~17 (42" [length] x 48" [width] x 30" [depth]) supportive reinforced concrete footings placed every 15–20 feet along the ~260-foot length of the above-grade section, as well as the pipeline outfall, and the temporary disturbance associated with construction of these elements.

The new overflow drain pipeline outfall is currently designed (30% Submittal, Kennedy Jenks 2021) as a concrete headwall of comparable dimensions to the pipeline support footings and would be placed in the upland strip of Velvet Grass–Sweet Vernal Grass Meadow vegetation along the northwestern edge of the northeast project area extension. Here, the outfall shall include some appropriate means of flow velocity dissipation (e.g., rock, etc.) to prevent scouring and/or erosion, and discharges are expected to both infiltrate and sheetflow overland through existing vegetation for approximately 15 meters (~50 feet) prior to reaching the adjacent palustrine emergent wetland habitat, and ultimately, the associated stormwater drain system on the south side of Cochran Road, ~40 linear meters (~130 feet) further north of the upland-wetland boundary.

The total volume of individual future discharges from the new overflow drain pipeline is expected to increase (relative to current levels), proportionate to the

increase in system storage capacity. However, existing measures already implemented as part of contemporary periodic reservoir maintenance activities are expected to ensure that such future discharges continue to comply with provisions set forth in the *Statewide NPDES General Permit for Drinking Water Discharges to Waters of the US, Order WQ 2014-0194-DWQ, General Order No. CAG140001* (SWRCB 2014). Such measures include the drawing down of individual reservoirs prior to being serviced to minimize water waste and discharge volume, as well as ensuring that District staff are present on-site during such maintenance operations to monitor and regulate flow rates and velocities to avoid any scouring, erosion, and/or other adverse effects to associated aquatic resources. The periodicity and chemical composition of future overflow drain pipeline discharges are also anticipated to be consistent with current operations.

6.3 Additional Anticipated Impacts and Recommended Mitigation Measures

The aforementioned adopted measures provide for the avoidance and reduction of most of the potential project-related wetland impacts, however, some additional anticipated impacts remain. These primarily consist of temporary impacts to the intermittent drainage path of the palustrine emergent wetland feature (i.e., the spring) in the north-central portion of the project area resulting from:

1. open-trenching across this wetland feature to remove and replace the existing overflow drain infrastructure with the new overflow drain pipeline; and
2. construction access across this wetland feature between the various construction elements and the proposed staging area below the existing tanks, accessed from Hilltop Lane.

We recommend the following additional mitigation measures and best management practices to avoid and/or reduce additional remaining potential wetland impacts associated with the construction of the proposed reservoir, which are consistent with those recommended and/or required by local, state, and/or federal agencies with applicable regulatory jurisdiction and/or trustee responsibilities.

6.3.1 Wetland Buffer Identification and Demarcation

In advance of any clearing and grubbing and/or other construction-related disturbance within the proposed project area, the perimeters of protective wetland habitat buffers should be clearly staked and flagged in the field by a qualified biologist as “no entry” special treatment zones to prevent project-related impacts to these protected habitats. Exceptions to such staking and flagging should be restricted to the minimum limits of temporary access within such buffers and associated wetlands required to complete respective construction tasks. Immediately following task completion in each instance, staking and flagging should be revised to re-establish the efficacy of respective protective buffers.

6.3.2 Open-Trenching Construction and Restoration

6.3.2.1 Surface Material Handling

Where open-trenching occurs within wetlands, the top 15.25–30.5 cm (~6–12 inches) of excavated material (i.e., “topsoil”) containing seeds, rhizomes, roots, and other vegetative propagules and organic material should be stockpiled separately from deeper material and kept moist for subsequent proportional replacement in the surface horizon during backfilling operations. Such handling will aid in rapid revegetation of the trench footprint and maintain pre-construction soil texture and drainage properties. This surface layer should be replaced at the earliest opportunity and should not be compacted or otherwise handled in such a way as to discourage the restoration of pre-project vegetation and/or surface drainage characteristics. This surface layer material may need to be filled to 2.5–5 cm (~1–2 inches) above grade to allow for natural backfill settling to finished grade level.

6.3.2.2 Backfill Material Composition

Backfill material used within the overflow drain pipeline trench should include only native material excavated from the trench except where design constraints require use of engineered backfill material. In such cases, use of engineered material should be limited to the specific location where it is required, with native backfill material comprising the remainder. The upper 15.25–30.5 cm (~6–12 inches) of backfill material should consist of surface material as described in Section 6.3.2.1.

6.3.2.3 Excess Spoils Handling

Any excess spoils material resulting from construction should not be deposited in, or otherwise be placed in such a way that would allow it to be discharged into, wetlands and/or other surface waters. In onsite upland locations, any such excess spoils material should only be broadcast to a thickness that does not exceed one-inch (2.54 cm). Any spoils material that cannot be appropriately broadcast onsite should only be disposed of at permitted and/or otherwise approved locations.

6.3.2.4 Trench Baffles

Should trench conditions indicate significant potential for redirection of groundwater along the trench alignment, transverse baffles should be installed periodically as needed to prevent such redirection.

6.3.3 During-Construction Measures and Monitoring

6.3.3.1 Seasonal Considerations and Stormwater Pollution Prevention

To the extent possible, work should occur during seasonal periods with the least likelihood for abundant precipitation, soil saturation, stormwater events, and associated erosion and mobilization of disturbed materials. Should work occur during the period from October 15–April 15, “winter operations” should implement the following measures, consistent with Humboldt County General Plan 10.3.4 Standard BR-S9 (Erosion Control):

1. “Slopes will be temporarily stabilized by stage seeding and/or planting of fast germinating seeds...and mulched with protective coverings such as natural or chemical stabilizations, and
2. Runoff from the site will be temporarily detained or filtered by berms, vegetated filter strips, and/or catch basins to prevent the escape of sediment from the site. Drainage controls are to be maintained as long as necessary to prevent erosion throughout construction.”

A Stormwater Pollution Prevention Plan (SWPPP) consistent with existing state regulations should be prepared for the project, which includes appropriate Best Management Practices (BMPs) focused on preventing erosion, sediment mobilization, discharges, and turbidity control, and which incorporates other applicable measures included in Humboldt County General Plan 10.3.4 BR-S8 (Required Mitigation Measures), BR-S9 (Erosion Control), and BR-S10 (Development Standards for Wetlands).

6.3.3.2 Adherence to Project-Related Permit Conditions

Project personnel should adhere to all wetland-related permit conditions imposed by approval agencies as part of project implementation.

6.3.3.3 During-Construction Monitoring

A qualified biologist should be engaged to periodically monitor the construction process, evaluate the implementation of adopted mitigation measures during construction, and provide recommendations should implementation prove insufficient to adequately mitigate project-related wetland impacts.

6.3.4 Post-Construction Restoration and Revegetation

6.3.4.1 Grade Restoration and Surface Treatment

Upon completion of construction, all disturbed portions of the project area should be restored to re-establish original pre-project grade and contours with the obvious exception of the new reservoir footprint, its access route, and associated cut and fill slopes. To the extent possible, drainage and runoff from the new reservoir and its associated improved surfaces and fill slope should be directed away from the nearby palustrine emergent wetland feature. Revegetation, contouring, and texturing of the fill slope can help in this regard. In construction areas subject to significant soil compaction (e.g., staging areas, access routes, etc.), disking or scarification of the soil surface should be performed to attempt to restore pre-project surface infiltration and drainage characteristics.

6.3.4.2 Revegetation

All disturbed areas should be promptly revegetated with locally-sourced, regionally-appropriate native species to the extent possible or at least with species representative of those present prior to project initiation. Exceptions include alien plant species determined to be invasive (refer to Appendix B), which should not be included in revegetation efforts. Project implementation is not expected to result in the removal of any trees or other large woody vegetation. However, if any native trees > 7.5 cm (> 3 inches) in diameter-at-breast-height

(DBH) area removed, each should be replaced in kind (i.e., the same species) during post-construction revegetation efforts at a ratio of 2:1 (i.e., two individuals planted for each individual removed) to account for expected attrition.

6.3.5 Post-Construction Mitigation Monitoring

Following completion of post-construction restoration and revegetation efforts, a mitigation monitoring program should be developed and initiated by a qualified biologist to establish thresholds to demonstrate “success” of the restoration effort and to track progress towards the realization of those thresholds.

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Appendices

Appendix A. Project Figures

Figure 1. Distribution of Vegetation Communities within the Proposed Project Area

Figure 2. Distribution of Natural Resource Conservation District's (NRCS)
Soils Map Units

Figure 3. Distribution of Delineated Wetland Habitats

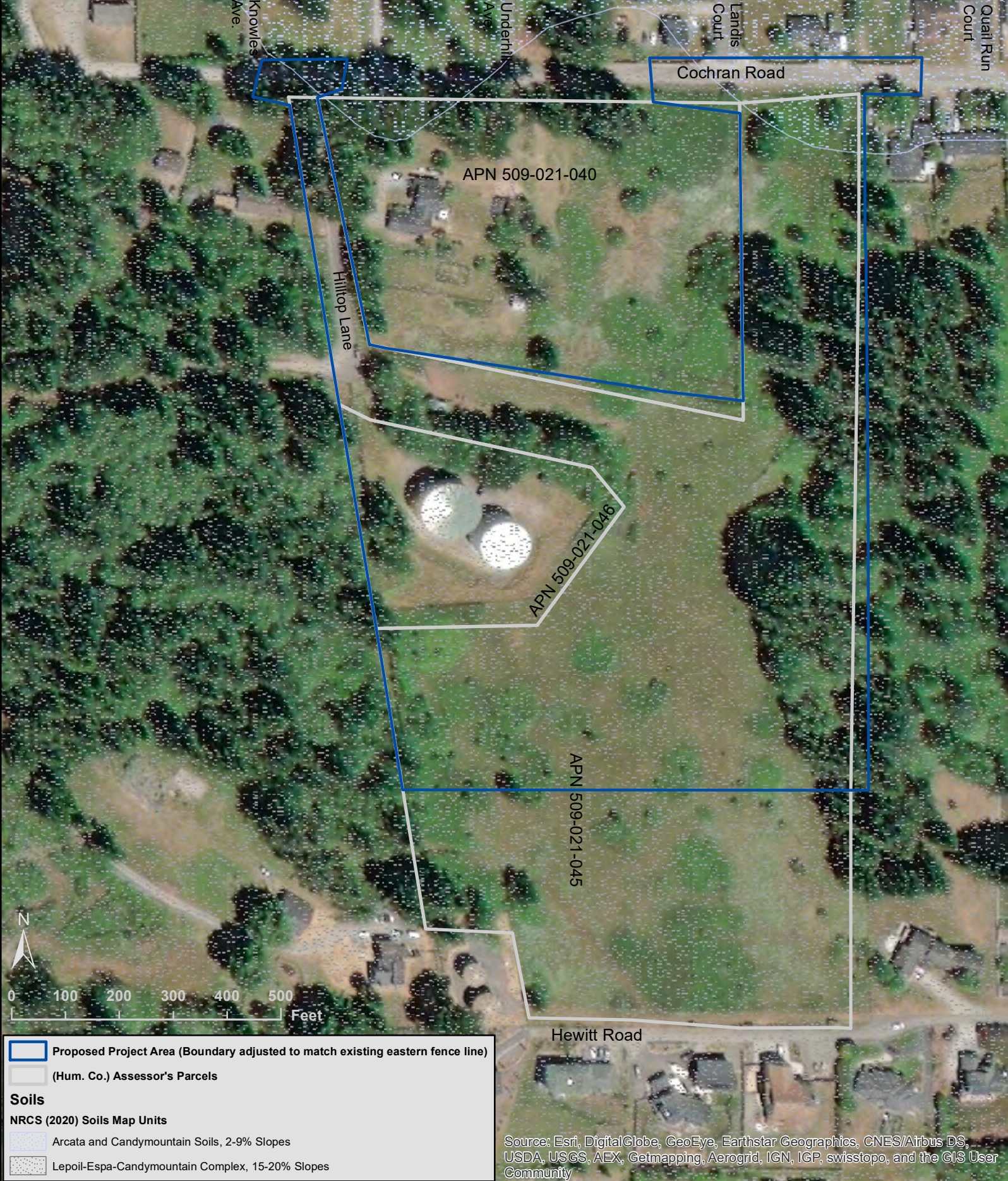


McKinleyville Community Services District. 4.5 MG Water Reservoir Project

Distribution of Vegetation Communities within the Proposed Project Area

(This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)





McKinleyville Community Services District. 4.5 MG Water Reservoir Project
Distribution of Natural Resource Conservation Service's (NRCS) Soils Map Units





McKinleyville Community Services District. 4.5 MG Water Reservoir Project

Distribution of Delineated Wetland Habitats

(This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)



Appendix E – Applicable Code, Policies, and Plans

MCS D 4.5 Million Gallon Reservoir Applicable Codes, Policies, and Plans

(Not Comprehensive)

California Health and Safety Code

§7050.5: (a) Every person who knowingly mutilates or disinters, wantonly disturbs, or willfully removes any human remains in or from any location other than a dedicated cemetery without authority of law is guilty of a misdemeanor, except as provided in Section 5097.99 of the Public Resources Code. The provisions of this subdivision shall not apply to any person carrying out an agreement developed pursuant to subdivision (l) of Section 5097.94 of the Public Resources Code or to any person authorized to implement Section 5097.98 of the Public Resources Code.

(b) In the event of discovery or recognition of any human remains in any location other than a dedicated cemetery, there shall be no further excavation or disturbance of the site or any nearby area reasonably suspected to overlie adjacent remains until the coroner of the county in which the human remains are discovered has determined, in accordance with Chapter 10 (commencing with Section 27460) of Part 3 of Division 2 of Title 3 of the Government Code, that the remains are not subject to the provisions of Section 27491 of the Government Code or any other related provisions of law concerning investigation of the circumstances, manner and cause of any death, and the recommendations concerning the treatment and disposition of the human remains have been made to the person responsible for the excavation, or to his or her authorized representative, in the manner provided in Section 5097.98 of the Public Resources Code. The coroner shall make his or her determination within two working days from the time the person responsible for the excavation, or his or her authorized representative, notifies the coroner of the discovery or recognition of the human remains.

(c) If the coroner determines that the remains are not subject to his or her authority and if the coroner recognizes the human remains to be those of a Native American, or has reason to believe that they are those of a Native American, he or she shall contact, by telephone within 24 hours, the Native American Heritage Commission.

(Amended by Stats. 1987, Ch. 404, Sec. 1.)

California Public Resources Code

§5097.98: (a) Whenever the commission receives notification of a discovery of Native American human remains from a county coroner pursuant to subdivision (c) of Section 7050.5 of the Health and Safety Code, it shall immediately notify those persons it believes to be most likely descended from the deceased Native American. The descendants may, with the permission of the owner of the land, or his or her authorized representative, inspect the site of the discovery of the Native American human remains and may recommend to the owner or the person responsible for the excavation work means for treatment or disposition, with appropriate dignity, of the human remains and any associated grave goods. The descendants shall complete their inspection and make recommendations or preferences for treatment within 48 hours of being granted access to the site.

(b) Upon the discovery of Native American remains, the landowner shall ensure that the immediate vicinity, according to generally accepted cultural or archaeological standards or practices, where the Native American human remains are located, is not damaged or disturbed by further development activity until the landowner has discussed and conferred, as prescribed in this section, with the most likely descendants regarding their recommendations, if applicable, taking into account the possibility of multiple human remains. The landowner shall discuss and confer with the descendants all reasonable options regarding the descendants' preferences for treatment.

(1) The descendants' preferences for treatment may include the following:

(A) The nondestructive removal and analysis of human remains and items associated with Native American human remains.

(B) Preservation of Native American human remains and associated items in place.

(C) Relinquishment of Native American human remains and associated items to the descendants for treatment.

(D) Other culturally appropriate treatment.

(2) The parties may also mutually agree to extend discussions, taking into account the possibility that additional or multiple Native American human remains, as defined in this section, are located in the project area, providing a basis for additional treatment measures.

(c) For the purposes of this section, "conferral" or "discuss and confer" means the meaningful and timely discussion and careful consideration of the views of each party, in a manner that is cognizant of all parties' cultural values, and where feasible, seeking agreement. Each party shall recognize the other's needs and concerns for confidentiality of information provided to the other.

(d) (1) Human remains of a Native American may be an inhumation or cremation, and in any state of decomposition or skeletal completeness.

(2) Any items associated with the human remains that are placed or buried with the Native American human remains are to be treated in the same manner as the remains, but do not by themselves constitute human remains.

(e) Whenever the commission is unable to identify a descendant, or the descendants identified fail to make a recommendation, or the landowner or his or her authorized representative rejects the recommendation of the descendants and the mediation provided for in subdivision (k) of Section 5097.94, if invoked, fails to provide measures acceptable to the landowner, the landowner or his or her authorized representative shall reinter the human remains and items associated with Native American human remains with appropriate dignity on the property in a location not subject to further and future subsurface disturbance. To protect these sites, the landowner shall do one or more of the following:

(1) Record the site with the commission or the appropriate Information Center.

(2) Utilize an open-space or conservation zoning designation or easement.

(3) Record a document with the county in which the property is located. The document shall be titled "Notice of Reinterment of Native American Remains" and shall include a legal description of the

property, the name of the owner of the property, and the owner's acknowledged signature, in addition to any other information required by this section. The document shall be indexed as a notice under the name of the owner.

(f) Upon the discovery of multiple Native American human remains during a ground disturbing land development activity, the landowner may agree that additional conferral with the descendants is necessary to consider culturally appropriate treatment of multiple Native American human remains. Culturally appropriate treatment of the discovery may be ascertained from a review of the site utilizing cultural and archaeological standards. Where the parties are unable to agree on the appropriate treatment measures the human remains and items associated and buried with Native American human remains shall be reinterred with appropriate dignity, pursuant to subdivision (e).

(g) Notwithstanding Section 5097.9, this section, including those actions taken by the landowner or his or her authorized representative to implement this section and any action taken to implement an agreement developed pursuant to subdivision (l) of Section 5097.94, shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000)).

(h) Notwithstanding Section 30244, this section, including those actions taken by the landowner or his or her authorized representative to implement this section and any action taken to implement an agreement developed pursuant to subdivision (l) of Section 5097.94, shall be exempt from the requirements of the California Coastal Act of 1976 (Division 20 (commencing with Section 30000)).

(Amended by Stats. 2009, Ch. 208, Sec. 6. (SB 833) Effective January 1, 2010.)

Humboldt County General Plan (Adopted October 23, 2017)

Air Quality Element

AQ-P4. Construction and Grading Dust Control. Dust control practices on construction and grading sites shall achieve compliance with NCAQMD fugitive dust emission standards.

AQ-P17. Preservation and Replacement of On-site Trees. Projects requiring discretionary review should preserve large trees, where possible, and mitigate for carbon storage losses attributable to significant removal of trees.

AQ-S1. Construction and Grading Dust Control. Ground disturbing construction and grading shall employ fugitive dust control strategies to prevent visible emissions from exceeding NCAQMD regulations and prevent public nuisance.

AQ-S3. Evaluate Air Quality Impacts. During environmental review of discretionary projects, evaluate new commercial and industrial sources of emissions using analytical methods and significance criteria used, or recommended by, the NCAQMD.

Open Space and Conservation Element

CU-P4. Avoid Loss or Degradation. Projects located in areas known, or suspected to be archeological sites or Native American burial sites shall be conditioned and designed to avoid significant impacts to

significant sites, or disturbance or destruction to Indian burial grounds. Preserving Native American remains undisturbed and in place shall be selected as the preferred alternative unless substantial factual evidence is presented demonstrating that no alternative(s) are feasible. Conditions of approval shall include standard provisions for postreview inadvertent archaeological discoveries and discovery and respectful treatment and disposition of Native American remains with or without funerary objects in accordance with state law (Health and Safety Code (HSC) §7050.5 and PRC §5097.98).

CU-S4.E Conditioning, Designing, or Mitigating Projects to Avoid Loss or Reduce Impacts to Archaeological Resources. Conditioning, designing, and/or mitigating projects to avoid or reduce impacts to archaeological resources, significant for their cultural value to descendent communities and/or scientific value shall consider the following options:

(E.) Standard Conditions and Notations for Inadvertent Archaeological or Native American Remains Discoveries. In addition, for discretionary projects and ministerial permits that involve ground disturbing activities, the following measures shall be included as standard conditions of approval or as notations to be placed on development plans:

"The project site is not located within an area where known archaeological sites have been identified. However, as there exists the possibility that undiscovered archaeological resources may be encountered during construction activities, the following post-review, inadvertent archaeological discovery measures are required under state and federal laws:

If archaeological resources are encountered, all ground disturbing work at the find location plus a reasonable buffer zone must be immediately suspended, the approving County department contacted, and a qualified professional archaeologist retained to analyze the significance of the find and formulate further mitigation (e.g., project relocation, excavation plan, and protective cover) in consultation with culturally affiliated tribes or other descendant groups, where applicable.

Pursuant to California Health and Safety Code §7050.5, if known or suspected Native American or other human remains are encountered, all ground-disturbing work must cease in the vicinity of the discovery, and the County Coroner contacted. The respectful treatment and disposition of remains and associated grave offerings shall be in accordance with PRC §5097.98.

The applicant and successors in interest are ultimately responsible for ensuring compliance with this condition."

Housing Element

H-IM66. Expand Public Water and Sewer Capacity for Housing. The County shall work with community service districts to identify and overcome constraints to providing service for housing, including but not limited to the Redway Community Services District ("RCSD") to resolve the existing stormwater inflow and infiltration issues associated with the County road that affect the RCSD wastewater collection system, and for the development a community groundwater well. The County shall also work with the McKinleyville Community Services District (MCSD) to identify capacity constraints and develop phasing plans to allow development within the limits of utility constraints and work to pursue funding

mechanisms for the MCSD to design and implement capacity improvements. Responsible Agency: Planning and Building Department. Timeframe: Ongoing.

Conservation and Open Space Element

SR-S4. Light and Glare. New outdoor lighting shall be compatible with the existing setting. Exterior lighting fixtures and street standards (both for residential and commercial areas) shall be fully shielded, and designed and installed to minimize off-site lighting and direct light within the property boundaries.

SR-IM5. Lighting Design Guidelines. Amend the Zoning Regulations to include lighting design guidelines for discretionary projects. Require new development and projects that would make significant parking lot improvements or add new exterior lighting to submit a lighting plan consistent with these guidelines. Lighting design guidelines should address:

- A. Intensity – Acceptable standards shall be defined for various land uses and development types specifying the maximum allowable total lumens per acre.
- B. Directional Control – Standards shall be developed to minimize the upward transmission and intensity of light at various distances from its source through the use of full-cutoff lighting, downward casting, shielding, visors etc.
- C. Signage – Standards with respect to illuminated signs shall be developed that prohibit or limit the size, spacing, design, upward transmission of light, and hours of operation. In addition, signs should be white or light colored lettering on dark backgrounds.
- D. Night Lighting – Hours of operation for various uses shall be specified in order to prohibit all night lighting except when warranted for public safety reasons. On demand lighting shall be encouraged.
- E. Incentives – The County shall develop incentives for residents and businesses encouraging the conversion of existing lighting sources to compliant ones.
- F. Enforcement – These standards shall be incorporated into the County Development Code and design review process for new development.

BR-S10. Development Standards for Wetlands. Development standards for wetlands shall be consistent with the standards for Streamside Management Areas, as applicable except that the widths of the SMA for wetlands area as follows:

Seasonal wetlands = 50 ft.

Perennial wetlands = 150 ft.

and the setback begins at the edge of the delineated wetland. Buffers may be reduced based on site specific information and consultation with the California Department of Fish and Wildlife. No buffer shall be required for man-made wetlands except wetlands created for mitigation purposes.

Appendix F – Mitigation, Monitoring, and Reporting Program

Mitigation, Monitoring, and Reporting Program

This Mitigation Monitoring/Reporting Program (MMRP) has been prepared for the project described below in conformance with California Environmental Quality Act (CEQA) Section 21081.6 and CEQA Guidelines Section 15097, which require adoption of a MMRP for projects in which the lead agency has adopted mitigation to avoid environmental effects.

PROJECT TITLE: McKinleyville Community Services District 4.5 Million Gallon Water Storage Reservoir

LEAD AGENCY: McKinleyville Community Services District (MCSD)
CONTACT: Patrick Kaspari, General Manager
1656 Sutter Rd.
McKinleyville, CA 95519
Phone: (707) 839-3251 Email: pkaspari@mckinleyvillecsd.com


PROJECT LOCATION: Cochran Road, McKinleyville, Humboldt County, CA

ASSESSOR'S PARCEL NUMBER: 509-021-046 and 509-021-045

PURPOSE: The purpose of this MMRP is to ensure that the mitigation measures adopted in connection with project approval are effectively implemented. The MMRP describes the procedures the project applicant will use to implement the mitigation measures adopted in connection with the approval of the project, and the methods of monitoring and reporting on such actions. A MMRP is necessary only for impacts which would be potentially significant if not mitigated.

ENFORCEMENT: In accordance with CEQA, the primary responsibility for making a determination with respect to potential environmental effects rests with MCSD as the lead agency. As such, MCSD is identified as the primary enforcement agency for this MMRP. The District shall ensure that language assuring compliance shall be incorporated into design and contract documents prepared for the project.

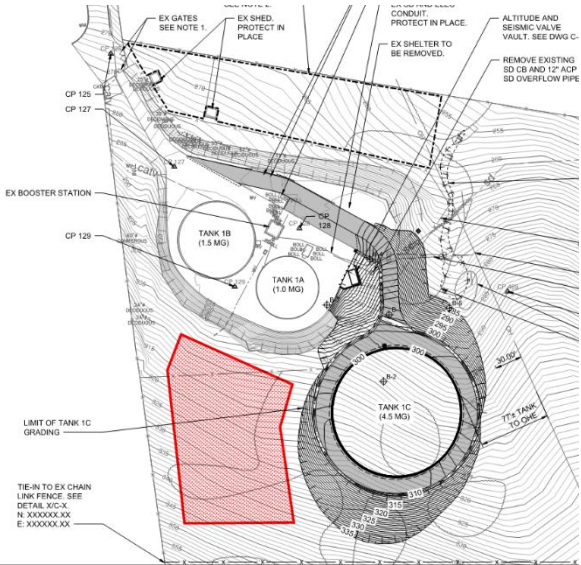
MMRP IMPLEMENTATION TABLE: To assure that this MMRP is effectively implemented the table on the following pages establishes the framework that MCSD and others will use to implement the adopted mitigation measures and the monitoring and/or reporting of such implementation.

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>BIO-1: Sensitive Habitat Demarcation. In advance of any clearing and grubbing and/or other construction-related disturbance within the proposed project area, the contiguous perimeter of California Sensitive Natural Communities will be clearly staked and flagged by a qualified biologist as a special treatment zone (see IS/MND Figure 7 – included below for reference). Temporary access within such areas is limited to the minimum necessary to complete respective construction tasks including construction of the above-grade pipeline with supportive footings and pipeline outfall. Immediately following task completion, staking and flagging will be revised to re-establish the efficacy of respective protective buffers. All flagging and staking should be removed upon conclusion of final restoration activities or earlier if determined appropriate by a qualified biologist. Additionally, if there is removal of vegetation near the existing trailing black currant occurrence, a qualified biologist will be onsite to ensure adequate protection of the existing and any potential new occurrences of the species.</p>  <p>McKinleyville Community Services District. 4.5 MG Water Reservoir Project Sensitive Biological Resource Special Treatment Zones (This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)</p>	<p>Before and during active construction.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>BIO-2: Pre-Construction Survey for Humboldt Mountain Beaver. No more than one week prior to the initiation of vegetation removal and/or ground disturbance within 50 feet of Humboldt mountain beaver habitat, a qualified biologist shall preform a pre-construction survey for the presence of active Humboldt mountain beaver burrows. Should any signs of beaver activity be observed in close proximity to construction areas, an appropriately sized “no-entry” buffer zone will be clearly staked and flagged. If deemed necessary during the pre-construction survey, a qualified biological monitor will also be utilized during construction.</p>	<p>Prior to construction activities in habitat area.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-3: Pre-Disturbance Surveys for Nesting Birds. Vegetation clearing and other ground-disturbance activities associated with construction shall occur, if possible, during fall and/or winter months outside the bird nesting season (February-August). If such work cannot be confined to outside the nesting season a pre-construction nesting survey shall be conducted by a qualified biologist to identify active nests in and adjacent to the work area. Nesting bird surveys should focus on the footprint of the action area and include a 100-foot radius around its perimeter (where breeding habitat exists). Should active bird nesting be confirmed, species appropriate “no entry” buffers will be clearly staked and flagged by a qualified biologist. The size of such protective buffers should be developed in consultation with the California Department of Fish and Wildlife and should take into account the nature and intensity of the offending disturbance to ensure they are appropriately sized in order to prevent nest failure. In cases where such focused surveys are performed, a qualified biologist may be able to provide a more precise breeding and corresponding seasonal restriction period for the species being considered.</p>	<p>Prior to construction activities.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-4: Pre-Disturbance Surveys for Amphibian and Reptile Species of Concern. No more than one week prior to commencement of construction activities, the active construction site within 50 feet of suitable habitat shall be surveyed by a qualified biologist for the presence of northern red-legged frog, foothill yellow-legged frog, and western pond turtle. Should any of these species be observed, the qualified biologist shall relocate any individuals found to nearby suitable habitat away from active construction areas and a barrier, such as wildlife exclusion fencing, shall be placed around the excavation area to prevent these species from moving into work areas. If any of the above species are observed during the pre-construction survey, CDFW shall be consulted to determine the best way to avoid impacts.</p>	<p>Prior to construction activities.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>BIO-5: Survey for Western Bumble Bee. Between mid-March to mid-April, conduct a survey for Western Bumble Bee prior to any excavation and/or grading during the period to assess for the presence of this California State Candidate Endangered species at the site. If this species is not detected, no seasonal constraints specific to this insect are warranted. If Western Bumble Bee is detected at the site, ground excavation and/or grading should commence during the period between when it can be determined that the majority of queen Western Bumble Bee emergence has occurred and the majority of new colony initiation has not yet begun.</p>	<p>Prior to construction activities.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-6: Wetland Identification and Demarcation. Prior to construction related disturbance within the project area, the perimeters of protective wetland habitat areas will be clearly staked and flagged by a qualified biologist as a special treatment zone (see mitigation measure BIO-1 and associated figure). Exceptions to allow temporary access within the wetland feature is restricted to the minimum limits of access required to complete respective construction tasks including:</p> <ul style="list-style-type: none"> - Open-trenching across the wetland feature to remove and replace the existing overflow drain infrastructure with the new overflow drain pipeline; and - Construction access across the wetland feature between the various construction elements and the proposed staging area below the existing tanks, accessed from Hilltop Lane. <p>Immediately following task completion, staking and flagging will be revised to re-establish the efficacy of respective protective buffers. All flagging and staking should be removed upon conclusion of final restoration activities or earlier if determined appropriate by a qualified biologist.</p>	<p>Before construction near wetland areas.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-7: Open-Trenching Construction and Restoration.</p> <p>Where open-trenching occurs within wetland areas, the top 6-12 inches of excavated material (i.e. topsoil) will be stockpiled separately from deeper material and kept moist for use during backfilling to aid in rapid revegetation of the trench footprint and maintain pre-construction soil texture and drainage properties. This surface layer will not be compacted and may be filled 1-2 inches above grade to allow for natural settling. The overflow drain pipeline will be backfilled with native material except where engineered material is required by design constraints. Excess spoils from construction will be placed in a manner that will prevent discharge into wetland areas and if spread out onsite, will only be broadcast to a thickness of 2.54cm (1 inch). Any remaining spoils will be disposed of at approved offsite locations. Should</p>	<p>During construction.</p>	<p>Implementation: Contractor</p> <p>Confirming Completion: MCSD</p>

Mitigation Measure	Timing for Implementation	Responsible Parties
trench conditions indicate significant potential for redirection of groundwater along the trench alignment, transverse baffles will be installed periodically as needed to prevent such redirection.		
BIO-8: Stormwater Pollution Prevention Plan. Prior to construction, a Stormwater Pollution Prevention Plan (SWPPP) will be prepared for the project consistent with State Water Resources Control Board regulations. The SWPPP will include erosion and sediment control measures, and dust control practices to prevent wind erosion, sediment tracking, and dust generation by construction equipment. A Qualified SWPPP Practitioner will oversee implementation of the Project SWPPP.	Before active construction.	Implementation: Qualified SWPPP Practitioner & Contractor Confirming Completion: MCSD
BIO-9: Construction Monitoring. During construction, a qualified biologist shall be engaged to periodically monitor the construction process, evaluate implementation of adopted mitigation measures during construction, and provide recommendations as necessary to ensure the protection of biological and wetland resources.	At least once a month during construction.	Implementation: Qualified Biologist Confirming Completion: MCSD
BIO-10: Post-Construction Restoration and Revegetation. After completion of construction activities, the project area will be restored to pre-project grades and contours, where possible (with the exception of the new reservoir footprint, its access route, and associated cut and fill slopes). In areas where significant soil compaction has occurred, the soil will be disked or scarified in an effort to restore pre-project surface infiltration and drainage characteristics. All disturbed areas will be promptly revegetated in accordance with the project planting plan with locally-sourced, regionally appropriate species to the extent possible.	Post-construction.	Implementation: Contractor Confirming Completion: MCSD
HYD-1: Detailed Design for Onsite Stormwater Runoff Capture. Detailed project design will include a stormwater drainage system that will capture natural stormwater runoff from newly created impervious surfaces for onsite irrigation and infiltration. The system will be designed to meet the County's MS4 permit standards which requires that post-project runoff shall not exceed the estimated pre-project flow rate for the 2-year, 24-hour storm. Design elements may include, but are not limited to, Low Impact Development (LID) features such as rain gardens, bioswales, bioretention features, and on-site infiltration basins.	Prior to construction activities.	Implementation: Project Engineer Confirming Completion: MCSD

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>HYD-2: Permanent Onsite Storage of Excavated Soils. In the event excavated soil is permanently stored onsite, the storage area will be limited to the slope directly south of the existing water storage reservoirs and west of the proposed reservoir as shown in IS/MND Figure 9 (included below for reference). Soils will be graded to match existing slopes and hydroseeded with a native grass seed mix. Straw wattles will be kept in place around the storage area in accordance with BMPs for stormwater management until such a time the area has been revegetated and is considered stable.</p> 	<p>During and post-construction.</p>	<p>Implementation: Contractor</p> <p>Confirming Completion: MCSD</p>

STATE OF CALIFORNIA



County of Humboldt

PROOF OF PUBLICATION

Proof of Publication of: MCSD
Neg. Dec. for
Water Tank

I am a citizen of the United States and a resident of the County aforesaid; I am over the age of eighteen years, and not a party to or interested in the matter referred to herein. I am the "principal" clerk of the publisher of the MAD RIVER UNION a newspaper of general circulation, published once a week, Wednesdays, in the City of Arcata, county of Humboldt, and which has been adjudged a newspaper of general circulation by the Superior Court of the County of Humboldt, State of California, under the date of Oct. 29, 2013, Court Decree Number CV130613; that the notice of which the annexed is a printed copy (set in type not smaller than nonpareil), has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

Run Dates 12/15/21

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Arcata, Humboldt County, California

this 14 day of December 2021
Signature: Jack Durham
Kevin Hoover or Jack Durham
(707) 826-7000

This space is for the County Clerk's Filing Stamp

NOTICE OF INTENT TO ADOPT A DRAFT MITIGATED NEGATIVE DECLARATION

The McKinleyville Community Services District has completed an Initial Study (IS) and draft Mitigated Negative Declaration (MND) for a proposed new 4.5 Million Gallon water storage reservoir at the District's existing Cochran Road water storage tank site. The new reservoir will increase distribution system resiliency in the event of seismic and other emergency events. The IS/MND is available for review on the District's website at www.mckinleyvillecsd.com or upon request from the District, 1656 Sutter Road, CA, (707) 839-3251. Written comments are due to pkaspari@mckinleyvillecsd.com or the District office at the address listed above by 5:00 p.m. January 10, 2022. The District Board may adopt the IS/MND on or after February 2, 2022.

12/15

Notice of Completion & Environmental Document Transmittal

Mail to: State Clearinghouse, P.O. Box 3044, Sacramento, CA 95812-3044 (916) 445-0613
For Hand Delivery/Street Address: 1400 Tenth Street, Sacramento, CA 95814

SCH #

Project Title:

Lead Agency: Contact Person:

Mailing Address: Phone:

City: Zip: County:

Project Location: County: City/Nearest Community:

Cross Streets: Zip Code:

Longitude/Latitude (degrees, minutes and seconds): Total Acres:

Assessor's Parcel No.: Section: Twp.: Range: Base:

Within 2 Miles: State Hwy #: Waterways:

Airports: Railways: Schools:

Document Type:

- CEQA: NOP, Early Cons, Neg Dec, Mit Neg Dec
Draft EIR, Supplement/Subsequent EIR, (Prior SCH No.), Other:
NEPA: NOI, EA, Draft EIS, FONSI
Other: Joint Document, Final Document, Other:

Local Action Type:

- General Plan Update, General Plan Amendment, General Plan Element, Community Plan
Specific Plan, Master Plan, Planned Unit Development, Site Plan
Rezone, Prezone, Use Permit, Land Division (Subdivision, etc.)
Annexation, Redevelopment, Coastal Permit, Other:

Development Type:

- Residential: Units, Acres
Office: Sq.ft., Acres, Employees
Commercial: Sq.ft., Acres, Employees
Industrial: Sq.ft., Acres, Employees
Educational:
Recreational:
Water Facilities: Type, MGD
Transportation: Type
Mining: Mineral
Power: Type, MW
Waste Treatment: Type, MGD
Hazardous Waste: Type
Other:

Project Issues Discussed in Document:

- Aesthetic/Visual, Agricultural Land, Air Quality, Archeological/Historical, Biological Resources, Coastal Zone, Drainage/Absorption, Economic/Jobs
Fiscal, Flood Plain/Flooding, Forest Land/Fire Hazard, Geologic/Seismic, Minerals, Noise, Population/Housing Balance, Public Services/Facilities
Recreation/Parks, Schools/Universities, Septic Systems, Sewer Capacity, Soil Erosion/Compaction/Grading, Solid Waste, Toxic/Hazardous, Traffic/Circulation
Vegetation, Water Quality, Water Supply/Groundwater, Wetland/Riparian, Growth Inducement, Land Use, Cumulative Effects, Other:

Present Land Use/Zoning/General Plan Designation:

Project Description: (please use a separate page if necessary)

Reviewing Agencies Checklist

Lead Agencies may recommend State Clearinghouse distribution by marking agencies below with an "X".
If you have already sent your document to the agency please denote that with an "S".

<input type="checkbox"/> Air Resources Board	<input type="checkbox"/> Office of Historic Preservation
<input type="checkbox"/> Boating & Waterways, Department of	<input type="checkbox"/> Office of Public School Construction
<input type="checkbox"/> California Emergency Management Agency	<input type="checkbox"/> Parks & Recreation, Department of
<input type="checkbox"/> California Highway Patrol	<input type="checkbox"/> Pesticide Regulation, Department of
<input type="checkbox"/> Caltrans District # _____	<input type="checkbox"/> Public Utilities Commission
<input type="checkbox"/> Caltrans Division of Aeronautics	<input type="checkbox"/> Regional WQCB # _____
<input type="checkbox"/> Caltrans Planning	<input type="checkbox"/> Resources Agency
<input type="checkbox"/> Central Valley Flood Protection Board	<input type="checkbox"/> Resources Recycling and Recovery, Department of
<input type="checkbox"/> Coachella Valley Mtns. Conservancy	<input type="checkbox"/> S.F. Bay Conservation & Development Comm.
<input type="checkbox"/> Coastal Commission	<input type="checkbox"/> San Gabriel & Lower L.A. Rivers & Mtns. Conservancy
<input type="checkbox"/> Colorado River Board	<input type="checkbox"/> San Joaquin River Conservancy
<input type="checkbox"/> Conservation, Department of	<input type="checkbox"/> Santa Monica Mtns. Conservancy
<input type="checkbox"/> Corrections, Department of	<input type="checkbox"/> State Lands Commission
<input type="checkbox"/> Delta Protection Commission	<input type="checkbox"/> SWRCB: Clean Water Grants
<input type="checkbox"/> Education, Department of	<input type="checkbox"/> SWRCB: Water Quality
<input type="checkbox"/> Energy Commission	<input type="checkbox"/> SWRCB: Water Rights
<input type="checkbox"/> Fish & Game Region # _____	<input type="checkbox"/> Tahoe Regional Planning Agency
<input type="checkbox"/> Food & Agriculture, Department of	<input type="checkbox"/> Toxic Substances Control, Department of
<input type="checkbox"/> Forestry and Fire Protection, Department of	<input type="checkbox"/> Water Resources, Department of
<input type="checkbox"/> General Services, Department of	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Health Services, Department of	<input type="checkbox"/> Other: _____
<input type="checkbox"/> Housing & Community Development	
<input type="checkbox"/> Native American Heritage Commission	

Local Public Review Period (to be filled in by lead agency)

Starting Date _____ Ending Date _____

Lead Agency (Complete if applicable):

Consulting Firm: _____	Applicant: _____
Address: _____	Address: _____
City/State/Zip: _____	City/State/Zip: _____
Contact: _____	Phone: _____
Phone: _____	

Signature of Lead Agency Representative: _____ Date: _____

Authority cited: Section 21083, Public Resources Code. Reference: Section 21161, Public Resources Code.



December 20, 2021

McKinleyville Community Services District
 Attn: Mr. Pat Kaspari
 1656 Sutter Road
 McKinleyville, CA 95519

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (DISTRICT), MITIGATED NEGATIVE DECLARATION (MND) FOR THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT 4.5 MILLION GALLON WATER STORAGE TANK RESERVOIR PROJECT (PROJECT); SCH # 2021120195

Dear Mr. Pat Kaspari:

Thank you for the opportunity to review the Mitigated Negative Declaration for the proposed Project. The State Water Resources Control Board, Division of Drinking Water (State Water Board, DDW) is responsible for issuing water supply permits pursuant to the Safe Drinking Water Act. A project requires a permit if it includes water system consolidation or changes to a water supply source, storage, or treatment or a waiver or alternative from Waterworks Standards (California Code of Regulations (CCR) title 22, chapter 16 et. seq). The above referenced Project will require a new or amended water supply permit.

The State Water Board, DDW, as a responsible agency under CEQA, has the following comments on the District's draft MND.

- An application for an amended water supply permit must be submitted to the State Water Board, DDW for addition of a new distribution reservoir (100,000 gallon capacity or greater) to the distribution system (CCR title 22, division 4, chapter 16, article 2, section 64556 [a][1]). A water supply permit amendment will be required for the installation of the 4.5-million gallon tank.
 - Please add the State Water Board, DDW to the list of agencies on PDF page 9 who's review and/or approvals may be required.
 - Please submit an application for a permit amendment and reservoir design plans to the State Water Board, DDW prior to start of the Project construction pursuant to §64585(b).

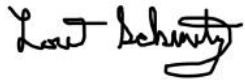
When the CEQA review process is completed, please forward the following items with your permit application to the State Water Board, DDW Klamath District Office:

- Copy of the draft and final MND, including the Mitigation Monitoring and Reporting Plan, with any comment letters received and the lead agency responses as appropriate;
- Copy of the Resolution or Board Minutes adopting the MND;
- Copy of the stamped Notice of Determination filed at the Humboldt County Clerk's Office and the Governor's Office of Planning and Research, State Clearinghouse.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

Please contact Scott Gilbreath of the Klamath District Office, at or Scott.Gilbreath@waterboards.ca.gov if you have any questions regarding permitting requirements.

Sincerely,

A handwritten signature in black ink that reads "Lori Schmitz". The signature is written in a cursive style with a large initial "L" and a stylized "S".

Lori Schmitz
Environmental Scientist
Division of Financial Assistance
Special Project Review Unit
1001 I Street, 16th floor
Sacramento, CA 95814

Cc:

Office of Planning and Research, State Clearinghouse

Scott Gilbreath
Water Resources Control Engineer
Klamath District

RESPONSE TO COMMENTS RECEIVED on the
DRAFT INITIAL STUDY and MITIGATED NEGATIVE DECLARATION
for



MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
4.5 Million Gallon Water Storage Reservoir
(SCH#2021120195)

January 18, 2022

Lead Agency:

McKinleyville Community Services District
1656 Sutter Road
McKinleyville, CA 95519

Prepared by:



INTRODUCTION

This document includes responses to comments received on the Draft Initial Study and proposed Mitigated Negative Declaration (IS/MND) for the McKinleyville Community Services District 4.5 Million Gallon Water Storage Tank project. The IS/MND was released for public review and comment per CEQA Guidelines Section 15105(b) beginning on December 10, 2021 and ending on January 10, 2022. The document was circulated to local and State agencies and made available to interested organizations and individuals who may wish to comment on the proposed project.

Pursuant to CEQA, prior to approving a project, the decision-making body of the lead agency must consider the proposed MND, together with all comments received during the public review process (CEQA Guidelines §15074). During the public comment period, one comment letter was received from the State Water Resources Control Board which is included as Attachment A for reference. Responses to comments are provided in the following section.

The comments received did not include any substantial new evidence or raise any potentially significant impacts that were not previously addressed in the Draft IS/MND and did not comment on the adequacy of the MND. As such, responses to each comment are denoted in this document.

COMMENTS AND RESPONSES

The State Water Resources Control Board – Division of Drinking Water (SWRCB – DDW), submitted a comment letter dated December 20, 2021 (Attachment A). Below is a summary of comments and responses.

Comment #1

The SWRCB – DDW provided a statement of its permitting authority and indicated that the project will require a permit under CCR Title 22, Chapter 16 *et seq* since it includes changes to the MCSD water system. As indicated in the letter, an application for an amended water supply permit will need to be submitted and obtained prior to any construction.

Response

MCSD recognizes the SWRCB permitting authority and its role as a responsible agency under CEQA. The District will consult with and submit the appropriate permit to the SWRCB before project construction begins.

Comment #2

The SWRCB – DDW requested that it be added to the list of permitting agencies included in the project description and background section.

Response

The SWRCB – DDW is noted as a permitting agency, see response to Comment #1.

Comment #3

The SWRCB – DDW requested that the District submit an application for a permit amended and reservoir design plans to the SWRCB – DDW.

Response

See response to Comment #1.

Comment #4

The SWRCB – DDW requested that once the CEQA process is complete, the following items need to be forwarded with the permit application:

- Copy of the IS/MND, Mitigation Monitoring and Reporting Program, comments, and responses to comments.
- Copy of Resolution or Board Meeting Minutes adopting the IS/MND.
- Copy of Notice of Determination filed at the Humboldt County Clerk's Office and State Clearing House.

Response

Once the CEQA process is complete, the District, as lead agency, will forward all necessary materials to the SWRCB – DDW along with the water permit amendment application.

ATTACHMENT A

MCSO 4.5 Million Gallon Reservoir IS/MND Response to Comments -Attachment A-



December 20, 2021

McKinleyville Community Services District
Attn: Mr. Pat Kaspari
1656 Sutter Road
McKinleyville, CA 95519

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT (DISTRICT), MITIGATED NEGATIVE DECLARATION (MND) FOR THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT 4.5 MILLION GALLON WATER STORAGE TANK RESERVOIR PROJECT (PROJECT); SCH # 2021120195

Dear Mr. Pat Kaspari:

Thank you for the opportunity to review the Mitigated Negative Declaration for the proposed Project. The State Water Resources Control Board, Division of Drinking Water (State Water Board, DDW) is responsible for issuing water supply permits pursuant to the Safe Drinking Water Act. A project requires a permit if it includes water system consolidation or changes to a water supply source, storage, or treatment or a waiver or alternative from Waterworks Standards (California Code of Regulations (CCR) title 22, chapter 16 et. seq). The above referenced Project will require a new or amended water supply permit.

Comment #1

The State Water Board, DDW, as a responsible agency under CEQA, has the following comments on the District's draft MND.

- An application for an amended water supply permit must be submitted to the State Water Board, DDW for addition of a new distribution reservoir (100,000 gallon capacity or greater) to the distribution system (CCR title 22, division 4, chapter 16, article 2, section 64556 [a][1]). A water supply permit amendment will be required for the installation of the 4.5-million gallon tank.

Comment #2

- Please add the State Water Board, DDW to the list of agencies on PDF page 9 who's review and/or approvals may be required.

Comment #3

- Please submit an application for a permit amendment and reservoir design plans to the State Water Board, DDW prior to start of the Project construction pursuant to §64585(b).

Comment #4

When the CEQA review process is completed, please forward the following items with your permit application to the State Water Board, DDW Klamath District Office:

- Copy of the draft and final MND, including the Mitigation Monitoring and Reporting Plan, with any comment letters received and the lead agency responses as appropriate;
- Copy of the Resolution or Board Minutes adopting the MND;
- Copy of the stamped Notice of Determination filed at the Humboldt County Clerk's Office and the Governor's Office of Planning and Research, State Clearinghouse.

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | www.waterboards.ca.gov

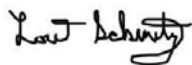
Mr. Pat Kaspari

- 2 -

December 20, 2021

Please contact Scott Gilbreath of the Klamath District Office, at or Scott.Gilbreath@waterboards.ca.gov if you have any questions regarding permitting requirements.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Schmitz". The signature is written in a cursive, flowing style.

Lori Schmitz
Environmental Scientist
Division of Financial Assistance
Special Project Review Unit
1001 I Street, 16th floor
Sacramento, CA 95814

Cc:

Office of Planning and Research, State Clearinghouse

Scott Gilbreath
Water Resources Control Engineer
Klamath District

RESOLUTION 2022-05**A RESOLUTION OF MCKINLEYVILLE COMMUNITY SERVICES DISTRICT ADOPTING THE MITIGATED NEGATIVE DECLARATION FOR THE 4.5MG WATER STORAGE TANK PROJECT (STATE CLEARING HOUSE NUMBER 2021120195); ADOPTING THE MITIGATION MONITORING AND REPORTING PROGRAM AND APPROVING THE PROJECT****THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE CSD FINDS:**

- A) On December 10, 2021, McKinleyville Community Services District submitted the Initial Study (IS) and Mitigated Negative Declaration (MND) for the 4.5MG Water Storage Tank Project. The proposed project consists of construction of the new reservoir and access road at MCSD's existing Cochran Road tank site. Two tanks with a total storage volume of 2.5 MG are currently at the site (APN 509-021-046) and will remain in use. The new reservoir will be located southeast of the existing tanks (APN 509-021-045) and will supplement MCSD's existing storage volume increasing distribution system resiliency in the event of seismic and other emergency events. The 4.5 MG reservoir will be a circular, prestressed, concrete tank constructed onsite. The reservoir will be 142 feet in diameter and have a total height of 52 feet.
- B) The District has evaluated potential environmental effects of the project through the preparation and circulation of a Mitigated Negative Declaration (MND) incorporated herein by this reference. This process included the following actions:
- 1) A Notice of Intent was sent to organizations and individuals who requested notice, with the notice specifying the period during which comments would be received, and Project information, including the Project description, location, and potential environmental effects.
 - 2) The Notice of Intent was transmitted to the State Clearinghouse (SCH No. 2021120195) on or about December 10, 2021 for public review and distribution to responsible, trustee, and public agencies with jurisdiction over the resources affected by the Project. The Notice of Intent was also filed with the Humboldt County Clerk on or about December 10, 2021.
 - 3) The 30-day review period for the MND was initiated on December 10, 2021 with the submittal of a Notice of Completion and MND to the State Clearinghouse for public review and distribution to responsible, trustee, and public agencies with jurisdiction over the resources affected by the Project. Copies of the draft documents were available for review at the District's office, and the Humboldt County Public Library in McKinleyville, as well as on the District's website ([www.https://mckinleyvillecsd.specialdistrict.org/project-news](https://mckinleyvillecsd.specialdistrict.org/project-news)).
 - 4) One comment from the State Water Resources Control Board on the MND was received by the District before the end of the 30-day review period on January 10, 2022.
- C) All actions required to be taken by applicable law related to the preparation, circulation, and review of the MND have been taken.

- D) A Mitigated Negative Declaration has been prepared consisting of the Initial Study, all comments and recommendations received during the public review period, and a Mitigation Monitoring and Reporting Program. This MND was posted on the District's website at <https://mckinleyvillecsd.specialdistrict.org/project-news> on or about December 10, 2021.
- E) A Notice of Intent (NOI) to adopt the MND was published in the Mad River Union Newspaper on December 15, 2021.
- F) A "Mitigation, Monitoring, and Reporting Plan" (MMRP) has been prepared for the Project. The MMRP details the program for monitoring and reporting on the mitigation measures established in the MND to mitigate or avoid significant environmental effects.
- G) District Staff, after considering the public comments received, the evidence and testimony before it, recommended that the District Board of Directors adopt the Mitigated Negative Declaration, adopt the CEQA findings, adopt the Mitigation Monitoring Reporting Program, and approve the 4.5MG Water Storage Tank Project.
- H) The District Board of Directors held a public hearing on February 2, 2022, to consider the Mitigated Negative Declaration, and the 4.5MG Water Storage Tank Project. The Board of Directors, after staff analysis of the same, independently reviewed and analyzed reports and declarations which became a part of the record of this decision.
- I) The Board of Directors made its decision to adopt the Mitigated Negative Declaration for this Project in light of the record as a whole as set forth in these findings; and,
- J) The Board of Directors, in adopting the Mitigated Negative Declaration for this Project, of which these findings are a part, did so through the exercise of their independent judgment and review after finding substantial evidence, in light of the record as a whole, to support the adoption of the Mitigated Negative Declaration; and,
- K) The Board of Directors has made its decision to adopt the Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Plan in the light of all the testimony and evidence presented at or prior to the close of the noticed public hearing, including letters, reports, comments, analyses, etc., which the Board after review and comment by its staff critically reviewed, corrected, and augmented where necessary, as set forth in the record and procedural findings on this Project; and,

THE BOARD OF DIRECTORS OF THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT RESOLVES:

1. **BOARD OF DIRECTORS INDEPENDENT JUDGMENT AND REVIEW.** The Board of Directors adopts the Mitigated Negative Declaration presented to the Board, which reviewed and considered the information contained in said Mitigated Negative Declaration prior to deciding whether to approve the proposed Project. The Mitigated Negative Declaration has been thoroughly reviewed and analyzed by the District's Staff, and the Board of Directors. The draft documents circulated for public review reflect the District's own independent judgment and the Mitigated Negative Declaration as certified by this Resolution also reflects the independent judgment of the Board of Directors.
2. **MITIGATION MONITORING AND REPORTING PROGRAM ADOPTED.** The Board of Directors hereby adopts the Mitigation Monitoring and Reporting Program with

established measures for monitoring and reporting on the mitigation measures set forth in the Mitigated Negative Declaration. The MMRP is attached hereto as Attachment A and incorporated herein by this reference, as the Mitigation Monitoring and Reporting Program for the 4.5MG Water Storage Tank Project. The Board of Directors finds that the Mitigation Monitoring and Reporting Program has been prepared in accordance with CEQA and the CEQA Guidelines and directs the General Manager to oversee the implementation of the program.

3. FILING OF NOTICE OF DETERMINATION. The Board of Directors hereby directs the General Manager to file a Notice of Determination within five (5) working days after approval of the Project.
4. AVAILABILITY OF PROJECT APPROVALS. The General Manager shall make the project plans and other related materials that constitute the record of the proceedings upon which its decision is based available at the District office, 1656 Sutter Road, McKinleyville California, and in other locations the General Manager deems appropriate to facilitate public access to these documents.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on February 2, 2022, by the following polled vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

David Couch, Board President

Attest:

April Sousa, MMC, Board Secretary

Mitigation, Monitoring, and Reporting Program

This Mitigation Monitoring/Reporting Program (MMRP) has been prepared for the project described below in conformance with California Environmental Quality Act (CEQA) Section 21081.6 and CEQA Guidelines Section 15097, which require adoption of a MMRP for projects in which the lead agency has adopted mitigation to avoid environmental effects.

PROJECT TITLE: **McKinleyville Community Services District 4.5 Million Gallon Water Storage Reservoir**

LEAD AGENCY: McKinleyville Community Services District (MCSD)
CONTACT: Patrick Kaspari, General Manager
 1656 Sutter Rd.
 McKinleyville, CA 95519
 Phone: (707) 839-3251 Email: pkaspari@mckinleyvillecsd.com


PROJECT LOCATION: Cochran Road, McKinleyville, Humboldt County, CA

ASSESSOR'S PARCEL NUMBER: 509-021-046 and 509-021-045

PURPOSE: The purpose of this MMRP is to ensure that the mitigation measures adopted in connection with project approval are effectively implemented. The MMRP describes the procedures the project applicant will use to implement the mitigation measures adopted in connection with the approval of the project, and the methods of monitoring and reporting on such actions. A MMRP is necessary only for impacts which would be potentially significant if not mitigated.

ENFORCEMENT: In accordance with CEQA, the primary responsibility for making a determination with respect to potential environmental effects rests with MCSD as the lead agency. As such, MCSD is identified as the primary enforcement agency for this MMRP. The District shall ensure that language assuring compliance shall be incorporated into design and contract documents prepared for the project.

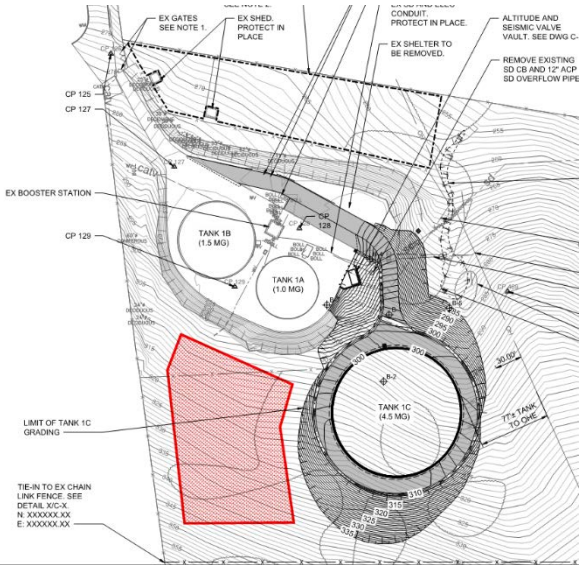
MMRP IMPLEMENTATION TABLE: To assure that this MMRP is effectively implemented the table on the following pages establishes the framework that MCSD and others will use to implement the adopted mitigation measures and the monitoring and/or reporting of such implementation.

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>BIO-1: Sensitive Habitat Demarcation. In advance of any clearing and grubbing and/or other construction-related disturbance within the proposed project area, the contiguous perimeter of California Sensitive Natural Communities will be clearly staked and flagged by a qualified biologist as a special treatment zone (see IS/MND Figure 7 – included below for reference). Temporary access within such areas is limited to the minimum necessary to complete respective construction tasks including construction of the above-grade pipeline with supportive footings and pipeline outfall. Immediately following task completion, staking and flagging will be revised to re-establish the efficacy of respective protective buffers. All flagging and staking should be removed upon conclusion of final restoration activities or earlier if determined appropriate by a qualified biologist. Additionally, if there is removal of vegetation near the existing trailing black currant occurrence, a qualified biologist will be onsite to ensure adequate protection of the existing and any potential new occurrences of the species.</p>  <p>McKinleyville Community Services District. 4.5 MG Water Reservoir Project Sensitive Biological Resource Special Treatment Zones (This figure should not be construed to substantiate the absence of natural resources potentially occurring beyond the proposed project area boundary as such areas were not addressed as part of the current effort.)</p>	<p>Before and during active construction.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>BIO-2: Pre-Construction Survey for Humboldt Mountain Beaver. No more than one week prior to the initiation of vegetation removal and/or ground disturbance within 50 feet of Humboldt mountain beaver habitat, a qualified biologist shall preform a pre-construction survey for the presence of active Humboldt mountain beaver burrows. Should any signs of beaver activity be observed in close proximity to construction areas, an appropriately sized “no-entry” buffer zone will be clearly staked and flagged. If deemed necessary during the pre-construction survey, a qualified biological monitor will also be utilized during construction.</p>	<p>Prior to construction activities in habitat area.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-3: Pre-Disturbance Surveys for Nesting Birds. Vegetation clearing and other ground-disturbance activities associated with construction shall occur, if possible, during fall and/or winter months outside the bird nesting season (February-August). If such work cannot be confined to outside the nesting season a pre-construction nesting survey shall be conducted by a qualified biologist to identify active nests in and adjacent to the work area. Nesting bird surveys should focus on the footprint of the action area and include a 100-foot radius around its perimeter (where breeding habitat exists). Should active bird nesting be confirmed, species appropriate “no entry” buffers will be clearly staked and flagged by a qualified biologist. The size of such protective buffers should be developed in consultation with the California Department of Fish and Wildlife and should take into account the nature and intensity of the offending disturbance to ensure they are appropriately sized in order to prevent nest failure. In cases where such focused surveys are performed, a qualified biologist may be able to provide a more precise breeding and corresponding seasonal restriction period for the species being considered.</p>	<p>Prior to construction activities.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-4: Pre-Disturbance Surveys for Amphibian and Reptile Species of Concern. No more than one week prior to commencement of construction activities, the active construction site within 50 feet of suitable habitat shall be surveyed by a qualified biologist for the presence of northern red-legged frog, foothill yellow-legged frog, and western pond turtle. Should any of these species be observed, the qualified biologist shall relocate any individuals found to nearby suitable habitat away from active construction areas and a barrier, such as wildlife exclusion fencing, shall be placed around the excavation area to prevent these species from moving into work areas. If any of the above species are observed during the pre-construction survey, CDFW shall be consulted to determine the best way to avoid impacts.</p>	<p>Prior to construction activities.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>BIO-5: Survey for Western Bumble Bee. Between mid-March to mid-April, conduct a survey for Western Bumble Bee prior to any excavation and/or grading during the period to assess for the presence of this California State Candidate Endangered species at the site. If this species is not detected, no seasonal constraints specific to this insect are warranted. If Western Bumble Bee is detected at the site, ground excavation and/or grading should commence during the period between when it can be determined that the majority of queen Western Bumble Bee emergence has occurred and the majority of new colony initiation has not yet begun.</p>	<p>Prior to construction activities.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-6: Wetland Identification and Demarcation. Prior to construction related disturbance within the project area, the perimeters of protective wetland habitat areas will be clearly staked and flagged by a qualified biologist as a special treatment zone (see mitigation measure BIO-1 and associated figure). Exceptions to allow temporary access within the wetland feature is restricted to the minimum limits of access required to complete respective construction tasks including:</p> <ul style="list-style-type: none"> - Open-trenching across the wetland feature to remove and replace the existing overflow drain infrastructure with the new overflow drain pipeline; and - Construction access across the wetland feature between the various construction elements and the proposed staging area below the existing tanks, accessed from Hilltop Lane. <p>Immediately following task completion, staking and flagging will be revised to re-establish the efficacy of respective protective buffers. All flagging and staking should be removed upon conclusion of final restoration activities or earlier if determined appropriate by a qualified biologist.</p>	<p>Before construction near wetland areas.</p>	<p>Implementation: Qualified Biologist</p> <p>Confirming Completion: MCSD</p>
<p>BIO-7: Open-Trenching Construction and Restoration.</p> <p>Where open-trenching occurs within wetland areas, the top 6-12 inches of excavated material (i.e. topsoil) will be stockpiled separately from deeper material and kept moist for use during backfilling to aid in rapid revegetation of the trench footprint and maintain pre-construction soil texture and drainage properties. This surface layer will not be compacted and may be filled 1-2 inches above grade to allow for natural settling. The overflow drain pipeline will be backfilled with native material except where engineered material is required by design constraints. Excess spoils from construction will be placed in a manner that will prevent discharge into wetland areas and if spread out onsite, will only be broadcast to a thickness of 2.54cm (1 inch). Any remaining spoils will be disposed of at approved offsite locations. Should</p>	<p>During construction.</p>	<p>Implementation: Contractor</p> <p>Confirming Completion: MCSD</p>

Mitigation Measure	Timing for Implementation	Responsible Parties
trench conditions indicate significant potential for redirection of groundwater along the trench alignment, transverse baffles will be installed periodically as needed to prevent such redirection.		
BIO-8: Stormwater Pollution Prevention Plan. Prior to construction, a Stormwater Pollution Prevention Plan (SWPPP) will be prepared for the project consistent with State Water Resources Control Board regulations. The SWPPP will include erosion and sediment control measures, and dust control practices to prevent wind erosion, sediment tracking, and dust generation by construction equipment. A Qualified SWPPP Practitioner will oversee implementation of the Project SWPPP.	Before active construction.	Implementation: Qualified SWPPP Practitioner & Contractor Confirming Completion: MCSD
BIO-9: Construction Monitoring. During construction, a qualified biologist shall be engaged to periodically monitor the construction process, evaluate implementation of adopted mitigation measures during construction, and provide recommendations as necessary to ensure the protection of biological and wetland resources.	At least once a month during construction.	Implementation: Qualified Biologist Confirming Completion: MCSD
BIO-10: Post-Construction Restoration and Revegetation. After completion of construction activities, the project area will be restored to pre-project grades and contours, where possible (with the exception of the new reservoir footprint, its access route, and associated cut and fill slopes). In areas where significant soil compaction has occurred, the soil will be disked or scarified in an effort to restore pre-project surface infiltration and drainage characteristics. All disturbed areas will be promptly revegetated in accordance with the project planting plan with locally-sourced, regionally appropriate species to the extent possible.	Post-construction.	Implementation: Contractor Confirming Completion: MCSD
HYD-1: Detailed Design for Onsite Stormwater Runoff Capture. Detailed project design will include a stormwater drainage system that will capture natural stormwater runoff from newly created impervious surfaces for onsite irrigation and infiltration. The system will be designed to meet the County's MS4 permit standards which requires that post-project runoff shall not exceed the estimated pre-project flow rate for the 2-year, 24-hour storm. Design elements may include, but are not limited to, Low Impact Development (LID) features such as rain gardens, bioswales, bioretention features, and on-site infiltration basins.	Prior to construction activities.	Implementation: Project Engineer Confirming Completion: MCSD

Mitigation Measure	Timing for Implementation	Responsible Parties
<p>HYD-2: Permanent Onsite Storage of Excavated Soils. In the event excavated soil is permanently stored onsite, the storage area will be limited to the slope directly south of the existing water storage reservoirs and west of the proposed reservoir as shown in IS/MND Figure 9 (included below for reference). Soils will be graded to match existing slopes and hydroseeded with a native grass seed mix. Straw wattles will be kept in place around the storage area in accordance with BMPs for stormwater management until such a time the area has been revegetated and is considered stable.</p> 	<p>During and post-construction.</p>	<p>Implementation: Contractor</p> <p>Confirming Completion: MCSD</p>

MCKINLEYVILLE COMMUNITY SERVICES DISTRICT

NOTICE OF DETERMINATION

To: County Clerk-Recorder
County of Humboldt
825 5th Street, Fifth Floor
Eureka, CA 95501

Office of Planning and Research
State Clearinghouse
1400 Tenth Street
Sacramento, CA 95814

From: McKinleyville Community Services District
1656 Sutter Road, McKinleyville, CA 95519
Contact: Pat Kaspari, General Manager
Phone: (707) 839-3251
Email: pkaspari@mckinleyvillecsd.com

Lead Agency: Same as above.

SUBJECT: *Filing of Notice of Determination in compliance with Public Resources Code §21152.*

State Clearinghouse Number: 2021120195

Project Title: McKinleyville Community Services District 4.5 Million Gallon Water Storage Reservoir

Project Location: The Project site is located on APNs 509-021-046 and 509-021-045 along Cochran Road in the community of McKinleyville, California within Humboldt County. The project area is located in Section 8 of Township 6 North, Range 1 East, of the Arcata North, California, U.S. Geological Survey (USGS) 7.5-minute topographic quadrangle at approximate longitude 124o 5' 16.6236" W and latitude 40o 55' 29.7804" N.

Project Description: McKinleyville Community Services District (MCSD) proposes to add a new 4.5 million-gallon (MG) water storage reservoir (tank) to its existing water distribution system. The Project consists of construction of the new reservoir and access road at MCSD's existing Cochran Road tank site. Two tanks with a total storage volume of 2.5 MG are currently at the site (APN 509-021-046) and will remain in use. The new reservoir will be located southeast of the existing tanks (APN 509-021-045) and will supplement MCSD's existing storage volume increasing distribution system resiliency in the event of seismic and other emergency events. A new overflow drain line will also be constructed that will serve both new and existing reservoirs. The new 18-inch drain line will be routed to the northeast to drain towards the existing storm drain system on the south side of Cochran Road. Sections of the new drain pipeline will be buried with approximately 260 feet being constructed above ground.

This is to advise that the MCSD, as Lead Agency, has approved the above described project on February 2, 2022 and made the following determinations:

1. The project [will will not] have a significant effect on the environment.
2. An Environmental Impact Report was prepared pursuant to provisions of CEQA.
A Negative Declaration was prepared by the Lead Agency for this project pursuant to provisions of CEQA.
3. Mitigation Measures [were were not] made a condition of the approval.
4. A mitigation reporting or monitoring plan [was was not] adopted by the Lead Agency for this project.
5. A Statement of Overriding Considerations [was was not] adopted.
6. Findings [were were not] made pursuant to the provisions of CEQA.

The IS/MND is available to the general public at the MCSD office 1565 Sutter Road, McKinleyville, CA and online at <https://www.mckinleyvillecsd.com/> or <https://ceqanet.opr.ca.gov/>.

Pat Kaspari, General Manager
McKinleyville Community Services District

February 2, 2022

Date

find definitive costs/savings estimates for AB1400. Assembly Member Jim Wood voted to move AB1400 forward as part of the Assembly Health Committee.

HR 1976 or the Medicare for All Act of 2021 establishes a national health insurance program that is administered by the Department of Health and Human Services (HHS). Among other requirements, the program must (1) cover all U.S. residents; (2) provide for automatic enrollment of individuals upon birth or residency in the United States; and (3) cover items and services that are medically necessary or appropriate to maintain health or to diagnose, treat, or rehabilitate a health condition, including hospital services, prescription drugs, mental health and substance abuse treatment, dental and vision services, and long-term care. The bill prohibits cost-sharing (e.g., deductibles, coinsurance, and copayments) and other charges for covered services. Additionally, private health insurers and employers may only offer coverage that is supplemental to, and not duplicative of, benefits provided under the program. Health insurance exchanges and specified federal health programs terminate upon program implementation. However, the program does not affect coverage provided through the Department of Veterans Affairs or the Indian Health Service. The bill also establishes a series of implementing provisions relating to (1) health care provider participation; (2) HHS administration; and (3) payments and costs, including the requirement that HHS negotiate prices for prescription drugs. Individuals who are age 18 or younger, age 55 or older, or already enrolled in Medicare may enroll in the program starting one year after enactment of this bill; other individuals may buy into the program at this time. The program must be fully implemented two years after enactment. Cost/savings for HR1976 were not readily available. Congress Member Huffman is a co-sponsor of HR1976.

AB1400 was introduced on February 19, 2021 and was referred to the Appropriations Committee on January 11, 2022. HR1976 was introduced to Congress on March 17, 2021 and has been referred to various committees.

It is frankly beyond Staff's expertise to judge the pros and cons and provide reliable direction to the Board on these two Health Care bills. Staff reached out to the District's insurer, ACWA-JPIA, to see if they could provide information on how they might impact the District's insurance. JPIA has not done an analysis of the bills impacts so could not provide any recommendations. Members of District Staff have expressed concerns regarding how, particularly AB1400, would impact retired or retiring staff's health care insurance if they moved out of State. Staff is fully busy with the running of the District and was reluctant to spend additional time on the research of these bills without Board direction.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Unknown

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Resolution 2022-02
- Attachment 2 – Legislative Information on AB1400
- Attachment 3 – Text of H.R. 1976

RESOLUTION 2022 –02

A Resolution of the McKinleyville Community Services District in Support of Single Payer Bills for Health Care Reform

WHEREAS recent polls show that 69% of Californians support single-payer health care and every person in **McKinleyville** deserves high quality health care. Both the ***California Guaranteed Health Care for All Act (CalCare), AB 1400***, and the federal, ***Improved Medicare for All Bill, HR 1976***, would establish state-wide or nation-wide comprehensive universal single-payer health care with a cost control system for the benefit of all residents of the state and specifically for the **McKinleyville Community Services District**; and

WHEREAS both the state and federal legislation would guarantee that all residents of **McKinleyville** will be fully covered for health care without copays, deductibles, or other out-of-pocket costs and would save millions in taxpayer dollars now spent on premiums that often provide inadequate health insurance coverage for government employees and would save the **McKinleyville Community Services District** the cost burden of a health insurance provision; and

WHEREAS both legislative acts would slash bureaucracy, protect the doctor-patient relationship, and assure patients a free choice of doctors; and

WHEREAS the ever-increasing costs of health care, which are further elevated due to the pandemic, may challenge our already strapped state and municipal budgets; and

WHEREAS the number of Californians before the Covid-19 pandemic without health insurance was 2.7 million, with 12 million Californians underinsured, despite important gains made since the implementation of the Affordable Care Act; and

WHEREAS the current Covid-19 pandemic has led to record levels of unemployment, loss of employer-sponsored health insurance, a severely strained health care system, widespread illness, and has taken a profound toll on our community's mental health, all of which is placing significant demands on our health care system, and

WHEREAS the Covid-19 pandemic further exposed the dangers of our fragmented, profit-driven health care system, which leads many Californians to delay seeking needed health care due to an inability to pay, leading to a sicker and poorer population in the long run and such population is significantly more likely to develop serious illness if exposed to diseases like Covid-19 and will subsequently face higher mortality rates; and

WHEREAS both ***Cal Care*** and ***Improved Medicare for All*** would guarantee care without charge at the point of service for all California and/or national residents for all necessary medical care including prescription drugs; hospital, surgical, and outpatient

services; primary and preventive care; emergency services; reproductive care; dental and vision care; and long-term care; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the McKinleyville Community Services District does hereby express its support for the bills, **CalCare, AB 1400**, and **Improved Medicare for All, HR 1976**, and calls upon our state and national legislators to work toward their immediate enactment.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on February 2, 2022 by the following polled vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

David Couch, Board President

Attest:

April Sousa, MMC, Board Secretary

Assembly Bill 1400

California Guaranteed Health Care for All Act (CalCare)

Assembly Members Ash Kalra, Lee, Santiago

Principal Co-Authors: Assembly Members Chiu and Ting and Senators Lena Gonzalez, McGuire and Wiener

Co-Authors: Assembly Members Carrillo, Friedman, Kamlager, McCarty, Nazarian, Luz Rivas, Wicks

Senators Becker, Cortese, Laird and Wiecekowski

SUMMARY

Today's U.S. health care system is a complex, fragmented multi-payer system that still leaves wide gaps of coverage and poses significant issues of affordability. Despite health care spending in the U.S. far exceeding other high-income, industrialized countries that offer a publically financed single-payer system, we consistently report worse health outcomes and disparities among vulnerable populations.

AB 1400 sets in motion a single-payer health care coverage system in California, called CalCare, for all residents, regardless of citizenship status. By streamlining payments and lowering per-capita health care spending, CalCare guarantees quality health care and long-term care without creating barriers to care or out-of-pocket costs.

By affirming health care as a right to all Californians and establishing a payment system that eliminates waste and aligns reimbursements with the actual cost of care, we can make significant progress on financing and acquiring state and federal approvals.

HEALTH SYSTEM STATUS QUO

An estimated 2.7 million Californians remain uninsured¹ and millions more with coverage often delay or are unable to access necessary medications or health care services due to cost. Since the COVID-19 pandemic, that number has grown as many workers have lost their employer-based coverage or were unable to afford the high cost of health care due to economic constraints.

¹ Covered California estimates, January 12, 2021

Health care spending in the United States far outpaces other industrialized countries.² Based on prior years of health insurance rate filing data, hospital costs and physician services represent an overwhelming proportion of the overall projected premium dollar – 75% of the projected 2018 premium dollar.

Americans use significantly less health care services than people in other industrialized countries³ – including physician visits and hospital admissions – yet spending is greater due to higher prices. Despite higher spending, Americans have worse health outcomes, including shorter life expectancy and greater prevalence of chronic conditions.⁴

Another challenge with our health care system is the pervasiveness in health disparities. California is a diverse state – racially, ethnically, economically, and geographically – and vulnerable populations face greater health risks and have less access to safety net programs.

California's growing senior population, aged 60 years and over, is expected to grow more than three times as fast as the total population⁵, which will place additional strain on health care services. As more aging adults enter Medicare, there will be a need to improve access and lower costs by pooling state and federal funds.

² I. Papanicolas, L.R. Woskie, and A.K. Jha, "Health Care Spending in the United States and Other High-Income Countries," *JAMA*, March 13, 2018

³ *Health at a Glance 2017: OECD Indicators* – number of doctor consultations per person, hospital discharges, and average length of stay in hospital.

⁴ "U.S. Health Care from a Global Perspective: Spending, Use of Services, Prices, and Health in 13 Countries," *The Commonwealth Fund*, October 2015

⁵ California Department of Aging website, "Facts About California's Elderly." https://aging.ca.gov/Data_and_Reports/

CALIFORNIA'S GUARANTEED HEALTH CARE FOR ALL (CALCARE)

The COVID-19 pandemic has exposed how grossly flawed and inequitable our multi-payer health system is and how critical it is for all Californians to be guaranteed access to health care. AB 1400 will bring California closer to achieving a single-payer health care system by setting in place a comprehensive framework of governance, eligibility and enrollment, benefits, delivery of care, and health care cost controls and program standards.

By passing the California Guaranteed Health Care for All Act, the state can position itself to seek consolidated federal waivers from the U.S. Department of Health and Human Services. These waivers would make it easier for California to consolidate health care dollars, provide flexibility, expand benefits, and eliminate cost-sharing.

Upon being authorized and financed, CalCare will establish a comprehensive universal single-payer health care coverage program and a health care cost control system. CalCare will be set up as an independent public entity governed by a nine member executive board with expertise in health care policy and delivery.

The CalCare Board's composition shall be reflective of California's diversity and free of any conflicts of interest. The Board shall convene a Public Advisory Committee to advise on all matters of policy and make informed recommendations.

THE CALCARE MISSION AND DUTIES

CalCare will be charged with overseeing the state's single-payer system, and will ensure the following:

Comprehensive Benefits and Freedom of Choice

Californians will have access to comprehensive health care coverage, including all primary and preventive care, hospital and outpatient services, prescription drugs, dental, vision, audiology, reproductive health services, maternity and newborn care, long-term services and supports, prescription drugs, mental health and substance abuse treatment, laboratory and diagnostic services, ambulatory

services, and more. Patients will have freedom to choose doctors, hospitals, and other providers they wish to see, without worrying about whether a provider is "in-network."

No Premiums, Copays, or Deductibles

Californians would receive health care services and other defined benefits without paying any premiums or deductibles. Upon receiving care, patients would not be charged any copays or other out-of-pocket costs.

Addressing Health Care Disparities

CalCare would remove barriers to care and create a special projects budget to fund the construction, renovation, or staffing of health care facilities in rural or underserved communities.

Long-Term Services and Supports for People with Disabilities and the Elderly

Long-term services and supports for daily living will be fully covered for medically determinable conditions, whether physical, mental or due to age.

Reducing Health Care Spending and Improving Care

CalCare would move the state to a simplified health care payment system that will free health care providers from devoting time on billing and instead focus on patient care. The new system would establish reasonable payment methodologies for providers that are aligned with the actual costs of care rather than driven by profits. Health care professionals and institutional providers would be prohibited from over utilizing services. CalCare can negotiate bulk drug prices for all Californians and take other measures to lower the costs of prescription drugs.

Global Budgets for Institutional Providers

CalCare would negotiate fair, adequate global budgets to hospitals and other institutional providers to help contain the exorbitant costs by aligning health care payments with the actual cost of care and eliminating waste present in the system today. Institutional providers may submit appeals to the global budget to address justifiable or unforeseen circumstances.



AB-1400 Guaranteed Health Care for All. (2021-2022)

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Date Published: 02/19/2021 09:00 PM

CALIFORNIA LEGISLATURE— 2021–2022 REGULAR SESSION

ASSEMBLY BILL

NO. 1400

Introduced by Assembly Members Kalra, Lee, and Santiago
(Principal coauthors: Assembly Members Chiu and Ting)
(Principal coauthors: Senators Gonzalez, McGuire, and Wiener)
(Coauthors: Assembly Members Friedman, Kamlager, McCarty, Nazarian, Luz Rivas, and Wicks)
(Coauthors: Senators Becker, Cortese, Laird, and Wieckowski)

February 19, 2021

An act to add Title 23 (commencing with Section 100600) to the Government Code, relating to health care coverage, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 1400, as introduced, Kalra. Guaranteed Health Care for All.

Existing federal law, the federal Patient Protection and Affordable Care Act (PPACA), requires each state to establish an American Health Benefit Exchange to facilitate the purchase of qualified health benefit plans by qualified individuals and qualified small employers. PPACA defines a "qualified health plan" as a plan that, among other requirements, provides an essential health benefits package. Existing state law creates the California Health Benefit Exchange, also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions.

This bill, the California Guaranteed Health Care for All Act, would create the California Guaranteed Health Care for All program, or CalCare, to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state. The bill, among other things, would provide that CalCare cover a wide range of medical benefits and other services and would incorporate the health care benefits and standards of other existing federal and state provisions, including the federal Children's Health

Insurance Program, Medi-Cal, ancillary health care or social services covered by regional centers for persons with developmental disabilities, Knox-Keene, and the federal Medicare program. The bill would require the board to seek all necessary waivers, approvals, and agreements to allow various existing federal health care payments to be paid to CalCare, which would then assume responsibility for all benefits and services previously paid for with those funds.

This bill would create the CalCare Board to govern CalCare, made up of 9 voting members with demonstrated and acknowledged expertise in health care, and appointed as provided, plus the Secretary of California Health and Human Services or their designee as a nonvoting, ex officio member. The bill would provide the board with all the powers and duties necessary to establish CalCare, including determining when individuals may start enrolling into CalCare, employing necessary staff, negotiating pricing for covered pharmaceuticals and medical supplies, establishing a prescription drug formulary, and negotiating and entering into necessary contracts. The bill would require the board to convene a CalCare Public Advisory Committee with specified members to advise the board on all matters of policy for CalCare. The bill would establish an 11-member Advisory Commission on Long-Term Services and Supports to advise the board on matters of policy related to long-term services and supports.

This bill would provide for the participation of health care providers in CalCare, including the requirements of a participation agreement between a health care provider and the board, provide for payment for health care items and services, and specify program participation standards. The bill would prohibit a participating provider from discriminating against a person by, among other things, reducing or denying a person's benefits under CalCare because of a specified characteristic, status, or condition of the person.

This bill would prohibit a participating provider from billing or entering into a private contract with an individual eligible for CalCare benefits regarding a covered benefit, but would authorize contracting for a health care item or service that is not a covered benefit if specified criteria are met. The bill would authorize health care providers to collectively negotiate fee-for-service rates of payment for health care items and services using a 3rd-party representative, as provided. The bill would require the board to annually determine an institutional provider's global budget, to be used to cover operating expenses related to covered health care items and services for that fiscal year, and would authorize payments under the global budget.

This bill would state the intent of the Legislature to enact legislation that would develop a revenue plan, taking into consideration anticipated federal revenue available for CalCare. The bill would create the CalCare Trust Fund in the State Treasury, as a continuously appropriated fund, consisting of any federal and state moneys received for the purposes of the act. Because the bill would create a continuously appropriated fund, it would make an appropriation.

This bill would prohibit specified provisions of this act from becoming operative until the Secretary of California Health and Human Services gives written notice to the Secretary of the Senate and the Chief Clerk of the Assembly that the CalCare Trust Fund has the revenues to fund the costs of implementing the act. The California Health and Human Services Agency would be required to publish a copy of the notice on its internet website.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: no

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Although the federal Patient Protection and Affordable Care Act (PPACA) brought many improvements in health care and health care coverage, PPACA still leaves many Californians without coverage or with inadequate coverage.

(2) Californians, as individuals, employers, and taxpayers, have experienced a rise in the cost of health care and health care coverage in recent years, including rising premiums, deductibles, and copayments, as well as restricted provider networks and high out-of-network charges.

(3) Businesses have also experienced increases in the costs of health care benefits for their employees, and many employers are shifting a larger share of the cost of coverage to their employees or dropping coverage entirely.

(4) Individuals often find that they are deprived of affordable care and choice because of decisions by health benefit plans guided by the plan's economic needs rather than patients' health care needs.

(5) To address the fiscal crisis facing the health care system and the state, and to ensure Californians get the health care they need, comprehensive health care coverage needs to be provided.

(6) Billions of dollars that could be spent on providing equal access to health care are wasted on administrative costs necessary in a multipayer health care system. Resources and costs spent on administration would be dramatically reduced in a single-payer system, allowing health care professionals and hospitals to focus on patient care instead.

(7) It is the intent of the Legislature to establish a comprehensive universal single-payer health care coverage program and a health care cost control system for the benefit of all residents of the state.

(b) (1) It is further the intent of the Legislature to establish the California Guaranteed Health Care for All program to provide universal health coverage for every Californian, funded by broad-based revenue.

(2) It is the intent of the Legislature to work to obtain waivers and other approvals relating to Medi-Cal, the federal Children's Health Insurance Program, Medicare, PPACA, and any other federal programs pertaining to the provision of health care so that any federal funds and other subsidies that would otherwise be paid to the State of California, Californians, and health care providers would be paid by the federal government to the State of California and deposited in the CalCare Trust Fund.

(3) Under those waivers and approvals, those funds would be used for health care coverage that provides health care benefits equal to or exceeded by those programs as well as other program modifications, including elimination of cost sharing and insurance premiums.

(4) Those programs would be replaced and merged into CalCare, which will operate as a true single-payer program.

(5) If any necessary waivers or approvals are not obtained, it is the intent of the Legislature that the state use state plan amendments and seek waivers and approvals to maximize, and make as seamless as possible, the use of funding from federally matched public health programs and other federal health programs in CalCare.

(6) Even if other programs, including Medi-Cal or Medicare, may contribute to paying for care, it is the goal of this act that the coverage be delivered by CalCare, and, as much as possible, that the multiple sources of funding be pooled with other CalCare program funds.

(c) This act does not create an employment benefit, nor does the act require, prohibit, or limit providing a health care employment benefit.

(d) (1) It is not the intent of the Legislature to change or impact in any way the role or authority of a licensing board or state agency that regulates the standards for or provision of health care and the standards for health care providers as established under current law, including the Business and Professions Code, the Health and Safety Code, the Insurance Code, and the Welfare and Institutions Code.

(2) This act would in no way authorize the CalCare Board, the California Guaranteed Health Care for All program, or the Secretary of California Health and Human Services to establish or revise licensure standards for health care professionals or providers.

(e) It is the intent of the Legislature that neither health information technology nor clinical practice guidelines limit the effective exercise of the professional judgment of physicians, registered nurses, and other licensed health care professionals. Physicians, registered nurses, and other licensed health care professionals shall be free to override health information technology and clinical practice guidelines if, in their professional judgment and in accordance with their scope of practice and licensure, it is in the best interest of the patient and consistent with the patient's wishes.

(f) (1) It is the intent of the Legislature to prohibit CalCare, a state agency, a local agency, or a public employee acting under color of law from providing or disclosing to anyone, including the federal government, any

personally identifiable information obtained, including a person's religious beliefs, practices, or affiliation, national origin, ethnicity, or immigration status, for law enforcement or immigration purposes.

(2) This act would also prohibit law enforcement agencies from using CalCare's funds, facilities, property, equipment, or personnel to investigate, enforce, or assist in the investigation or enforcement of a criminal, civil, or administrative violation or warrant for a violation of any requirement that individuals register with the federal government or any federal agency based on religion, national origin, ethnicity, immigration status, or other protected category as recognized in the Unruh Civil Rights Act (Part 2 (commencing with Section 51) of Division 1 of the Civil Code).

(g) It is the further intent of the Legislature to address the high cost of prescription drugs and ensure they are affordable for patients.

SEC. 2. Title 23 (commencing with Section 100600) is added to the Government Code, to read:

TITLE 23. The California Guaranteed Health Care for All Act
CHAPTER 1. General Provisions

100600. This title shall be known, and may be cited, as the California Guaranteed Health Care for All Act.

100601. There is hereby established in state government the California Guaranteed Health Care for All program, or CalCare, to be governed by the CalCare Board pursuant to Chapter 2 (commencing with Section 100610).

100602. For the purposes of this title, the following definitions apply:

(a) "Activities of daily living" means basic personal everyday activities including eating, toileting, grooming, dressing, bathing, and transferring.

(b) "Advisory commission" means the Advisory Commission on Long-Term Services and Supports established pursuant to Section 100614.

(c) "Affordable Care Act" or "PPACA" means the federal Patient Protection and Affordable Care Act (Public Law 111-148), as amended by the federal Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), and any amendments to, or regulations or guidance issued under, those acts.

(d) "Allied health practitioner" means a group of health professionals who apply their expertise to prevent disease transmission and diagnose, treat, and rehabilitate people of all ages and in all specialties, together with a range of technical and support staff, by delivering direct patient care, rehabilitation, treatment, diagnostics, and health improvement interventions to restore and maintain optimal physical, sensory, psychological, cognitive, and social functions. Examples include audiologists, occupational therapists, social workers, and radiographers.

(e) "Board" means the CalCare Board described in Section 100610.

(f) "CalCare" or "California Guaranteed Health Care for All" means the California Guaranteed Health Care for All program established in Section 100601.

(g) "Capital expenditures" means expenses for the purchase, lease, construction, or renovation of capital facilities, health information technology, artificial intelligence, and major equipment, including costs associated with state grants, loans, lines of credit, and lease-purchase arrangements.

(h) "Carrier" means either a private health insurer holding a valid outstanding certificate of authority from the Insurance Commissioner or a health care service plan, as defined under subdivision (f) of Section 1345 of the Health and Safety Code, licensed by the Department of Managed Health Care.

(i) "Committee" means the CalCare Public Advisory Committee established pursuant to Section 100611.

(j) "County organized health system" means a health system implemented pursuant to Part 4 (commencing with Section 101525) of Division 101 of the Health and Safety Code, and Article 2.8 (commencing with Section 14087.5) of Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code.

(k) "Essential community provider" means a provider, as defined in Section 156.235(c) of Title 45 of the Code of Federal Regulations, as published February 27, 2015, in the Federal Register (80 FR 10749), that serves predominantly low-income, medically underserved individuals and that is one of the following:

(1) A community clinic, as defined in subparagraph (A) of paragraph (1) of subdivision (a) of Section 1204 of the Health and Safety Code.

(2) A free clinic, as defined in subparagraph (B) of paragraph (1) of subdivision (a) of Section 1204 of the Health and Safety Code.

(3) A federally qualified health center, as defined in Section 1395x(aa)(4) or Section 1396d(l)(2)(B) of Title 42 of the United States Code.

(4) A rural health clinic, as defined in Section 1395x(aa)(2) or 1396d(l)(1) of Title 42 of the United States Code.

(5) An Indian Health Service Facility, as defined in subdivision (v) of Section 2699.6500 of Title 10 of the California Code of Regulations.

(l) "Federally matched public health program" means the state's Medi-Cal program under Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396 et seq.) and the federal Children's Health Insurance Program under Title XXI of the federal Social Security Act (42 U.S.C. Sec. 1397aa et seq.).

(m) "Fund" means the CalCare Trust Fund established pursuant to Article 2 (commencing with Section 100665) of Chapter 7.

(n) "Global budget" means the payment negotiated between an institutional provider and the board pursuant to Section 100641.

(o) "Group practice" means a professional corporation under the Moscone-Knox Professional Corporation Act (Part 4 (commencing with Section 13400) of Division 3 of Title 1 of the Corporations Code) that is a single corporation or partnership composed of licensed doctors of medicine, doctors of osteopathy, or other licensed health care professionals, and that provides health care items and services primarily directly through physicians or other health care professionals who are either employees or partners of the organization.

(p) "Health care professional" means a health care professional licensed pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code, or licensed pursuant to the Osteopathic Act or the Chiropractic Act, who, in accordance with the professional's scope of practice, may provide health care items and services under this title.

(q) "Health care item or service" means a health care item or service that is included as a benefit under CalCare.

(r) "Health professional education expenditures" means expenditures in hospitals and other health care facilities to cover costs associated with teaching and related research activities.

(s) "Home- and community-based services" means an integrated continuum of service options available locally for older individuals and functionally impaired persons who seek to maximize self-care and independent living in the home or a home-like environment, which includes the home- and community-based services that are available through Medi-Cal pursuant to the home- and-community based waiver program under Section 1915 of the federal Social Security Act (42 U.S.C. Sec. 1396n) as of January 1, 2019.

(t) "Implementation period" means the period under paragraph (6) of subdivision (e) of Section 100612 during which CalCare is subject to special eligibility and financing provisions until it is fully implemented under that section.

(u) "Institutional provider" means an entity that provides health care items and services and is licensed pursuant to any of the following:

(1) A health facility, as defined in Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code.

(2) A clinic licensed pursuant to Chapter 1 (commencing with Section 1200) of Division 2 of the Health and Safety Code.

(3) A long-term health care facility, as defined in Section 1418 of the Health and Safety Code, or a program developed pursuant to paragraph (1) of subdivision (i) of Section 100612.

(4) A county medical facility licensed pursuant to Chapter 2.5 (commencing with Section 1440) of Division 2 of the Health and Safety Code.

(5) A residential care facility for persons with chronic, life-threatening illness licensed pursuant to Chapter 3.01 (commencing with Section 1568.01) of Division 2 of the Health and Safety Code.

(6) An Alzheimer's day care resource center licensed pursuant to Chapter 3.1 (commencing with Section 1568.15) of Division 2 of the Health and Safety Code.

(7) A residential care facility for the elderly licensed pursuant to Chapter 3.2 (commencing with Section 1569) of Division 2 of the Health and Safety Code.

(8) A hospice licensed pursuant to Chapter 8.5 (commencing with Section 1745) of Division 2 of the Health and Safety Code.

(9) A pediatric day health and respite care facility licensed pursuant to Chapter 8.6 (commencing with Section 1760) of Division 2 of the Health and Safety Code.

(10) A mental health care provider licensed pursuant to Division 4 (commencing with Section 4000) of the Welfare and Institutions Code.

(11) A federally qualified health center, as defined in Section 1395x(aa)(4) or 1396d(l)(2)(B) of Title 42 of the United States Code.

(v) "Instrumental activities of daily living" means activities related to living independently in the community, including meal planning and preparation, managing finances, shopping for food, clothing, and other essential items, performing essential household chores, communicating by phone or other media, and traveling around and participating in the community.

(w) "Local initiative" means a prepaid health plan that is organized by, or designated by, a county government or county governments, or organized by stakeholders, of a region designated by the department to provide comprehensive health care to eligible Medi-Cal beneficiaries, including the entities established pursuant to Sections 14018.7, 14087.31, 14087.35, 14087.36, 14087.38, and 14087.96 of the Welfare and Institutions Code.

(x) "Long-term services and supports" means long-term care, treatment, maintenance, or services related to health conditions, injury, or age, that are needed to support the activities of daily living and the instrumental activities of daily living for a person with a disability, including all long-term services and supports as defined in Section 14186.1 of the Welfare and Institutions Code, home- and community-based services, additional services and supports identified by the board to support people with disabilities to live, work, and participate in their communities, and those as defined by the board.

(y) "Medicaid" or "medical assistance" means a program that is one of the following:

(1) The state's Medi-Cal program under Title XIX of the federal Social Security Act (42 U.S.C. Sec. 1396 et seq.).

(2) The federal Children's Health Insurance Program under Title XXI of the federal Social Security Act (42 U.S.C. Sec. 1397aa et seq.).

(z) "Medically necessary or appropriate" means the health care items, services, or supplies needed or appropriate to prevent, diagnose, or treat an illness, injury, condition, or disease, or its symptoms, and that meet accepted standards of medicine as determined by a patient's treating physician or other individual health care professional who is treating the patient, and, according to that health care professional's scope of practice and licensure, is authorized to establish a medical diagnosis and has made an assessment of the patient's condition.

(aa) "Medicare" means Title XVIII of the federal Social Security Act (42 U.S.C. Sec. 1395 et seq.) and the programs thereunder.

(ab) "Member" means an individual who is enrolled in CalCare.

(ac) "Out-of-state health care service" means a health care item or service provided in person to a member while the member is temporarily, for no more than 90 days, and physically located out of the state under either of the following circumstances:

(1) It is medically necessary or appropriate that the health care item or service be provided while the member physically is out of the state.

(2) It is medically necessary or appropriate, and cannot be provided in the state, because the health care item or service can only be provided by a particular health care provider physically located out of the state.

(ad) "Participating provider" means an individual or entity that is a health care provider qualified under Section 100630 that has a participation agreement pursuant to Section 100631 in effect with the board to furnish health care items or services under CalCare.

(ae) "Prescription drugs" means prescription drugs as defined in subdivision (n) of Section 130501 of the Health and Safety Code.

(af) "Resident" means an individual whose primary place of abode is in this state, without regard to the individual's immigration status, who meets the California residence requirements adopted by the board pursuant to subdivision (k) of Section 100610. The board shall be guided by the principles and requirements set forth in the Medi-Cal program under Article 7 (commencing with Section 50320) of Chapter 2 of Subdivision 1 of Division 3 of Title 22 of the California Code of Regulations.

(ag) "Rural or medically underserved area" has the same meaning as a "health professional shortage area" in Section 254e of Title 42 of the United States Code.

100603. This title does not preempt a city, county, or city and county from adopting additional health care coverage for residents in that city, county, or city and county that provides more protections and benefits to California residents than this title.

100604. To the extent any law is inconsistent with this title or the legislative intent of the California Guaranteed Health Care for All Act, this title shall apply and prevail, except when explicitly provided otherwise by this title.

CHAPTER 2. Governance

100610. (a) CalCare shall be governed by an executive board, known as the CalCare Board, consisting of nine voting members who are residents of California. The CalCare Board shall be an independent public entity not affiliated with an agency or department. Of the members of the board, five shall be appointed by the Governor, two shall be appointed by the Senate Committee on Rules, and two shall be appointed by the Speaker of the Assembly. The Secretary of California Health and Human Services or the secretary's designee shall serve as a nonvoting, ex officio member of the board.

(b) (1) A member of the board, other than an ex officio member, shall be appointed for a term of four years, except that the initial appointment by the Senate Committee on Rules shall be for a term of five years, and the initial appointment by the Speaker of the Assembly shall be for a term of two years. These members may be reappointed for succeeding four-year terms.

(2) Appointments by the Governor shall be subject to confirmation by the Senate. A member of the board may continue to serve until the appointment and qualification of the member's successor. Vacancies shall be filled by appointment for the unexpired term. The board shall elect a chairperson on an annual basis.

(c) (1) Each person appointed to the board shall have demonstrated and acknowledged expertise in health care policy or delivery.

(2) Appointing authorities shall also consider the expertise of the other members of the board and attempt to make appointments so that the board's composition reflects a diversity of expertise in the various aspects of health care and the diversity of various regions within the state.

(3) Appointments to the board shall be made as follows:

(A) Two health care professionals who practice medicine.

(B) One registered nurse.

(C) One public health professional.

(D) One mental health professional.

(E) One member with an institutional provider background.

(F) One representative of a not-for-profit organization that advocates for individuals who use health care in California

(G) One representative of a labor organization.

(H) One member of the committee established pursuant to Section 100611, who shall serve on a rotating basis to be determined by the committee.

(d) Each member of the board shall have the responsibility and duty to meet the requirements of this title and all applicable state and federal laws and regulations, to serve the public interest of the individuals, employers, and taxpayers seeking health care coverage through CalCare, and to ensure the operational well-being and fiscal solvency of CalCare.

(e) In making appointments to the board, the appointing authorities shall take into consideration the racial, ethnic, gender, and geographical diversity of the state so that the board's composition reflects the communities of California.

(f) (1) A member of the board or of the staff of the board shall not be employed by, a consultant to, a member of the board of directors of, affiliated with, or otherwise a representative of, a health care professional, institutional provider, or group practice while serving on the board or on the staff of the board, except board members who are practicing health care professionals may be employed by an institutional provider or group practice. A member of the board or of the staff of the board shall not be a board member or an employee of a trade association of health professionals, institutional providers, or group practices while serving on the board or on the staff of the board. A member of the board or of the staff of the board may be a health care professional if that member does not have an ownership interest in an institutional provider or a professional health care practice.

(2) Notwithstanding Section 11009, a board member shall receive compensation for service on the board. A board member may receive a per diem and reimbursement for travel and other necessary expenses, as provided in Section 103 of the Business and Professions Code, while engaged in the performance of official duties of the board.

(g) A member of the board shall not make, participate in making, or in any way attempt to use the member's official position to influence the making of a decision that the member knows, or has reason to know, will have a reasonably foreseeable material financial effect, distinguishable from its effect on the public generally, on the member or a person in the member's immediate family, or on either of the following:

(1) Any source of income, other than gifts and other than loans by a commercial lending institution in the regular course of business on terms available to the public without regard to official status aggregating two hundred fifty dollars (\$250) or more in value provided to, received by, or promised to the member within 12 months before the decision is made.

(2) Any business entity in which the member is a director, officer, partner, trustee, employee, or holds any position of management.

(h) There shall not be liability in a private capacity on the part of the board or a member of the board, or an officer or employee of the board, for or on account of an act performed or obligation entered into in an official capacity, when done in good faith, without intent to defraud, and in connection with the administration, management, or conduct of this title or affairs related to this title.

(i) The board shall hire an executive director to organize, administer, and manage the operations of the board. The executive director shall be exempt from civil service and shall serve at the pleasure of the board.

(j) The board shall be subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2), except that the board may hold closed sessions when considering matters related to litigation, personnel, contracting, and provider rates.

(k) The board may adopt rules and regulations as necessary to implement and administer this title in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2).

100611. (a) The board shall convene a CalCare Public Advisory Committee to advise the board on all matters of policy for CalCare. The committee shall consist of members who are residents of California.

(b) Members of the committee shall be appointed by the board for a term of two years. These members may be reappointed for succeeding two-year terms.

(c) The members of the committee shall be as follows:

(1) Four health care professionals.

(2) One registered nurse.

(3) One representative of a licensed health facility.

(4) One representative of an essential community provider

(5) One representative of a physician organization or medical group.

(6) One behavioral health provider.

(7) One dentist or oral care specialist.

(8) One representative of private hospitals.

(9) One representative of public hospitals.

(10) One individual who is enrolled in and uses health care items and services under CalCare.

(11) Two representatives of organizations that advocate for individuals who use health care in California, including at least one representative of an organization that advocates for the disabled community.

(12) Two representatives of organized labor, including at least one labor organization representing registered nurses.

(d) In convening the committee pursuant to this section, the board shall make good faith efforts to ensure that their appointments, as a whole, reflect, to the greatest extent feasible, the social and geographic diversity of the state.

(e) Members of the committee shall serve without compensation, but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties to the extent that reimbursement for those expenses is not otherwise provided or payable by another public agency or agencies, and shall receive one hundred fifty dollars (\$150) for each full day of attending meetings of the committee. For purposes of this section, "full day of attending a meeting" means presence at, and participation in, not less than 75 percent of the total meeting time of the committee during any particular 24-hour period.

(f) The committee shall meet at least once every quarter, and shall solicit input on agendas and topics set by the board. All meetings of the committee shall be open to the public, pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2).

(g) The committee shall elect a chairperson who shall serve for two years and who may be reelected for an additional two years.

(h) Committee members, or their assistants, clerks, or deputies, shall not use for personal benefit any information that is filed with, or obtained by, the committee and that is not generally available to the public.

100612. (a) The board shall have all powers and duties necessary to establish and implement CalCare. The board shall provide, under CalCare, comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state.

(b) The board shall, to the maximum extent possible, organize, administer, and market CalCare and services as a single-payer program under the name "CalCare" or any other name as the board determines, regardless of which law or source the definition of a benefit is found, including, on a voluntary basis, retiree health benefits. In implementing this title, the board shall avoid jeopardizing federal financial participation in the programs that are incorporated into CalCare and shall take care to promote public understanding and awareness of available benefits and programs.

(c) The board shall consider any matter to effectuate the provisions and purposes of this title. The board shall not have executive, administrative, or appointive duties except as otherwise provided by law.

(d) The board shall designate the executive director to employ necessary staff and authorize reasonable, necessary expenditures from the CalCare Trust Fund to pay program expenses and to administer CalCare. The executive director shall hire or designate another to hire staff, who shall not be exempt from civil service, to implement fully the purposes and intent of CalCare. The executive director, or the executive director's designee, shall give preference in hiring to all individuals displaced or unemployed as a direct result of the implementation of CalCare, including as set forth in Section 100615.

(e) The board shall do or delegate to the executive director all of the following:

(1) Determine goals, standards, guidelines, and priorities for CalCare.

(2) Annually assess projected revenues and expenditures and assure financial solvency of CalCare.

(3) Develop CalCare's budget pursuant to Section 100667 to ensure adequate funding to meet the health care needs of the population, and review all budgets annually to ensure they address disparities in service availability and health care outcomes and for sufficiency of rates, fees, and prices to address disparities.

(4) Establish standards and criteria for the development and submission of provider operating and capital expenditure requests pursuant to Article 2 (commencing with Section 100640) of Chapter 5.

(5) Establish standards and criteria for the allocation of funds from the CalCare Trust Fund pursuant to Section 100667.

(6) Determine when individuals may begin enrolling in CalCare. There shall be an implementation period that begins on the date that individuals may begin enrolling in CalCare and ends on a date determined by the board.

(7) Establish an enrollment system that ensures all eligible California residents, including those who travel out of state, those who have disabilities that limit their mobility, hearing, vision or mental or cognitive capacity, those who cannot read, and those who do not speak or write English, are aware of their right to health care and are formally enrolled in CalCare.

(8) Negotiate payment rates, set payment methodologies, and set prices involving aspects of CalCare and establish procedures thereto, including procedures for negotiating fee-for-service payment to certain participating providers pursuant to Chapter 8 (commencing with Section 100675).

(9) Oversee the establishment, as part of the administration of CalCare, of the committee pursuant to Section 100611.

(10) Implement policies to ensure that all Californians receive culturally, linguistically, and structurally competent care, pursuant to Chapter 6 (commencing with Section 100650), ensure that all disabled Californians receive care in accordance with the federal Americans with Disabilities Act (42 U.S.C. Sec. 12101 et seq.) and Section 504 of the federal Rehabilitation Act of 1973 (29 U.S.C. Sec. 794), and develop mechanisms and incentives to achieve these purposes and a means to monitor the effectiveness of efforts to achieve these purposes.

(11) Establish standards for mandatory reporting by participating providers and penalties for failure to report, including reporting of data pursuant to Section 100616 and to Section 100631.

(12) Implement policies to ensure that all residents of this state have access to medically appropriate, coordinated mental health services.

(13) Ensure the establishment of policies that support the public health.

(14) Meet regularly with the committee.

(15) Determine an appropriate level of, and provide support during the transition for, training and job placement for persons who are displaced from employment as a result of the initiation of CalCare pursuant to Section 100615.

(16) In consultation with the Department of Managed Health Care, oversee the establishment of a system for resolution of disputes pursuant to Section 100627 and a system for independent medical review pursuant to Section 100627.

(17) Establish and maintain an internet website that provides information to the public about CalCare that includes information that supports choice of providers and facilities and informs the public about meetings of the board and the committee.

(18) Establish a process that is accessible to all Californians for CalCare to receive the concerns, opinions, ideas, and recommendations of the public regarding all aspects of CalCare.

(19) (A) Annually prepare a written report on the implementation and performance of CalCare functions during the preceding fiscal year, that includes, at a minimum:

(i) The manner in which funds were expended.

(ii) The progress toward and achievement of the requirements of this title.

(iii) CalCare's fiscal condition.

(iv) Recommendations for statutory changes.

(v) Receipt of payments from the federal government and other sources.

(vi) Whether current year goals and priorities have been met.

(vii) Future goals and priorities.

(B) The report shall be transmitted to the Legislature and the Governor, on or before October 1 of each year and at other times pursuant to this division, and shall be made available to the public on the internet website of CalCare.

(C) A report made to the Legislature pursuant to this subdivision shall be submitted pursuant to Section 9795 of the Government Code.

(f) The board may do or delegate to the executive director all of the following:

(1) Negotiate and enter into any necessary contracts, including contracts with health care providers and health care professionals.

(2) Sue and be sued.

(3) Receive and accept gifts, grants, or donations of moneys from any agency of the federal government, any agency of the state, and any municipality, county, or other political subdivision of the state.

(4) Receive and accept gifts, grants, or donations from individuals, associations, private foundations, and corporations, in compliance with the conflict-of-interest provisions to be adopted by the board by regulation.

(5) Share information with relevant state departments, consistent with the confidentiality provisions in this title, necessary for the administration of CalCare.

(g) A carrier may not offer benefits or cover health care items or services for which coverage is offered to individuals under CalCare, but may, if otherwise authorized, offer benefits to cover health care items or services that are not offered to individuals under CalCare. However, this title does not prohibit a carrier from offering either of the following:

(1) Benefits to or for individuals, including their families, who are employed or self-employed in the state, but who are not residents of the state.

(2) Benefits during the implementation period to individuals who enrolled or may enroll as members of CalCare.

(h) After the end of the implementation period, a person shall not be a board member unless the person is a member of CalCare, except the ex officio member.

(i) No later than two years after the effective date of this section, the board shall develop proposals for both of the following:

(1) Accommodating employer retiree health benefits for people who have been members of the Public Employees' Retirement System, but live as retirees out of the state.

(2) Accommodating employer retiree health benefits for people who earned or accrued those benefits while residing in the state before the implementation of CalCare and live as retirees out of the state.

(j) The board shall develop a proposal for CalCare coverage of health care items and services currently covered under the workers' compensation system, including whether and how to continue funding for those item and

services under that system and how to incorporate experience rating.

100613. The board may contract with not-for-profit organizations to provide both of the following:

- (a) Assistance to CalCare members with respect to selection of a participating provider, enrolling, obtaining health care items and services, disenrolling, and other matters relating to CalCare.
- (b) Assistance to a health care provider providing, seeking, or considering whether to provide health care items and services under CalCare.

100614. (a) There is hereby established in state government an Advisory Commission on Long-Term Services and Supports, to advise the board on matters of policy related to long-term services and supports for CalCare.

(b) The advisory commission shall consist of eleven members who are residents of California. Of the members of the advisory commission, five shall be appointed by the Governor, three shall be appointed by the Senate Committee on Rules, and three shall be appointed by the Speaker of the Assembly. The members of the advisory commission shall include all of the following:

- (1) At least two people with disabilities who use long-term services and supports.
- (2) At least two older adults who use long-term services and supports.
- (3) At least two providers of long-term services and supports, including one family attendant or family caregiver.
- (4) At least one representative of a disability rights organization.
- (5) At least one representative or member of a labor organization representing workers who provide long-term services and supports.
- (6) At least one representative of a group representing seniors.
- (7) At least one researcher or academic in long-term services and supports.

(c) In making appointments pursuant to this section, the Governor, the Senate Committee on Rules, and the Speaker of the Assembly shall make good faith efforts to ensure that their appointments, as a whole, reflect, to the greatest extent feasible, the diversity of the population of people who use long-term services and supports, including their race, ethnicity, national origin, primary language use, age, disability, sex, including gender identity and sexual orientation, geographic location, and socioeconomic status.

(d) (1) A member of the board may continue to serve until the appointment and qualification of that member's successor. Vacancies shall be filled by appointment for the unexpired term.

(2) Members of the advisory commission shall be appointed for a term of four years, except that the initial appointment by the Senate Committee on Rules shall be for a term of five years, and the initial appointment by the Speaker of the Assembly shall be for a term of two years. These members may be reappointed for succeeding four-year terms.

(3) Vacancies that occur shall be filled within 30 days after the occurrence of the vacancy, and shall be filled in the same manner in which the vacating member was initially selected or appointed. The Secretary of California Health and Human Services shall notify the appropriate appointing authority of any expected vacancies on the long-term services and supports advisory commission.

(e) Members of the advisory commission shall serve without compensation, but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties to the extent that reimbursement for those expenses is not otherwise provided or payable by another public agency or agencies. Members shall also receive one hundred fifty dollars (\$150) for each full day of attending meetings of the advisory commission. For purposes of this section, "full day of attending a meeting" means presence at, and participation in, not less than 75 percent of the total meeting time of the advisory commission during any particular 24-hour period.

(f) The advisory commission shall meet at least six times per year in a place convenient to the public. All meetings of the advisory commission shall be open to the public, pursuant to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2).

(g) The advisory commission shall elect a chairperson who shall serve for two years and who may be reelected for an additional two years.

(h) It is unlawful for the advisory commission members or any of their assistants, clerks, or deputies to use for personal benefit any information that is filed with, or obtained by, the advisory commission and that is not generally available to the public.

100615. (a) The board shall provide funds from the CalCare Trust Fund or funds otherwise appropriated for this purpose to the Secretary of Labor and Workforce Development for program assistance to individuals employed or previously employed in the fields of health insurance, health care service plans, or other third-party payments for health care, individuals providing services to health care providers to deal with third-party payers for health care, individuals who may be affected by and who may experience economic dislocation as a result of the implementation of this title, and individuals whose jobs may be or have been ended as a result of the implementation of CalCare, consistent with otherwise applicable law.

(b) Assistance described in subdivision (a) shall include job training and retraining, job placement, preferential hiring, wage replacement, retirement benefits, and education benefits.

100616. (a) The board shall utilize the data collected pursuant to Chapter 1 (commencing with Section 128675) of Part 5 of Division 107 of the Health and Safety Code to assess patient outcomes and to review utilization of health care items and services paid for by CalCare.

(b) As applicable to the type of provider, the board shall require and enforce the collection and availability of all of the following data to promote transparency, assess quality of care, compare patient outcomes, and review utilization of health care items and services paid for by CalCare, which shall be reported to the board and, as applicable, the Office of Statewide Health Planning and Development or the Medical Board of California:

(1) Inpatient discharge data, including severity of illness and risk of mortality, with respect to each discharge.

(2) Emergency department, ambulatory surgical center, and other outpatient department data, including cost data, charge data, length of stay, and patients' unit of observation with respect to each individual receiving health care items and services.

(3) For hospitals and other providers receiving global budgets, annual financial data, including all of the following:

(A) Community benefit activities, including charity care, to which Section 501(r) of Title 26 of the United States Code applies, provided by the provider in dollar value at cost.

(B) Number of employees by employee classification or job title and by patient care unit or department.

(C) Number of hours worked by the employees in each patient care unit or department.

(D) Employee wage information by job title and patient care unit or department.

(E) Number of registered nurses per staffed bed by patient care unit or department.

(F) A description of all information technology, including health information technology and artificial intelligence, used by the provider and the dollar value of that information technology.

(G) Annual spending on information technology, including health information technology, artificial intelligence, purchases, upgrades, and maintenance.

(4) Risk-adjusted and raw outcome data, including:

(A) Risk-adjusted outcome reports for medical, surgical, and obstetric procedures selected by the Office of Statewide Health Planning and Development pursuant to Sections 128745 to 128750, inclusive, of the Health and Safety Code.

(B) Any other risk-adjusted outcome reports that the board may require for medical, surgical, and obstetric procedures and conditions as it deems appropriate.

(5) A disclosure made by a provider as set forth in Article 6 (commencing with Section 650) of Chapter 1 of Division 2 of the Business and Professions Code.

(c) (1) The Medical Board of California shall collect data for the outpatient surgery settings that the medical board regulates that meets the Ambulatory Surgery Data Record requirements of Section 128737 of the Health and Safety Code, and shall submit that data to the CalCare board.

(2) The CalCare board shall make that data available as required pursuant to subdivision (d).

(d) The board shall make all disclosed data collected under this section publicly available and searchable through an internet website and through the Office of Statewide Health Planning and Development public data sets.

(e) Consistent with state and federal privacy laws, the board shall make available data collected through CalCare to the Office of Statewide Health Planning and Development and the California Health and Human Services Agency, consistent with this title and otherwise applicable law, to promote and protect public, environmental, and occupational health.

(f) Before full implementation of CalCare, and, for providers seeking to receive global budgets or salaried payments under Article 2 (commencing with Section 100640) of Chapter 5, as applicable, before the negotiation of initial payments, the board shall provide for the collection and availability of the following data:

(1) The number of patients served.

(2) The dollar value of the care provided, at cost, for all of the following categories of Office of Statewide Health Planning and Development data items:

(A) Patients receiving charity care.

(B) Contractual adjustments of county and indigent programs, including traditional and managed care.

(C) Bad debts or any other unpaid charges for patient care that the provider sought, but was unable to collect.

(g) The board shall regularly analyze information reported under this section and shall establish rules and regulations to allow researchers, scholars, participating providers, and others to access and analyze data for purposes consistent with this title, without compromising patient privacy.

(h) (1) The board shall establish regulations for the collection and reporting of data to promote transparency, assess patient outcomes, and review utilization of services provided by physicians and other health care professionals, as applicable, and paid for by CalCare.

(2) In implementing this section, the board shall utilize data that is already being collected pursuant to other state or federal laws and regulations whenever possible.

(3) Data reporting required by participating providers under this section shall supplement the data collected by the Office of Statewide Health Planning and Development and shall not modify or alter other reporting requirements to governmental agencies.

(i) The board shall not utilize quality or other review measures established under this section for the purposes of establishing payment methods to providers.

(j) The board may coordinate and cooperate with the Office of Statewide Health Planning and Development or other health planning agencies of the state to implement the requirements of this section.

100617. (a) The board shall establish and use a process to enter into participation agreements with health care providers and other contracts with contractors. A contract entered into pursuant to this title shall be exempt from Part 2 (commencing with Section 10100) of Division 2 of the Public Contract Code, and shall be exempt from the review or approval of the Department of General Services. The board shall adopt a CalCare Contracting Manual incorporating procurement and contracting policies and procedures that shall be followed by CalCare. The policies and procedures in the manual shall be substantially similar to the provisions contained in the State Contracting Manual.

(b) The adoption, amendment, or repeal of a regulation by the board to implement this section, including the adoption of a manual pursuant to subdivision (a) and any procurement process conducted by CalCare in accordance with the manual, is exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).

100618. (a) Notwithstanding any other law, CalCare, a state or local agency, or a public employee acting under color of law shall not provide or disclose to anyone, including the federal government, any personally identifiable information obtained, including a person's religious beliefs, practices, or affiliation, national origin, ethnicity, or immigration status, for law enforcement or immigration purposes.

(b) Notwithstanding any other law, law enforcement agencies shall not use CalCare moneys, facilities, property, equipment, or personnel to investigate, enforce, or assist in the investigation or enforcement of a criminal, civil, or administrative violation or warrant for a violation of a requirement that individuals register with the federal government or a federal agency based on religion, national origin, ethnicity, immigration status, or other protected category as recognized in the Unruh Civil Rights Act (Section 51 of the Civil Code).

CHAPTER 3. Eligibility and Enrollment

100620. (a) Every resident of the state shall be eligible and entitled to enroll as a member of CalCare.

(b) (1) A member shall not be required to pay a fee, payment, or other charge for enrolling in or being a member of CalCare.

(2) A member shall not be required to pay a premium, copayment, coinsurance, deductible, or any other form of cost sharing for all covered benefits under CalCare.

(c) A college, university, or other institution of higher education in the state may purchase coverage under CalCare for a student, or a student's dependent, who is not a resident of the state.

(d) An individual entitled to benefits through CalCare may obtain health care items and services from any institution, agency, or individual participating provider.

(e) The board shall establish a process for automatic CalCare enrollment at the time of birth in California.

100621. (a) All residents of this state, no matter what their sex, race, color, religion, ancestry, national origin, disability, age, previous or existing medical condition, genetic information, marital status, familial status, military or veteran status, sexual orientation, gender identity or expression, pregnancy, pregnancy-related medical condition, including termination of pregnancy, citizenship, primary language, or immigration status, are entitled to full and equal accommodations, advantages, facilities, privileges, or services in all health care providers participating in CalCare.

(b) Subdivision (a) prohibits a participating provider, or an entity conducting, administering, or funding a health program or activity pursuant to this title, from discriminating based upon the categories described in subdivision (a) in the provision, administration, or implementation of health care items and services through CalCare.

(c) Discrimination prohibited under this section includes the following:

(1) Exclusion of a person from participation in or denial of the benefits of CalCare, except as expressly authorized by this title for the purposes of enforcing eligibility standards in Section 100620.

(2) Reduction of a person's benefits.

(3) Any other discrimination by any participating provider or any entity conducting, administering, or funding a health program or activity pursuant to this title.

(d) Section 52 of the Civil Code shall apply to discrimination under this section.

(e) Except as otherwise provided in this section, a participating provider or entity is in violation of subdivision (b) if the complaining party demonstrates that any of the categories listed in subdivision (a) was a motivating factor for any health care practice, even if other factors also motivated the practice.

CHAPTER 4. Benefits

100625. (a) Individuals enrolled for benefits under CalCare are entitled to have payment made by CalCare to a participating provider for the health care items and services in subdivision (c), if medically necessary or appropriate for the maintenance of health or for the prevention, diagnosis, treatment, or rehabilitation of a health condition.

(b) The determination of medical necessity or appropriateness shall be made by the member's treating physician or by a health care professional who is treating that individual and is authorized to make that determination in accordance with the scope of practice, licensing, the program standards established in Chapter 6 (commencing with Section 100650) and by the board, and other laws of the state.

(c) Covered health care benefits for members include all of the following categories of health care items and services:

- (1) Inpatient and outpatient medical and health facility services, including hospital services and 24-hour-a-day emergency services.
- (2) Inpatient and outpatient health care professional services and other ambulatory patient services.
- (3) Primary and preventive services, including chronic disease management.
- (4) Prescription drugs and biological products.
- (5) Medical devices, equipment, appliances, and assistive technology.
- (6) Mental health and substance abuse treatment services, including inpatient and outpatient care.
- (7) Diagnostic imaging, laboratory services, and other diagnostic and evaluative services.
- (8) Comprehensive reproductive, maternity, and newborn care.
- (9) Pediatrics.
- (10) Oral health, audiology, and vision services.
- (11) Rehabilitative and habilitative services and devices, including inpatient and outpatient care.
- (12) Emergency services and transportation.
- (13) Early and periodic screening, diagnostic, and treatment services as defined in Section 1396d(r) of Title 42 of the United States Code.
- (14) Necessary transportation for health care items and services for persons with disabilities or who may qualify as low income.
- (15) Long-term services and supports described in Section 100626, including long-term services and supports covered under Medi-Cal (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code) or the federal Children's Health Insurance Program (Title XXI of the federal Social Security Act (42 U.S.C. Sec. 1397aa et seq.))
- (16) Any additional health care items and services the board authorizes to be added to CalCare benefits.

(d) The categories of covered health care items and services under subdivision (c) include all the following:

- (1) Prosthetics, eyeglasses, and hearing aids and the repair, technical support, and customization needed for their use by an individual.
- (2) Child and adult immunizations.
- (3) Hospice care.
- (4) Care in a skilled nursing facility.
- (5) Home health care, including health care provided in an assisted living facility.
- (6) Prenatal and postnatal care.
- (7) Podiatric care.
- (8) Blood and blood products.
- (9) Dialysis.
- (10) Community-based adult services as defined under Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code as of January 1, 2021.
- (11) Dietary and nutritional therapies determined appropriate by the board.
- (12) Therapies that are shown by the National Center for Complementary and Integrative Health in the National Institutes of Health to be safe and effective, including chiropractic care and acupuncture.

(13) Health care items and services previously covered by county integrated health and human services programs pursuant to Chapter 12.96 (commencing with Section 18990) and Chapter 12.991 (commencing with Section 18991) of Part 6 of Division 9 of the Welfare and Institutions Code.

(14) Health care items and services previously covered by a regional center for persons with developmental disabilities pursuant to Chapter 5 (commencing with Section 4620) of Division 4.5 of the Welfare and Institutions Code.

(15) Language interpretation and translation for health care items and services, including sign language and braille or other services needed for individuals with communication barriers.

(e) Covered health care items and services under CalCare include all health care items and services required to be covered under the following provisions, without regard to whether the member would be eligible for or covered by the source referred to:

(1) The federal Children's Health Insurance Program (Title XXI of the federal Social Security Act (42 U.S.C. Sec. 1397aa et seq.)).

(2) Medi-Cal (Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code).

(3) The federal Medicare program pursuant to Title XVIII of the federal Social Security Act (42 U.S.C. Sec. 1395 et seq.).

(4) Health care service plans pursuant to the Knox-Keene Health Care Service Plan Act of 1975 (Chapter 2.2 (commencing with Section 1340) of Division 2 of the Health and Safety Code).

(5) Health insurers, as defined in Section 106 of the Insurance Code, pursuant to Part 2 (commencing with Section 10110) of Division 2 of the Insurance Code.

(6) All essential health benefits mandated by the federal Patient Protection and Affordable Care Act as of January 1, 2017.

(f) Health care items and services covered under CalCare shall not be subject to prior authorization or a limitation applied through the use of step therapy protocols.

100626. (a) Subject to the other provisions of this title, individuals enrolled for benefits under CalCare are entitled to have payment made by CalCare to an eligible provider for long-term services and supports, in accordance with the standards established in this title, for care, services, diagnosis, treatment, rehabilitation, or maintenance of health related to a medically determinable condition, whether physical or mental, of health, injury, or age, that either:

(1) Causes a functional limitation in performing one or more activities of daily living or in instrumental activities of daily living.

(2) Is a disability, as defined in Section 12102(1)(A) of Title 42 of the United States Code, that substantially limits one or more of the member's major life activities.

(b) The board shall adopt regulations that provide for the following:

(1) The determination of individual eligibility for long-term services and supports under this section.

(2) The assessment of the long-term services and supports needed for an eligible individual.

(3) The automatic entitlement of an individual who receives or is approved to receive disability benefits from the federal Social Security Administration under the federal Social Security Disability Insurance program established in Title II or Title XVI of the federal Social Security Act to the long-term services and supports under this section.

(c) Long-term services and supports provided pursuant to this section shall do all of the following:

(1) Include long-term nursing services for a member, whether provided in an institution or in a home- and community-based setting.

(2) Provide coverage for a broad spectrum of long-term services and supports, including home- and community-based services, other care provided through noninstitutional settings, and respite care.

(3) Provide coverage that meets the physical, mental, and social needs of a member while allowing the member the member's maximum possible autonomy and the member's maximum possible civic, social, and economic participation.

(4) Prioritize delivery of long-term services and supports through home- and community-based services over institutionalization.

(5) Unless a member chooses otherwise, ensure that the member receives home- and community-based long-term services and supports regardless of the recipient's type or level of disability, service need, or age.

(6) Have the goal of enabling persons with disabilities to receive services in the least restrictive and most integrated setting appropriate to the member's needs.

(7) Be provided in a manner that allows persons with disabilities to maintain their independence, self-determination, and dignity.

(8) Provide long-term services and supports that are of equal quality and equitably accessible across geographic regions.

(9) Ensure that long-term services and supports provide recipients the option of self-direction of service, including under the Self-Directed Services Program described in Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code, from either the recipient or care coordinators of the recipient's choosing.

(d) In developing regulations to implement this section, the board shall consult the advisory commission established pursuant to Section 100614.

100627. (a) (1) The board shall, on a regular basis and at least annually, evaluate whether the benefits under CalCare should be expanded or adjusted to promote the health of members and California residents, account for changes in medical practice or new information from medical research, or respond to other relevant developments in health science.

(2) In implementing this section, the board shall not remove or eliminate covered health care items and services under CalCare that are listed in this chapter.

(b) The board shall establish a process by which health care professionals, other clinicians, and members may petition the board to add or expand benefits to CalCare.

(c) The board shall establish a process by which individuals may bring a disputed health care item or service or a coverage decision for review to the Independent Medical Review System established in the Department of Managed Health Care pursuant to Article 5.55 (commencing with Section 1374.30) of Chapter 2.2 of Division 2 of the Health and Safety Code.

(d) For the purposes of this chapter:

(1) "Coverage decision" means the approval or denial of health care items or services by a participating provider or a health care professional who is employed by or otherwise receives compensation or payment for items and services furnished under CalCare from a participating provider, substantially based on a finding that the provision of a particular service is included or excluded as a covered item or service under CalCare. A "coverage decision" does not encompass a decision regarding a disputed health care item or service.

(2) "Disputed health care item or service" means a health care item or service eligible for coverage and payment under CalCare that has been denied, modified, or delayed by a decision of a participating provider or a health care professional who is employed by or otherwise receives compensation or payment for health care items and services furnished under CalCare from a participating provider, in whole or in part, due to a finding that the service is not medically necessary or appropriate. A decision regarding a disputed health care item or service relates to the practice of medicine, including early discharge from an institutional provider, and is not a coverage decision.

CHAPTER 5. Delivery of Care

Article 1. Health Care Providers

100630. (a) (1) A health care provider or entity is qualified to participate as a provider in CalCare if the health care provider furnishes health care items and services while the provider, or, if the provider is an entity, the

individual health care professional of the entity furnishing the health care items and services, is physically present within the State of California, and if the provider meets all of the following:

(A) The provider or entity is a health care professional, group practice, or institutional health care provider licensed to practice in California.

(B) The provider or entity agrees to accept CalCare rates as payment in full for all covered health care items and services.

(C) The provider or entity has filed with the board a participation agreement described in Section 100631.

(D) The provider or entity is otherwise in good standing.

(2) The board shall establish and maintain procedures and standards for recognizing health care providers located out of the state for purposes of providing coverage under CalCare for members who require out-of-state health care services while the member is temporarily located out of the state.

(b) A provider or entity shall not be qualified to furnish health care items and services under CalCare if the provider or entity does not provide health care items or services directly to individuals, including the following:

(1) Entities or providers that contract with other entities or providers to provide health care items and services shall not be considered a qualified provider for those contracted items and services.

(2) Entities that are approved to coordinate care plans under the Medicare Advantage program established in Part C of Title XVIII of the federal Social Security Act (42 U.S.C. Sec. 1851 et seq.) as of January 1, 2020, but do not directly provide health care items and services.

(c) A health care provider qualified to participate under this section may provide covered health care items or services under CalCare, as long as the health care provider is legally authorized to provide the health care item or service for the individual and under the circumstances involved.

(d) The board shall establish and maintain procedures for members and individuals eligible to enroll in CalCare to enroll onsite at a participating provider.

(e) The board shall establish and maintain procedures and standards for members to select a primary care physician, which may be an internist, a pediatrician, a physician who practices family medicine, a gynecologist, a physician who practices geriatric medicine, or, at the option of a member who has a chronic condition that requires specialty care, a specialist health care professional who regularly and continually provides treatment to the member for that condition.

(f) A referral from a primary care provider is not required for a member to see a participating provider.

(g) A member may choose to receive health care items and services under CalCare from a participating provider, subject to the willingness or availability of the provider, and consistent with the provisions of this title relating to discrimination, and the appropriate clinically relevant circumstances and standards.

100631. (a) A health care provider shall enter into a participation agreement with the board to qualify as a participating provider under CalCare.

(b) A participation agreement between the board and a health care provider shall include provisions for at least the following, as applicable to each provider:

(1) Health care items and services to members shall be furnished by the provider without discrimination, as required by Section 100621. This paragraph does not require the provision of a type or class of health care items or services that are outside the scope of the provider's normal practice.

(2) A charge shall not be made to a member for a covered health care item or service, other than for payment authorized by this title. Except as described in Section 100634, a contract shall not be entered into with a patient for a covered health care item or service.

(3) The provider shall follow the policies and procedures in the CalCare Contracting Manual established pursuant to Section 100617.

(4) The provider shall furnish information reasonably required by the board and shall meet the reporting requirements of Sections 100616 and 100651 for at least the following:

- (A) Quality review by designated entities.
 - (B) Making payments, including the examination of records as necessary for the verification of information on which those payments are based.
 - (C) Statistical or other studies required for the implementation of this title.
 - (D) Other purposes specified by the board.
- (5) If the provider is not an individual, the provider shall not employ or use an individual or other provider that has had a participation agreement terminated for cause to provide covered health care items and services.
- (6) If the provider is paid on a fee-for-service basis for covered health care items and services, the provider shall submit bills and required supporting documentation relating to the provision of covered health care items or services within 30 days after the date of providing those items or services.
- (7) The provider shall submit information and any other required supporting documentation reasonably required by the board on a quarterly basis that relates to the provision of covered health care items and services and describes health care items and services furnished with respect to specific individuals.
- (8) (A) If the provider receives payment based on provider data on diagnosis-related coding, procedure coding, or other coding system or data, the provider shall disclose the following to the board:
- (i) Any case mix indexes, diagnosis coding software, procedure coding software, or other coding system utilized by the provider for the purposes of meeting payment, global budget, or other disclosure requirements under this title.
 - (ii) Any case mix indexes, diagnosis coding guidelines, procedure coding guidelines, or coding tip sheets used by the provider for the purposes of meeting payment or disclosure requirements under this title.
- (B) If the provider receives payment based on provider data on diagnosis-related coding, procedure coding, or other coding system or data, the provider shall not do the following:
- (i) Use proprietary case mix indexes, diagnosis coding software, procedure coding software, or other coding system for the purposes of meeting payment, global budget, or other disclosure requirements under this title.
 - (ii) Require another health care professional to apply case mix indexes, diagnosis coding software, procedure coding software, or other coding system in a manner that limits the clinical diagnosis, treatment process, or a treating health care professional's judgment in determining a diagnosis or treatment process, including the use of leading queries or prohibitions on using certain codes.
 - (iii) Provide financial incentives or disincentives to physicians, registered nurses, or other health care professionals for particular coding query results or code selections.
 - (iv) Use case mix indexes, diagnosis coding software, procedure coding software, or other coding system that make suggestions for higher severity diagnoses or higher cost procedure coding.
- (9) The provider shall comply with the duty of patient advocacy and reporting requirements described in Section 100651.
- (10) If the provider is not an individual, the provider shall ensure that a board member, executive, or administrator of the provider shall not receive compensation from, own stock or have other financial investments in, or receive services as a board member of an entity that contracts with or provides health care items or services, including pharmaceutical products and medical devices or equipment, to the provider.
- (11) If the provider is a not-for-profit hospital subject to Article 2 (commencing with Section 127340) of Chapter 2 of Part 2 of Division 107 of the Health and Safety Code, the hospital shall submit to the board the community benefits plan developed pursuant to Article 2 (commencing with Section 127340) of the Health and Safety Code.
- (12) Health care items and services to members shall be furnished by a health care professional while the professional is physically present within the State of California.
- (13) The provider shall not enter into risk-bearing, risk-sharing, or risk-shifting agreements with other health care providers or entities other than CalCare.
- (c) This section does not limit the formation of group practices.

100632. (a) A participation agreement may be terminated with appropriate notice by the board for failure to meet the requirements of this title or may be terminated by a provider.

(b) A participating provider shall be provided notice and a reasonable opportunity to correct deficiencies before the board terminates an agreement, unless a more immediate termination is required for public safety or similar reasons.

(c) The procedures and penalties under the Medi-Cal program for fraud or abuse pursuant to Sections 14107, 14107.11, 14107.12, 14107.13, 14107.2, 14107.3, 14107.4, 14107.5, and 14108 of the Welfare and Institutions Code shall apply to an applicant or provider under CalCare.

(d) For purposes of this section:

(1) "Applicant" means an individual, including an ordering, referring, or prescribing individual, partnership, group, association, corporation, institution, or entity, and the officers, directors, owners, managing employees, or agents thereof, that apply to the board to participate as a provider in CalCare.

(2) "Provider" means an individual, partnership, group, association, corporation, institution, or entity, and the officers, directors, owners, managing employees, or agents of a partnership, group association, corporation, institution, or entity, that provides services, goods, supplies, or merchandise, directly or indirectly, including all ordering, referring, and prescribing, to CalCare program members.

100633. (a) A person shall not discharge or otherwise discriminate against an employee on account of the employee or a person acting pursuant to a request of the employee for any of the following:

(1) Notifying the board, executive director, or employee's employer of an alleged violation of this title, including communications related to carrying out the employee's job duties.

(2) Refusing to engage in a practice made unlawful by this title, if the employee has identified the alleged illegality to the employer.

(3) Providing, causing to be provided, or being about to provide or cause to be provided to the provider, the federal government, or the Attorney General information relating to a violation of, or an act or omission the provider or representative reasonably believes to be a violation of, this title.

(4) Testifying before or otherwise providing information relevant for a state or federal proceeding regarding this title or a proposed amendment to this title.

(5) Commencing, causing to be commenced, or being about to commence or cause to be commenced a proceeding under this title.

(6) Testifying or being about to testify in a proceeding.

(7) Assisting or participating, or being about to assist or participate, in a proceeding or other action to carry out the purposes of this title.

(8) Objecting to, or refusing to participate in, an activity, policy, practice, or assigned task that the employee or representative reasonably believes to be in violation of this title or any order, rule, regulation, standard, or ban under this title.

(b) An employee covered by this section who alleges discrimination by an employer in violation of subdivision (a) may bring an action governed by the rules and procedures, legal burdens of proof, and remedies applicable under the False Claims Act (Article 9 (commencing with Section 12650) of Chapter 6 of Part 2 of Division 3 of Title 2) or Section 12990, or an action against unfair competition pursuant to Chapter 5 (commencing with Section 17200) of Part 2 of Division 7 of the Business and Professions Code.

(c) (1) This section does not diminish the rights, privileges, or remedies of an employee under any other law, regulation, or collective bargaining agreement. The rights and remedies in this section shall not be waived by an agreement, policy, form, or condition of employment.

(2) This section does not preempt or diminish any other law or regulation against discrimination, demotion, discharge, suspension, threats, harassment, reprimand, retaliation, or any other manner of discrimination.

(d) For purposes of this section:

(1) "Employer" means a person engaged in profit or not-for-profit business or industry, including one or more individuals, partnerships, associations, corporations, trusts, professional membership organization including a certification, disciplinary, or other professional body, unincorporated organizations, nongovernmental organizations, or trustees, and who is subject to liability for violating this title.

(2) "Employee" means an individual performing activities under this title on behalf of an employer.

100634. (a) This section shall be effective on the date the implementation period ends pursuant to paragraph (6) of subdivision (e) of Section 100612.

(b) (1) An institutional or individual provider with a participation agreement in effect shall not bill or enter into a private contract with an individual eligible for benefits through CalCare for a health care item or service that is a covered benefit through CalCare.

(2) An institutional or individual provider with a participation agreement in effect may bill or enter into a private contract with an individual eligible for benefits through CalCare for a health care item or service that is not a covered benefit through CalCare if the following requirements are met:

(A) The contract and provider meet the requirements specified in paragraphs (3) and (4).

(B) The health care item or service is not payable or available through CalCare.

(C) The provider does not receive reimbursement, directly or indirectly, from CalCare for the health care item or service, and does not receive an amount for the health care item or service from an organization that receives reimbursement, directly or indirectly, for the health care item or service from CalCare.

(3) (A) A contract described in paragraph (2) shall be in writing and signed by the individual, or authorized representative of the individual, receiving the health care item or service before the health care item or service is furnished pursuant to the contract, and shall not be entered into at a time when the individual is facing an emergency health care situation.

(B) A contract described in paragraph (2) shall clearly indicate to the individual receiving the health care item or service that by signing the contract, the individual agrees to all of the following:

(i) The individual shall not submit a claim or request that the provider submit a claim to CalCare for the health care item or service.

(ii) The individual is responsible for payment of the health care item or service and understands that reimbursement shall not be provided under CalCare for the health care item or service.

(iii) The individual understands that the limits under CalCare do not apply to amounts that may be charged for the health care item or service.

(iv) The individual understands that the provider is providing services outside the scope of CalCare.

(4) A participating provider that enters into a contract described in paragraph (2) shall have in effect, during the period a health care item or service is to be provided pursuant to the contract, an affidavit, which shall be filed with the board no later than 10 days after the first contract to which the affidavit applies is entered into. The affidavit shall identify the provider who is to furnish the noncovered health care item or service, state that the provider will not submit a claim to CalCare for a noncovered health care item or service provided to a member, and be signed by the provider.

(5) If a provider signing an affidavit described in paragraph (4) knowingly and willfully submits a claim to CalCare for a noncovered health care item or service or receives reimbursement or an amount for a health care item or service provided pursuant to a private contract, all of the following apply:

(A) A contract described in paragraph (2) shall be void.

(B) A payment shall not be made under CalCare for a health care item or service furnished by the provider during the two-year period beginning on the date the affidavit was signed or the date the claim was submitted, whichever is later. A payment made by CalCare to the provider during that two-year period shall be remitted to CalCare, plus interest.

(C) A payment received by the provider from the member, CalCare, or other payer for a health care item or service furnished during the period described in subparagraph (B) shall be remitted to the payer, and damages

shall be available to the payer pursuant to Section 3294 of the Civil Code.

(6) An institutional or individual provider with a participation agreement in effect may bill or enter into a private contract with an individual ineligible for benefits under CalCare for a health care item or service. Consistent with Section 100618, the institutional or individual provider shall report to the board, on an annual basis, aggregate information regarding services furnished to ineligible individuals.

(c) (1) An institutional or individual provider without a participation agreement in effect may bill or enter into a private contract with an individual eligible for benefits under CalCare for a health care item or service that is a covered benefit through CalCare only if the contract and provider meet the requirements specified in paragraphs (2) and (3).

(2) (A) A contract described in paragraph (1) shall be in writing and signed by the individual, or authorized representative of the individual, receiving the health care item or service before the item or service is furnished pursuant to the contract, and shall not be entered into at a time when the individual is facing an emergency health care situation.

(B) A contract described in paragraph (1) shall clearly indicate to the individual receiving the health care item or service that by signing the contract, the individual agrees to all of the following:

(i) The individual understands that the individual has the right to have the health care item or service provided by another provider for which payment would be made under CalCare.

(ii) The individual shall not submit a claim or request that the provider submit a claim to CalCare for the health care item or service, even if the health care item or service is otherwise covered under CalCare.

(iii) The individual is responsible for payment of the health care item or service and understands that reimbursement shall not be provided under CalCare for the health care item or service.

(iv) The individual understands that the limits under CalCare do not apply to amounts that may be charged for the health care item or service.

(v) The individual understands that the provider is providing services outside the scope of CalCare.

(3) A provider that enters into a contract described in paragraph (1) shall have in effect, during the period a health care item or service is to be provided pursuant to the contract, an affidavit, which shall be filed with the board no later than 10 days after the first contract to which the affidavit applies is entered into. The affidavit shall identify the provider who is to furnish the health care item or service, state that the provider will not submit a claim to CalCare for a health care item or service provided to a member during a two-year period beginning on the date the affidavit was signed, and be signed by the provider.

(4) If a provider who signed an affidavit described in paragraph (3) knowingly and willfully submits a claim to CalCare for a health care item or service or receives reimbursement or an amount for a health care item or service provided pursuant to a private contract described in an affidavit signed pursuant to paragraph (3), all of the following apply:

(A) A contract described in paragraph (1) shall be void.

(B) A payment shall not be made under CalCare for a health care item or service furnished by the provider during the two-year period beginning on the date the affidavit was signed or the date the claim was submitted, whichever is later. A payment made by CalCare to the provider during that two-year period shall be remitted to CalCare, plus interest.

(C) A payment received by the provider from the member, CalCare program, or other payer for a health care item or service furnished during the period described in subparagraph (B) shall be remitted to the payer, and damages shall be available to the payer pursuant to Section 3294 of the Civil Code.

(5) An institutional or individual provider without a participation agreement in effect may bill or enter into a private contract with an individual for a health care item or service that is not a benefit under CalCare.

Article 2. Payment for Health Care Items and Services

100640. (a) The board shall adopt regulations regarding contracting for, and establishing payment methodologies for, covered health care items and services provided to members under CalCare by participating providers. All

payment rates under CalCare shall be reasonable and reasonably related to all of the following:

- (1) The cost of efficiently providing the health care items and services.
 - (2) Ensuring availability and accessibility of CalCare health care services, including compliance with state requirements regarding network adequacy, timely access, and language access.
 - (3) Maintaining an optimal workforce and the health care facilities necessary to deliver quality, equitable health care.
- (b) (1) Payment for health care items and services shall be considered payment in full.
- (2) A participating provider shall not charge a rate in excess of the payment established through CalCare for a health care item or service furnished under CalCare and shall not solicit or accept payment from any member or third party for a health care item or service furnished under CalCare, except as provided under a federal program.
 - (3) This section does not preclude CalCare from acting as a primary or secondary payer in conjunction with another third-party payer when permitted by a federal program.
- (c) Not later than the beginning of each fiscal quarter during which an institutional provider of care, including a hospital, skilled nursing facility, and chronic dialysis clinic, is to furnish health care items and services under CalCare, the board shall pay to each institutional provider a lump sum to cover all operating expenses under a global budget as set forth in Section 100641. An institutional provider receiving a global budget payment shall accept that payment as payment in full for all operating expenses for health care items and services furnished under CalCare, whether inpatient or outpatient, by the institutional provider.
- (d) (1) A group practice, county organized health system, or local initiative may elect to be paid for health care items and services furnished under CalCare either on a fee-for-service basis under Section 100644 or on a salaried basis.
- (2) A group practice, county organized health system, or local initiative that elects to be paid on a salaried basis shall negotiate salaried payment rates with the board annually, and the board shall pay the group practice, county organized health system, or local initiative at the beginning of each month.
- (e) Health care items and services provided to members under CalCare by individual providers or any other providers not paid under subdivision (c) or (d) shall be paid for on a fee-for-service basis under Section 100644.
- (f) Capital-related expenses for specifically identified capital expenditures incurred by participating providers shall meet the requirements under Section 100645.
- (g) Payment methodologies and payment rates shall include a distinct component of reimbursement for direct and indirect costs incurred by the institutional provider for graduate medical education, as applicable.
- (h) The board shall adopt, by regulation, payment methodologies and procedures for paying for out-of-state health care services.
- (i) (1) This article does not regulate, interfere with, diminish, or abrogate a collective bargaining agreement, established employee rights, or the right, obligation, or authority of a collective bargaining representative under state or local law.
- (2) This article does not compel, regulate, interfere with, or duplicate the provisions of an established training program that is operated under the terms of a collective bargaining agreement or unilaterally by an employer or bona fide labor union.
- (j) The board shall determine the appropriate use and allocation of the special projects budget for the construction, renovation, or staffing of health care facilities in rural, underserved, or health professional or medical shortage areas, and to address health disparities, including those based on race, ethnicity, national origin, primary language use, age, disability, sex, including gender identity and sexual orientation, geography, and socioeconomic status.

100641. (a) An institutional provider's global budget shall be determined before the start of a fiscal year through negotiations between the provider and the board. The global budget shall be negotiated annually based on the payment factors described in subdivision (d).

(b) An institutional provider's global budget shall be used only to cover operating expenses associated with direct care for patients for health care items and services covered under CalCare. An institutional provider's global budget shall not be used for capital expenditures, and capital expenditures shall not be included in the global budget.

(c) The board, on a quarterly basis, shall review whether requirements of the institutional provider's participation agreement and negotiated global budget have been performed and shall determine whether adjustment to the institutional provider's payment is warranted.

(d) A payment negotiated pursuant to subdivision (a) shall take into account, with respect to each provider, all of the following:

(1) The historical volume of services provided for each health care item and service in the previous three-year period.

(2) The actual expenditures of a provider in the provider's most recent Medicare cost report for each health care item and service, or other cost report that may otherwise be adopted by the board, compared to the following:

(A) The expenditures of other comparable institutional providers in the state.

(B) The normative payment rates established under the comparative payment rate systems pursuant to Section 100643, including permissible adjustments to the rates for the health care items and services.

(C) Projected changes in the volume and type of health care items and services to be furnished.

(D) Employee wages.

(E) The provider's maximum capacity to provide the health care items and services.

(F) Education and prevention programs.

(G) Permissible adjustments to the provider's operating budget from the previous fiscal year due to factors including an increase in primary or specialty care access, efforts to decrease health care disparities in rural or medically underserved areas, a response to emergent conditions, and proposed changes to patient care programs at the institutional level.

(H) Any other factor determined appropriate by the board.

(3) In a rural or medically underserved area, the need to mitigate the impact of the availability and accessibility of health care services through increased global budget payment.

(e) A payment negotiated pursuant to subdivision (a) or payment methodology shall not do any of the following:

(1) Take into account capital expenditures of the provider or any other expenditure not directly associated with furnishing health care items and services under CalCare.

(2) Be used by a provider for capital expenditures or other expenditures associated with capital projects.

(3) Exceed the provider's capacity to furnish health care items and services covered under CalCare.

(4) Be used to pay or otherwise compensate a board member, executive, or administrator of the institutional provider who has an interest or relationship prohibited under paragraph (10) of subdivision (b) of Section 100631 or paragraph (3) of subdivision (c) of Section 100651.

(f) The board may negotiate changes to an institutional provider's global budget based on factors not prohibited under subdivision (e) or any other provision of this title.

(g) Subject to subdivision (i) of Section 100640, compensation costs for an employee, contractor employee, or subcontractor employee of an institutional provider receiving a global budget shall meet the compensation cap established in Section 4304(a)(16) of Title 41 of the United States Code and its implementing regulations, except that the board may establish one or more narrowly targeted exceptions for scientists, engineers, or other specialists upon a determination that those exceptions are needed to ensure CalCare continued access to needed skills and capabilities.

(h) A payment to an institutional provider pursuant to this section shall not allow a participating provider to retain revenue generated from outsourcing health care items and services covered under CalCare, unless that

revenue was considered part of the global budget negotiation process. This subdivision shall apply to revenue from outsourcing health care items and services that were previously furnished by employees of the participating provider who were subject to a collective bargaining agreement.

(i) For the purposes of this section, "operating expenses" of a provider include the following:

(1) The costs associated with covered health care items and services under CalCare, including the following:

(A) Compensation for health care professionals, ancillary staff, and services employed or otherwise paid by an institutional provider.

(B) Pharmaceutical products administered by health care professionals at the institutional provider's facility or facilities.

(C) Purchasing supplies.

(D) Maintenance of medical devices and health care technologies, including diagnostic testing equipment, except that health information technology and artificial intelligence shall be considered capital expenditures, unless otherwise determined by the board.

(E) Incidental services necessary for safe patient care.

(F) Patient care, education, and preventive health programs, and necessary staff to implement those programs.

(G) Occupational health and safety programs and public health programs, and necessary staff to implement those programs for the continued education and health and safety of clinicians and other individuals employed by the institutional provider.

(H) Infectious disease response preparedness, including the maintenance of a one-year or 365-day stockpile of personal protective equipment, occupational testing and surveillance, and contact tracing.

(2) Administrative costs of the institutional provider.

100642. (a) The board shall consider an appeal of payments and the global budget, filed by an institutional provider that is subject to the payments or global budget, based on the following:

(1) The overall financial condition of the institutional provider, including bankruptcy or financial solvency.

(2) Excessive risks to the ongoing operation of the institutional provider.

(3) Justifiable differences in costs among providers, including providing a service not available from other providers in the region, or the need for health care services in rural areas with a shortage of health professionals or medically underserved areas and populations.

(4) Factors that led to increased costs for the institutional provider that can reasonably be considered to be unanticipated and out of the control of the provider. Those factors may include:

(A) Natural disasters.

(B) Outbreaks of epidemics or infectious diseases.

(C) Unanticipated facility or equipment repairs or purchases.

(D) Significant and unanticipated increases in pharmaceutical or medical device prices.

(5) Changes in state or federal laws that result in a change in costs.

(6) Reasonable increases in labor costs, including salaries and benefits, and changes in collective bargaining agreements, prevailing wage, or local law.

(b) (1) The payments set and global budget negotiated by the board to be paid to the institutional provider shall stay in effect during the appeal process, subject to interim relief provisions.

(2) The board shall have the power to grant interim relief based on fairness. The board shall develop regulations governing interim relief. The board shall establish uniform written procedures for the submission, processing, and consideration of an interim relief appeal by an institutional provider. A decision on interim relief shall be granted within one month of the filing of an interim relief appeal. An institutional provider shall certify in its interim relief

appeal that the request is made on the basis that the challenged amount is arbitrary and capricious, or that the institutional provider has experienced a bona fide emergency based on unanticipated costs or costs outside the control of the entity, including those described in paragraph (4) of subdivision (a).

(c) (1) In accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2), the board may delegate the conduct of a hearing to an administrative law judge, who shall issue a proposed decision with findings of fact and conclusions of law.

(2) The administrative law judge may hold evidentiary hearings and shall issue a proposed decision with findings of fact and conclusions of law, including a recommended adjusted payment or global budget, within four months of the filing of the appeal.

(3) Within 30 days of receipt of the proposed decision by the administrative law judge, the board may approve, disapprove, or modify the decision, and shall issue a final decision for the appealing institutional provider.

(d) A final determination by the commission shall be subject to judicial review pursuant to Section 1094.5 of the Code of Civil Procedure.

100643. (a) The board shall use existing Medicare prospective payment systems to establish and serve as the comparative payment rate system in global budget negotiations described in subparagraph (B) of paragraph (2) of subdivision (d) of Section 100641. The board shall update the comparative payment rate system annually.

(b) To develop the comparative payment rate system, the board shall use only the operating base payment rates under each Medicare prospective payment system with applicable adjustments.

(c) The comparative rate system shall not include value-based purchasing adjustments or capital expenses base payment rates that may be included in Medicare prospective payment systems.

(d) In the first year that global budget payments are available to institutional providers, and for purposes of selecting a comparative payment rate system used during initial global budget negotiations for an institutional provider, the board shall take into account the appropriate Medicare prospective payment system from the most recent year to determine what operating base payment the institutional provider would have been paid for covered health care items and services furnished the preceding year with applicable adjustments, excluding value-based purchasing adjustments, based on the prospective payment system.

100644. (a) The board shall engage in good faith negotiations with health care providers' representatives under Chapter 8 (commencing with Section 100800) to determine rates of fee-for-service payment for health care items and services furnished under CalCare.

(b) There shall be a rebuttable presumption that the Medicare fee-for-service rates of reimbursement constitute reasonable fee-for-service payment rates. The fee schedule shall be updated annually.

(c) Payments to individual providers under this article shall not include payments to individual providers in salaried positions at institutional providers receiving global budgets under Section 100641 or individual health care professionals who are employed by or otherwise receive compensation or payment for health care items and services furnished under CalCare from group practices, county organized health systems, or local initiatives that receive payment under CalCare on a salaried basis.

(d) To establish the fee-for-service payment rates, the board shall ensure that the fee schedule compensates physicians and other health care professionals at a rate that reflects the value for health care items and services furnished.

(e) In a rural or medically underserved area, the board may mitigate the impact of the availability and accessibility of health care services through increased individual provider payment.

100645. (a) (1) The board shall adopt, by regulation, payment methodologies for the payment of capital expenditures for specifically identified capital projects incurred by not-for-profit or governmental entities that are health facilities pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code.

(2) The board shall prioritize allocation of funding under this subdivision to projects that propose to use the funds to improve service in a rural or medically underserved area, or to address health disparities, including those based on race, ethnicity, national origin, primary language use, age, disability, sex, including gender

identity and sexual orientation, geography, and socioeconomic status. The board shall consider the impact of any prior reduction in services or facility closure by a not-for-profit or governmental entity as part of the application review process.

(3) For the purposes of funding capital expenditures under this section, health care facilities and governmental entities shall apply to the board in a time and manner specified by the board. All capital-related expenses generated by a capital project shall have received prior approval from the board to be paid under CalCare.

(b) Approval of an application for capital expenditures shall be based on achievement of the program standards described in Chapter 6 (commencing with Section 100650).

(c) The board shall not grant funding for capital expenditures for capital projects that are financed directly or indirectly through the diversion of private or other non-CalCare program funding that results in reductions in care to patients, including reductions in registered nursing staffing patterns and changes in emergency room or primary care services or availability.

(d) A participating provider shall not use operating funds or payments from CalCare for the operating expenses associated with a capital asset that was not funded by CalCare without the approval of the board.

(e) A participating provider shall not do either of the following:

(1) Use funds from CalCare designated for operating expenses or payments for capital expenditures.

(2) Use funds from CalCare designated for capital expenditures or payments for operating expenses.

100646. (a) (1) A margin generated by a participating provider receiving a global budget under CalCare may be retained and used to meet the health care needs of CalCare members.

(2) A participating provider shall not retain a margin if that margin was generated through inappropriate limitations on access to health care, compromises in the quality of care, or actions that adversely affected or are likely to adversely affect the health of the persons receiving services from an institutional provider, group practice, or other participating provider under CalCare.

(3) The board shall evaluate the source of margin generation.

(b) A payment under CalCare, including provider payments for operating expenses or capital expenditures, shall not take into account, include a process for the funding of, or be used by a provider for any of the following:

(1) Marketing, which does not include education and prevention programs paid under a global budget.

(2) The profit or net revenue, or increasing the profit, net revenue, or financial result of the provider.

(3) An incentive payment, bonus, or compensation based on patient utilization of health care items or services or any financial measure applied with respect to the provider or a group practice or other entity that contracts with or provides health care items or services, including pharmaceutical products and medical devices or equipment, to the provider.

(4) A bonus, incentive payment, or incentive adjustment from CalCare to a participating provider.

(5) A bonus, incentive payment, or compensation based on the financial results of any other health care provider with which the provider has a pecuniary interest or contractual relationship, including employment or other compensation-based relationship.

(6) A bonus, incentive payment, or compensation based on the financial results of an integrated health care delivery system, group practice, or other provider.

(7) State political contributions.

(c) (1) The board shall establish and enforce penalties for violations of this section, consistent with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2).

(2) Penalty payments collected for violations of this section shall be remitted to the CalCare Trust Fund for use in CalCare.

100647. (a) The board shall, in consultation with the Department of General Services, the Department of Health Care Services, and other relevant state agencies, negotiate prices to be paid for pharmaceuticals, medical

supplies, medical technology, and medically necessary assistive equipment covered through CalCare. Negotiations by the board shall be on behalf of the entire CalCare program. A state agency shall cooperate to provide data and other information to the board.

(b) The board shall, in consultation with the Department of General Services, the Department of Health Care Services, the CalCare Public Advisory Committee, patient advocacy organizations, physicians, registered nurses, pharmacists, and other health care professionals, establish a prescription drug formulary system. To establish the prescription drug formulary system, the board shall do all of the following:

(1) Promote the use of generic and biosimilar medications.

(2) Consider the clinical efficacy of medications.

(3) Update the formulary frequently and allow health care professionals, other clinicians, and members to petition the board to add new pharmaceuticals or to remove ineffective or dangerous medications from the formulary.

(4) Consult with patient advocacy organizations, physicians, nurses, pharmacists, and other health care professionals to determine the clinical efficacy and need for the inclusion of specific medications in the formulary.

(c) The prescription drug formulary system shall not require a prior authorization determination for coverage under CalCare and shall not apply treatment limitations through the use of step therapy protocols.

(d) The board shall promulgate regulations regarding the use of off-formulary medications that allow for patient access.

CHAPTER 6. Program Standards

100650. CalCare shall establish a single standard of safe, therapeutic, and effective care for all residents of the state by the following means:

(a) The board shall establish requirements and standards, by regulation, for CalCare and health care providers, consistent with this title and consistent with the applicable professional practice and licensure standards of health care providers and health care professionals established pursuant to the Business and Professions Code, the Health and Safety Code, the Insurance Code, and the Welfare and Institutions Code, including requirements and standards for, as applicable:

(1) The scope, quality, and accessibility of health care items and services.

(2) Relations between participating providers and members.

(3) Relations between institutional providers, group practices, and individual health care organizations, including credentialing for participation in CalCare and clinical and admitting privileges, and terms, methods, and rates of payment.

(b) The board shall establish requirements and standards, by regulation, under CalCare that include provisions to promote all of the following:

(1) Simplification, transparency, uniformity, and fairness in the following:

(A) Health care provider credentialing for participation in CalCare.

(B) Health care provider clinical and admitting privileges in health care facilities.

(C) Clinical placement for educational purposes, including clinical placement for prelicensure registered nursing students without regard to degree type, that prioritizes nursing students in public education programs.

(D) Payment procedures and rates.

(E) Claims processing.

(2) In-person primary and preventive care, efficient and effective health care items and services, quality assurance, and promotion of public, environmental, and occupational health.

(3) Elimination of health care disparities.

(4) Nondiscrimination pursuant to Section 100621.

(5) Accessibility of health care items and services, including accessibility for people with disabilities and people with limited ability to speak or understand English.

(6) Providing health care items and services in a culturally, linguistically, and structurally competent manner.

(c) The board shall establish requirements and standards, to the extent authorized by federal law, by regulation, for replacing and merging with CalCare health care items and services and ancillary services currently provided by other programs, including Medicare, the Affordable Care Act, and federally matched public health programs.

(d) A participating provider shall furnish information as required by the Office of Statewide Health Planning and Development pursuant to Sections 100616 and 100631, and to Division 107 (commencing with Section 127000) of the Health and Safety Code, and permit examination of that information by the board as reasonably required for purposes of reviewing accessibility and utilization of health care items and services, quality assurance, cost containment, the making of payments, and statistical or other studies of the operation of CalCare or for protection and promotion of public, environmental, and occupational health.

(e) The board shall use the data furnished under this title to ensure that clinical practices meet the utilization, quality, and access standards of CalCare. The board shall not use a standard developed under this chapter for the purposes of establishing a payment incentive or adjustment under CalCare.

(f) To develop requirements and standards and making other policy determinations under this chapter, the board shall consult with representatives of members, health care providers, health care organizations, labor organizations representing health care employees, and other interested parties.

100651. (a) (1) As part of a health care practitioner's duty to advocate for medically appropriate health care for their patients pursuant to Sections 510 and 2056 of the Business and Professions Code, a participating provider has a duty to act in the exclusive interest of the patient.

(2) The duty described in paragraph (1) applies to a health care professional who may be employed by a participating provider or otherwise receive compensation or payment for health care items and services furnished under CalCare.

(b) Consistent with subdivision (a) and with Sections 510 and 2056 of the Business and Professions Code:

(1) An individual's treating physician, or other health care professional who is authorized to diagnose the individual in accordance with all applicable scope of practice and other license requirements and is treating the individual, is responsible for the determination of the medically necessary or appropriate care for the individual.

(2) A participating provider or health care professional who may be employed by CalCare or otherwise receive compensation or payment for health care items and services furnished under CalCare from a participating provider or other person participating in CalCare shall use reasonable care and diligence in safeguarding an individual under the care of the provider or professional and shall not impair an individual's treating physician or other health care provider treating the individual from advocating for medically necessary or appropriate care under this section.

(c) A health care provider or health care professional described in subdivision (a) violates the duty established under this section for any of the following:

(1) Having a pecuniary interest or relationship, including an interest or relationship disclosed under subdivision (d), that impairs the provider's ability to provide medically necessary or appropriate care.

(2) Accepting a bonus, incentive payment, or compensation based on any of the following:

(A) A patient's utilization of services.

(B) The financial results of another health care provider with which the participating provider has a pecuniary interest or contractual relationship, including employment or other compensation-based relationship, or of a person that contracts with or provides health care items or services, including pharmaceutical products and medical devices or equipment, to the provider.

(C) The financial results of an institutional provider, group practice, or person that contracts with, provides health care items or services under, or otherwise receives payment from CalCare.

(3) Having a board member, executive, or administrator that receives compensation from, owns stock or has other financial investments in, or serves as a board member of an entity that contracts with or provides health care items or services, including pharmaceutical products and medical devices or equipment, to the provider.

(d) To evaluate and review compliance with this section, a participating provider shall report, at least annually, to the Office of Statewide Health Planning and Development all of the following:

(1) A beneficial interest required to be disclosed to a patient pursuant to Section 654.2 of the Business and Professions Code.

(2) A membership, proprietary interest, coownership, or profit-sharing arrangement, required to be disclosed to a patient pursuant to Section 654.1 of the Business and Professions Code.

(3) A subcontract entered into that contains incentive plans that involve general payments, including capitation payments or shared risk agreements, that are not tied to specific medical decisions involving specific members or groups of members with similar medical conditions.

(4) Bonus or other incentive arrangements used in compensation agreements with another health care provider or an entity that contracts with or provides health care items or services, including pharmaceutical products and medical devices or equipment, to the provider.

(5) An offer, delivery, receipt, or acceptance of rebates, refunds, commission, preference, patronage dividend, discount, or other consideration for a referral made in exception to Section 650 of the Business and Professions Code.

(e) The board may adopt regulations as necessary to implement and enforce this section and may adopt regulations to expand reporting requirements under this section.

(f) For purposes of this section, "person" means an individual, partnership, corporation, limited liability company, or other organization, or any combination thereof, including a medical group practice, independent practice association, preferred provider organization, foundation, hospital medical staff and governing body, or payer.

100652. (a) An individual's treating physician, nurse, or other health care professional, in implementing a patient's medical or nursing care plan and in accordance with their scope of practice and licensure, may override health information technology or clinical practice guidelines, including standards and guidelines implemented by a participating provider through the use of health information technology, including electronic health record technology, clinical decision support technology, and computerized order entry programs.

(b) An override described in subdivision (a) shall, in the independent professional judgment of the treating physician, nurse or other health care professional, meet all of the following requirements:

(1) The override is consistent with the treating physician's, nurse's or other health care professional's determination of medical necessity or appropriateness or nursing assessment.

(2) The override is in the best interest of the patient.

(3) The override is consistent with the patient's wishes.

CHAPTER 7. Funding

Article 1. Federal Health Programs and Funding

100660. (a) (1) The board is authorized to and shall seek all federal waivers and other federal approvals and arrangements and submit state plan amendments as necessary to operate CalCare consistent with this title.

(2) The board is authorized to apply for a federal waiver or federal approval as necessary to receive funds to operate CalCare pursuant to paragraph (1), including a waiver under Section 18052 of Title 42 of the United States Code.

(3) The board shall apply for federal waivers or federal approval pursuant to paragraph (1) by January 1, 2023.

(b) (1) The board shall apply to the United States Secretary of Health and Human Services or other appropriate federal official for all waivers of requirements, and make other arrangements, under Medicare, any federally matched public health program, the Affordable Care Act, and any other federal programs or laws, as appropriate, that are necessary to enable all CalCare members to receive all benefits under CalCare through CalCare, to enable the state to implement this title, and to allow the state to receive and deposit all federal payments under

those programs, including funds that may be provided in lieu of premium tax credits, cost-sharing subsidies, and small business tax credits, in the State Treasury to the credit of the CalCare Trust Fund, created pursuant to Section 100665, and to use those funds for CalCare and other provisions under this title.

(2) To the fullest extent possible, the board shall negotiate arrangements with the federal government to ensure that federal payments are paid to CalCare in place of federal funding of, or tax benefits for, federally matched public health programs or federal health programs. To the extent any federal funding is not paid directly to CalCare, the state shall direct the funding and moneys to CalCare.

(3) The board may require members or applicants to provide information necessary for CalCare to comply with any waiver or arrangement under this title. Information provided by members to the board for the purposes of this subdivision shall not be used for any other purpose.

(4) The board may take any additional actions necessary to effectively implement CalCare to the maximum extent possible as an independent single-payer program consistent with this title. It is the intent of the legislature to establish CalCare, to the fullest extent possible, as an independent agency.

(c) The board may take actions consistent with this article to enable CalCare to administer Medicare in California. CalCare shall be a provider of supplemental insurance coverage and shall provide premium assistance for drug coverage under Medicare Part D for eligible members of CalCare.

(d) The board may waive or modify the applicability of any provisions of this title relating to any federally matched public health program or Medicare, as necessary, to implement any waiver or arrangement under this section or to maximize the federal benefits to CalCare under this section.

(e) The board may apply for coverage for, and enroll, any eligible member under any federally matched public health program or Medicare. Enrollment in a federally matched public health program or Medicare shall not cause a member to lose a health care item or service provided by CalCare or diminish any right the member would otherwise have.

(f) (1) Notwithstanding any other law, the board, by regulation, shall increase the income eligibility level, increase or eliminate the resource test for eligibility, simplify any procedural or documentation requirement for enrollment, and increase the benefits for any federally matched public health program and for any program in order to reduce or eliminate an individual's coinsurance, cost-sharing, or premium obligations or increase an individual's eligibility for any federal financial support related to Medicare or the Affordable Care Act.

(2) The board may act under this subdivision, upon a finding approved by the Director of Finance and the board that the action does all of the following:

(A) Will help to increase the number of members who are eligible for and enrolled in federally matched public health programs, or for any program to reduce or eliminate an individual's coinsurance, cost-sharing, or premium obligations or increase an individual's eligibility for any federal financial support related to Medicare or the Affordable Care Act.

(B) Will not diminish any individual's access to a health care item or service or right the individual would otherwise have.

(C) Is in the interest of CalCare.

(D) Does not require or has received any necessary federal waivers or approvals to ensure federal financial participation.

(g) To enable the board to apply for coverage for, and enroll, any eligible member under any federally matched public health program or Medicare, the board may require that every member or applicant provide the information necessary to enable the board to determine whether the applicant is eligible for a federally matched public health program or for Medicare, or any program or benefit under Medicare.

(h) As a condition of continued eligibility for health care items and services under CalCare, a member who is eligible for benefits under Medicare shall enroll in Medicare, including Parts A, B, and D.

(i) The board shall provide premium assistance for all members enrolling in a Medicare Part D drug coverage plan under Section 1860D of Title XVIII of the federal Social Security Act (42 U.S.C. Sec. 1395w-101 et seq.), limited to the low-income benchmark premium amount established by the federal Centers for Medicare and Medicaid Services and any other amount the federal agency establishes under its de minimis premium policy, except that

those payments made on behalf of members enrolled in a Medicare Advantage plan may exceed the low-income benchmark premium amount if determined to be cost effective to CalCare.

(j) If the board has reasonable grounds to believe that a member may be eligible for an income-related subsidy under Section 1860D-14 of Title XVIII of the federal Social Security Act (42 U.S.C. Sec. 1395w-114), the member shall provide, and authorize CalCare to obtain, any information or documentation required to establish the member's eligibility for that subsidy. The board shall attempt to obtain as much of the information and documentation as possible from records that are available to it.

(k) The board shall make a reasonable effort to notify members of their obligations under this section. After a reasonable effort has been made to contact the member, the member shall be notified in writing that the member has 60 days to provide the required information. If the required information is not provided within the 60-day period, the member's coverage under CalCare may be suspended until the issue is resolved. Information provided by a member to the board for the purposes of this section shall not be used for any other purpose.

(l) The board shall assume responsibility for all benefits and services paid for by the federal government with those funds.

Article 2. CalCare Trust Fund

100665. (a) The CalCare Trust Fund is hereby created in the State Treasury for the purposes of this title to be administered by the CalCare Board. Notwithstanding Section 13340, all moneys in the fund shall be continuously appropriated without regard to fiscal year for the purposes of this title. Any moneys in the fund that are unexpended or unencumbered at the end of a fiscal year may be carried forward to the next succeeding fiscal year.

(b) Notwithstanding any other law, moneys deposited in the fund shall not be loaned to, or borrowed by, any other special fund or the General Fund, a county general fund or any other county fund, or any other fund.

(c) The board shall establish and maintain a prudent reserve in the fund to enable it to respond to costs including those of an epidemic, pandemic, natural disaster, or other health emergency, or market-shift adjustments related to patient volume.

(d) The board or staff of the board shall not utilize any funds intended for the administrative and operational expenses of the board for staff retreats, promotional giveaways, excessive executive compensation, or promotion of federal or state legislative or regulatory modifications.

(e) Notwithstanding Section 16305.7, all interest earned on the moneys that have been deposited into the fund shall be retained in the fund and used for purposes consistent with the fund.

(f) The fund shall consist of all of the following:

(1) All moneys obtained pursuant to legislation enacted as proposed under Section 100670.

(2) Federal payments received as a result of any waiver of requirements granted or other arrangements agreed to by the United States Secretary of Health and Human Services or other appropriate federal officials for health care programs established under Medicare, any federally matched public health program, or the Affordable Care Act.

(3) The amounts paid by the State Department of Health Care Services that are equivalent to those amounts that are paid on behalf of residents of this state under Medicare, any federally matched public health program, or the Affordable Care Act for health benefits that are equivalent to health benefits covered under CalCare.

(4) Federal and state funds for purposes of the provision of services authorized under Title XX of the federal Social Security Act (42 U.S.C. Sec. 1397 et seq.) that would otherwise be covered under CalCare.

(5) State moneys that would otherwise be appropriated to any governmental agency, office, program, instrumentality, or institution that provides health care items or services for services and benefits covered under CalCare. Payments to the fund pursuant to this section shall be in an amount equal to the money appropriated for those purposes in the fiscal year beginning immediately preceding the effective date of this title.

(g) All federal moneys shall be placed into the CalCare Federal Funds Account, which is hereby created within the CalCare Trust Fund.

(h) Moneys in the CalCare Trust Fund shall only be used for the purposes established in this title.

100667. (a) The board annually shall prepare a budget for CalCare that specifies a budget for all expenditures to be made for covered health care items and services and shall establish allocations for each of the budget components under subdivision (b) that shall cover a three-year period.

(b) The CalCare budget shall consist of at least the following components:

- (1) An operating budget.
- (2) A capital expenditures budget.
- (3) A special projects budget.
- (4) Program standards activities.
- (5) Health professional education expenditures.
- (6) Administrative costs.
- (7) Prevention and public health activities.

(c) The board shall allocate the funds received among the components described in subdivision (b) to ensure the following:

- (1) The operating budget allows for participating providers to meet the health care needs of the population.
- (2) A fair allocation to the special projects budget to meet the purposes described in subdivision (f) in a reasonable timeframe.
- (3) A fair allocation for program standards activities.
- (4) The health professional education expenditures component is sufficient to meet the need for covered health care items and services.

(d) The operating budget described in paragraph (1) of subdivision (b) shall be used for payments to providers for health care items and services furnished by participating providers under CalCare.

(e) The capital expenditures budget described in paragraph (2) of subdivision (b) shall be used for the construction or renovation of health care facilities, excluding congregate or segregated facilities for individuals with disabilities who receive long-term services and supports under CalCare, and other capital expenditures.

(f) (1) The special projects budget shall be used for the payment to not-for-profit or governmental entities that are health facilities pursuant to Chapter 2 (commencing with Section 1250) of Division 2 of the Health and Safety Code for the construction or renovation of health care facilities, major equipment purchases, staffing in a rural or medically underserved area, and to address health disparities, including those based on race, ethnicity, national origin, primary language use, age, disability, sex, including gender identity and sexual orientation, geography, and socioeconomic status.

(2) To mitigate the impact of the payments on the availability and accessibility of health care services, the special projects budget may be used to increase payment to providers in a rural or medically underserved area.

(g) For up to five years following the date on which benefits first become available under CalCare, at least 1 percent of the budget shall be allocated to programs providing transition assistance pursuant to Section 100615.

Article 3. CalCare Financing

100670. (a) It is the intent of the Legislature to enact legislation that would develop a revenue plan, taking into consideration anticipated federal revenue available for CalCare. In developing the revenue plan, it is the intent of the Legislature to consult with appropriate officials and stakeholders.

(b) It is the intent of the Legislature to enact legislation that would require all state revenues from CalCare to be deposited in an account within the CalCare Trust Fund to be established and known as the CalCare Trust Fund Account.

Article 1. Definitions

100675. For purposes of this chapter, the following definitions apply:

(a) (1) "Health care provider" means a person who is licensed, certified, registered, or authorized to practice a health care profession pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code and who is either of the following:

(A) An individual who practices that profession as a health care professional or as an independent contractor.

(B) An owner, officer, shareholder, or proprietor of a health care group practice that has elected to receive fee-for-service payments from CalCare pursuant to subdivision (d) of Section 100640.

(2) A health care provider licensed, certified, registered, or authorized to practice a health care profession pursuant to Division 2 (commencing with Section 500) of the Business and Professions Code who practices as an employee of a health care provider is not a health care provider for purposes of this chapter.

(b) "Health care provider's representative" means a third party that is authorized by a health care provider to negotiate on their behalf with CalCare over terms and conditions affecting those health care providers.

Article 2. Authorized Collective Negotiation

100676. (a) Health care providers may meet and communicate for the purpose of collectively negotiating with CalCare on any matter relating to CalCare fee-for-service rates of payment for health care items and services or procedures related to fee-for-service payment under CalCare.

(b) This chapter does not allow a strike of CalCare by health care providers related to the collective negotiations.

(c) This chapter does not allow or authorize terms or conditions that would impede the ability of CalCare to comply with applicable state or federal law.

Article 3. Collective Negotiation Requirements

100677. (a) Collective negotiation under this chapter shall meet all of the following requirements:

(1) A health care provider may communicate with other health care providers regarding the terms and conditions to be negotiated with CalCare.

(2) A health care provider may communicate with a health care provider's representative.

(3) A health care provider's representative is the only party authorized to negotiate with CalCare on behalf of the health care providers as a group.

(4) A health care provider can be bound by the terms and conditions negotiated by the health care provider's representative.

(b) This chapter does not affect or limit the right of a health care provider or group of health care providers to collectively petition a governmental entity for a change in a law, rule, or regulation.

(c) This chapter does not affect or limit collective action or collective bargaining on the part of a health care provider with the health care provider's employer or any other lawful collective action or collective bargaining.

100678. (a) Before engaging in collective negotiations with CalCare on behalf of health care providers, a health care provider's representative shall file with the board, in the manner prescribed by the board, information identifying the representative, the representative's plan of operation, and the representative's procedures to ensure compliance with this chapter.

(b) A person who acts as the representative of negotiating parties under this chapter shall pay a fee to the board to act as a representative. The board, by regulation, shall set fees in amounts deemed reasonable and necessary to cover the costs incurred by the board in administering this chapter.

Article 4. Prohibited Collective Action

100679. (a) This chapter does not authorize competing health care providers to act in concert in response to a health care provider's representative's discussions or negotiations with CalCare, except as authorized by other

law.

(b) A health care provider's representative shall not negotiate an agreement that excludes, limits the participation or reimbursement of, or otherwise limits the scope of services to be provided by a health care provider or group of health care providers with respect to the performance of services that are within the health care provider's scope of practice, license, registration, or certificate.

CHAPTER 9. Operative Date

100680. (a) Notwithstanding any other law, this title, except for Chapter 1 (commencing with Section 100600) and Chapter 2 (commencing with Section 100610), shall not become operative until the date the Secretary of California Health and Human Services notifies the Secretary of the Senate and the Chief Clerk of the Assembly in writing that the secretary has determined that the CalCare Trust Fund has the revenues to fund the costs of implementing this title.

(b) The California Health and Human Services Agency shall publish a copy of the notice on its internet website.

SEC. 3. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

SEC. 4. The Legislature finds and declares that Section 2 of this act, which adds Sections 100610, 100616, and 100618 to the Government Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to protect private, confidential, and proprietary information, it is necessary for that information to remain confidential.

117TH CONGRESS
1ST SESSION

H. R. 1976

To establish an improved Medicare for All national health insurance program.

IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 2021

Ms. JAYAPAL (for herself, Ms. ADAMS, Ms. BARRAGÁN, Ms. BASS, Mr. BEYER, Mr. BLUMENAUER, Ms. BONAMICI, Mr. BOWMAN, Mr. BRENDAN F. BOYLE of Pennsylvania, Mr. BROWN, Ms. BUSH, Mr. CARBAJAL, Mr. CÁRDENAS, Mr. CARSON, Mr. CARTWRIGHT, Ms. CHU, Mr. CICILLINE, Ms. CLARK of Massachusetts, Ms. CLARKE of New York, Mr. CLEAVER, Mr. COHEN, Mr. DEUTCH, Mr. DANNY K. DAVIS of Illinois, Mr. DEFazio, Ms. DEGETTE, Mr. DESAULNIER, Mrs. DINGELL, Mr. DOGGETT, Mr. MICHAEL F. DOYLE of Pennsylvania, Ms. ESCOBAR, Mr. ESPAILLAT, Ms. LOIS FRANKEL of Florida, Mr. GALLEG0, Mr. GARCÍA of Illinois, Mr. GOMEZ, Mr. GREEN of Texas, Mr. GRIJALVA, Mr. HARDER of California, Mr. HASTINGS, Mrs. HAYES, Mr. HIGGINS of New York, Mr. HUFFMAN, Ms. JACKSON LEE, Ms. JACOBS of California, Mr. JEFFRIES, Mr. JOHNSON of Georgia, Mr. JONES, Mr. KAHELE, Mr. KEATING, Ms. KELLY of Illinois, Mr. KHANNA, Mr. KILDEE, Mrs. KIRKPATRICK, Mr. LANGEVIN, Mrs. LAWRENCE, Ms. LEE of California, Ms. LEGER FERNANDEZ, Mr. LEVIN of Michigan, Mr. LEVIN of California, Mr. LIEU, Mr. LOWENTHAL, Mrs. CAROLYN B. MALONEY of New York, Mr. MCGOVERN, Mr. MCNERNEY, Mr. MEEKS, Ms. MENG, Mr. NADLER, Mrs. NAPOLITANO, Mr. NEGUSE, Ms. NEWMAN, Ms. NORTON, Ms. OCASIO-CORTEZ, Ms. OMAR, Mr. PANETTA, Mr. PAYNE, Mr. PERLMUTTER, Ms. PINGREE, Mr. POCAN, Ms. PORTER, Ms. PRESSLEY, Mr. RASKIN, Ms. ROYBAL-ALLARD, Mr. RUSH, Mr. SABLAN, Ms. SÁNCHEZ, Mr. SARBANES, Ms. SCHAKOWSKY, Mr. SCHIFF, Mr. SCOTT of Virginia, Mr. SHERMAN, Mr. SMITH of Washington, Ms. SPEIER, Mr. SWALWELL, Mr. TAKANO, Mr. THOMPSON of Mississippi, Mr. THOMPSON of California, Ms. TITUS, Ms. TLAIB, Mr. TONKO, Mr. TORRES of New York, Mrs. TRAHAN, Mr. VARGAS, Mr. VEASEY, Ms. VELÁZQUEZ, Ms. WATERS, Mrs. WATSON COLEMAN, Mr. WELCH, Ms. WILD, Ms. WILLIAMS of Georgia, Ms. WILSON of Florida, Mr. YARMUTH, Mr. PALLONE, and Mr. PRICE of North Carolina) introduced the following bill; which was referred to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, Education and Labor, Rules, Oversight and Reform, Armed Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration

of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish an improved Medicare for All national health insurance program.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the
 5 “Medicare for All Act of 2021”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of
 7 this Act is as follows:

Sec. 1. Short title; table of contents.

**TITLE I—ESTABLISHMENT OF THE MEDICARE FOR ALL
PROGRAM; UNIVERSAL COVERAGE; ENROLLMENT**

Sec. 101. Establishment of the Medicare for All Program.

Sec. 102. Universal coverage.

Sec. 103. Freedom of choice.

Sec. 104. Non-discrimination.

Sec. 105. Enrollment.

Sec. 106. Effective date of benefits.

Sec. 107. Prohibition against duplicating coverage.

**TITLE II—COMPREHENSIVE BENEFITS, INCLUDING PREVENTIVE
BENEFITS AND BENEFITS FOR LONG-TERM CARE**

Sec. 201. Comprehensive benefits.

Sec. 202. No cost-sharing; other limitations.

Sec. 203. Exclusions and limitations.

Sec. 204. Coverage of long-term care services.

TITLE III—PROVIDER PARTICIPATION

Sec. 301. Provider participation and standards; whistleblower protections.

Sec. 302. Qualifications for providers.

Sec. 303. Use of private contracts.

TITLE IV—ADMINISTRATION

Subtitle A—General Administration Provisions

- Sec. 401. Administration.
- Sec. 402. Consultation.
- Sec. 403. Regional administration.
- Sec. 404. Beneficiary ombudsman.
- Sec. 405. Conduct of related health programs.

Subtitle B—Control Over Fraud and Abuse

- Sec. 411. Application of Federal sanctions to all fraud and abuse under the Medicare for All Program.

TITLE V—QUALITY ASSESSMENT

- Sec. 501. Quality standards.
- Sec. 502. Addressing health care disparities.

TITLE VI—HEALTH BUDGET; PAYMENTS; COST CONTAINMENT MEASURES

Subtitle A—Budgeting

- Sec. 601. National health budget.

Subtitle B—Payments to Providers

- Sec. 611. Payments to institutional providers based on global budgets.
- Sec. 612. Payment to individual providers through fee-for-service.
- Sec. 613. Ensuring accurate valuation of services under the Medicare physician fee schedule.
- Sec. 614. Payment prohibitions; capital expenditures; special projects.
- Sec. 615. Office of Health Equity.
- Sec. 616. Office of Primary Care.
- Sec. 617. Payments for prescription drugs and approved devices and equipment.

TITLE VII—UNIVERSAL MEDICARE TRUST FUND

- Sec. 701. Universal Medicare Trust Fund.

TITLE VIII—CONFORMING AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

- Sec. 801. Prohibition of employee benefits duplicative of benefits under the Medicare for All Program; coordination in case of workers' compensation.
- Sec. 802. Application of continuation coverage requirements under ERISA and certain other requirements relating to group health plans.
- Sec. 803. Effective date of title.

TITLE IX—ADDITIONAL CONFORMING AMENDMENTS

- Sec. 901. Relationship to existing Federal health programs.
- Sec. 902. Sunset of provisions related to the State Exchanges.
- Sec. 903. Sunset of provisions related to pay for performance programs.

TITLE X—TRANSITION

Subtitle A—Medicare for All Transition Over 2 Years and Transitional Buy-In Option

- Sec. 1001. Medicare for all transition over two years.
 Sec. 1002. Establishment of the Medicare transition buy-in.

Subtitle B—Transitional Medicare Reforms

- Sec. 1011. Eliminating the 24-month waiting period for Medicare coverage for individuals with disabilities.
 Sec. 1012. Ensuring continuity of care.

TITLE XI—MISCELLANEOUS

- Sec. 1101. Definitions.
 Sec. 1102. Rules of construction.
 Sec. 1103. No use of resources for law enforcement of certain registration requirements.

1 **TITLE I—ESTABLISHMENT OF**
 2 **THE MEDICARE FOR ALL PRO-**
 3 **GRAM; UNIVERSAL COV-**
 4 **ERAGE; ENROLLMENT**

5 **SEC. 101. ESTABLISHMENT OF THE MEDICARE FOR ALL**
 6 **PROGRAM.**

7 There is hereby established a national health insur-
 8 ance program to provide comprehensive protection against
 9 the costs of health care and health-related services, in ac-
 10 cordance with the standards specified in, or established
 11 under, this Act.

12 **SEC. 102. UNIVERSAL COVERAGE.**

13 (a) IN GENERAL.—Every individual who is a resident
 14 of the United States is entitled to benefits for health care
 15 services under this Act. The Secretary shall promulgate
 16 a rule that provides criteria for determining residency for
 17 eligibility purposes under this Act.

1 (b) TREATMENT OF OTHER INDIVIDUALS.—The Sec-
2 retary may make eligible for benefits for health care serv-
3 ices under this Act other individuals not described in sub-
4 section (a), and regulate the eligibility of such individuals,
5 to ensure that every person in the United States has ac-
6 cess to health care. In regulating such eligibility, the Sec-
7 retary shall ensure that individuals are not allowed to
8 travel to the United States for the sole purpose of obtain-
9 ing health care items and services provided under the pro-
10 gram established under this Act.

11 **SEC. 103. FREEDOM OF CHOICE.**

12 Any individual entitled to benefits under this Act may
13 obtain health services from any institution, agency, or in-
14 dividual qualified to participate under this Act.

15 **SEC. 104. NON-DISCRIMINATION.**

16 (a) IN GENERAL.—No person shall, on the basis of
17 race, color, national origin, age, disability, marital status,
18 citizenship status, primary language use, genetic condi-
19 tions, previous or existing medical conditions, religion, or
20 sex, including sex stereotyping, gender identity, sexual ori-
21 entation, and pregnancy and related medical conditions
22 (including termination of pregnancy), be excluded from
23 participation in or be denied the benefits of the program
24 established under this Act (except as expressly authorized
25 by this Act for purposes of enforcing eligibility standards

1 described in section 102), or be subject to any reduction
2 of benefits or other discrimination by any participating
3 provider (as defined in section 301), or any entity con-
4 ducting, administering, or funding a health program or
5 activity, including contracts of insurance, pursuant to this
6 Act.

7 (b) CLAIMS OF DISCRIMINATION.—

8 (1) IN GENERAL.—The Secretary shall establish
9 a procedure for adjudication of administrative com-
10 plaints alleging a violation of subsection (a).

11 (2) JURISDICTION.—Any person aggrieved by a
12 violation of subsection (a) by a covered entity may
13 file suit in any district court of the United States
14 having jurisdiction of the parties. A person may
15 bring an action under this paragraph concurrently
16 as such administrative remedies as established in
17 paragraph (1).

18 (3) DAMAGES.—If the court finds a violation of
19 subsection (a), the court may grant compensatory
20 and punitive damages, declaratory relief, injunctive
21 relief, attorneys' fees and costs, or other relief as ap-
22 propriate.

23 (c) CONTINUED APPLICATION OF LAWS.—Nothing in
24 this title (or an amendment made by this title) shall be
25 construed to invalidate or otherwise limit any of the rights,

1 remedies, procedures, or legal standards available to indi-
2 viduals aggrieved under section 1557 of the Patient Pro-
3 tection and Affordable Care Act (42 U.S.C. 18116), title
4 VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et
5 seq.), title VII of the Civil Rights Act of 1964 (42 U.S.C.
6 2000e et seq.), title IX of the Education Amendments of
7 1972 (20 U.S.C. 1681 et seq.), section 504 of the Reha-
8 bilitation Act of 1973 (29 U.S.C. 794), or the Age Dis-
9 crimination Act of 1975 (42 U.S.C. 611 et seq.). Nothing
10 in this title (or an amendment to this title) shall be con-
11 strued to supersede State laws that provide additional pro-
12 tections against discrimination on any basis described in
13 subsection (a).

14 **SEC. 105. ENROLLMENT.**

15 (a) IN GENERAL.—The Secretary shall provide a
16 mechanism for the enrollment of individuals eligible for
17 benefits under this Act. The mechanism shall—

18 (1) include a process for the automatic enroll-
19 ment of individuals at the time of birth in the
20 United States (or upon establishment of residency in
21 the United States);

22 (2) provide for the enrollment, as of the dates
23 described in section 106, of all individuals who are
24 eligible to be enrolled as of such dates, as applicable;
25 and

1 (3) include a process for the enrollment of indi-
2 viduals made eligible for health care services under
3 section 102(b).

4 (b) ISSUANCE OF UNIVERSAL MEDICARE CARDS.—
5 In conjunction with an individual’s enrollment for benefits
6 under this Act, the Secretary shall provide for the issuance
7 of a Universal Medicare card that shall be used for pur-
8 poses of identification and processing of claims for bene-
9 fits under this program. The card shall not include an in-
10 dividual’s Social Security number.

11 **SEC. 106. EFFECTIVE DATE OF BENEFITS.**

12 (a) IN GENERAL.—Except as provided in subsection
13 (b), benefits shall first be available under this Act for
14 items and services furnished 2 years after the date of the
15 enactment of this Act.

16 (b) COVERAGE FOR CERTAIN INDIVIDUALS.—

17 (1) IN GENERAL.—For any eligible individual
18 who—

19 (A) has not yet attained the age of 19 as
20 of the date that is 1 year after the date of the
21 enactment of this Act; or

22 (B) has attained the age of 55 as of the
23 date that is 1 year after the date of the enact-
24 ment of this Act,

1 benefits shall first be available under this Act for
2 items and services furnished as of such date.

3 (2) OPTION TO CONTINUE IN OTHER COVERAGE
4 DURING TRANSITION PERIOD.—Any person who is
5 eligible to receive benefits as described in paragraph
6 (1) may opt to maintain any coverage described in
7 section 901, private health insurance coverage, or
8 coverage offered pursuant to subtitle A of title X
9 (including the amendments made by such subtitle)
10 until the date described in subsection (a).

11 **SEC. 107. PROHIBITION AGAINST DUPLICATING COVERAGE.**

12 (a) IN GENERAL.—Beginning on the effective date
13 described in section 106(a), it shall be unlawful for—

14 (1) a private health insurer to sell health insur-
15 ance coverage that duplicates the benefits provided
16 under this Act; or

17 (2) an employer to provide benefits for an em-
18 ployee, former employee, or the dependents of an
19 employee or former employee that duplicate the ben-
20 efits provided under this Act.

21 (b) CONSTRUCTION.—Nothing in this Act shall be
22 construed as prohibiting the sale of health insurance cov-
23 erage for any additional benefits not covered by this Act,
24 including additional benefits that an employer may provide

1 to employees or their dependents, or to former employees
2 or their dependents.

3 **TITLE II—COMPREHENSIVE BEN-**
4 **EFITS, INCLUDING PREVEN-**
5 **TIVE BENEFITS AND BENE-**
6 **FITS FOR LONG-TERM CARE**

7 **SEC. 201. COMPREHENSIVE BENEFITS.**

8 (a) IN GENERAL.—Subject to the other provisions of
9 this title and titles IV through IX, individuals enrolled for
10 benefits under this Act are entitled to have payment made
11 by the Secretary to an eligible provider for the following
12 items and services if medically necessary or appropriate
13 for the maintenance of health or for the diagnosis, treat-
14 ment, or rehabilitation of a health condition:

15 (1) Hospital services, including inpatient and
16 outpatient hospital care, including 24-hour-a-day
17 emergency services and inpatient prescription drugs.

18 (2) Ambulatory patient services.

19 (3) Primary and preventive services, including
20 chronic disease management.

21 (4) Prescription drugs and medical devices, in-
22 cluding outpatient prescription drugs, medical de-
23 vices, and biological products.

24 (5) Mental health and substance use treatment
25 services, including inpatient care.

1 (6) Laboratory and diagnostic services.

2 (7) Comprehensive reproductive, maternity, and
3 newborn care.

4 (8) Oral health, audiology, and vision services.

5 (9) Rehabilitative and habilitative services and
6 devices.

7 (10) Emergency services and transportation.

8 (11) Early and periodic screening, diagnostic,
9 and treatment services, as described in sections
10 1902(a)(10)(A), 1902(a)(43), 1905(a)(4)(B), and
11 1905(r) of the Social Security Act (42 U.S.C.
12 1396a(a)(10)(A); 1396a(a)(43); 1396d(a)(4)(B);
13 1396d(r)).

14 (12) Necessary transportation to receive health
15 care services for persons with disabilities, older indi-
16 viduals with functional limitations, or low-income in-
17 dividuals (as determined by the Secretary).

18 (13) Long-term care services and support (as
19 described in section 204).

20 (14) Hospice care.

21 (15) Services provided by a licensed marriage
22 and family therapist or a licensed mental health
23 counselor.

24 (b) REVISION.—The Secretary shall, at least annu-
25 ally, and on a regular basis, evaluate whether the benefits

1 package should be improved to promote the health of bene-
2 ficiaries, account for changes in medical practice or new
3 information from medical research, or respond to other
4 relevant developments in health science, and shall make
5 recommendations to Congress regarding any such im-
6 provements. Such recommendations may not include a rec-
7 ommendation to eliminate any benefit.

8 (c) HEARINGS.—

9 (1) IN GENERAL.—The Committee on Energy
10 and Commerce and the Committee on Ways and
11 Means of the House of Representatives shall, not
12 less frequently than annually, hold a hearing on the
13 recommendations submitted by the Secretary under
14 subsection (b).

15 (2) EXERCISE OF RULEMAKING AUTHORITY.—

16 Paragraph (1) is enacted—

17 (A) as an exercise of rulemaking power of
18 the House of Representatives, and, as such,
19 shall be considered as part of the rules of the
20 House, and such rules shall supersede any other
21 rule of the House only to the extent that rule
22 is inconsistent therewith; and

23 (B) with full recognition of the constitu-
24 tional right of either House to change such
25 rules (so far as relating to the procedure in

1 such House) at any time, in the same manner,
2 and to the same extent as in the case of any
3 other rule of the House.

4 (d) COMPLEMENTARY AND INTEGRATIVE MEDI-
5 CINE.—

6 (1) IN GENERAL.—In carrying out subsection
7 (b), the Secretary shall consult with the persons de-
8 scribed in paragraph (2) with respect to—

9 (A) identifying specific complementary and
10 integrative medicine practices that are appro-
11 priate to include in the benefits package; and

12 (B) identifying barriers to the effective
13 provision and integration of such practices into
14 the delivery of health care, and identifying
15 mechanisms for overcoming such barriers.

16 (2) CONSULTATION.—In accordance with para-
17 graph (1), the Secretary shall consult with—

18 (A) the Director of the National Center for
19 Complementary and Integrative Health;

20 (B) the Commissioner of Food and Drugs;

21 (C) institutions of higher education, pri-
22 vate research institutes, and individual re-
23 searchers with extensive experience in com-
24plementary and alternative medicine and the in-

1 tegration of such practices into the delivery of
2 health care;

3 (D) nationally recognized providers of com-
4 plementary and integrative medicine; and

5 (E) such other officials, entities, and indi-
6 viduals with expertise on complementary and
7 integrative medicine as the Secretary deter-
8 mines appropriate.

9 (e) STATES MAY PROVIDE ADDITIONAL BENE-
10 FITS.—Individual States may provide additional benefits
11 for the residents of such States, as determined by such
12 State, and may provide benefits to individuals not eligible
13 for benefits under this Act, at the expense of the State,
14 subject to the requirements specified in section 1102.

15 **SEC. 202. NO COST-SHARING; OTHER LIMITATIONS.**

16 (a) IN GENERAL.—The Secretary shall ensure that
17 no cost-sharing, including deductibles, coinsurance, copay-
18 ments, or similar charges, is imposed on an individual for
19 any benefits provided under this Act.

20 (b) NO BALANCE BILLING.—No provider may impose
21 a charge to an enrolled individual for covered services for
22 which benefits are provided under this Act.

23 (c) NO PRIOR AUTHORIZATION.—Benefits provided
24 under this Act shall be covered without any need for any

1 prior authorization determination and without any limita-
2 tion applied through the use of step therapy protocols.

3 **SEC. 203. EXCLUSIONS AND LIMITATIONS.**

4 (a) IN GENERAL.—Benefits for items and services
5 are not available under this Act unless the items and serv-
6 ices meet the standards developed by the Secretary pursu-
7 ant to section 201(a).

8 (b) TREATMENT OF EXPERIMENTAL ITEMS AND
9 SERVICES AND DRUGS.—

10 (1) IN GENERAL.—In applying subsection (a),
11 the Secretary shall make national coverage deter-
12 minations with respect to items and services that are
13 experimental in nature. Such determinations shall be
14 consistent with the national coverage determination
15 process as defined in section 1869(f)(1)(B) of the
16 Social Security Act (42 U.S.C. 1395ff(f)(1)(B)).

17 (2) APPEALS PROCESS.—The Secretary shall
18 establish a process by which individuals can appeal
19 coverage decisions. The process shall, as much as is
20 feasible, follow the process for appeals under the
21 Medicare program described in section 1869 of the
22 Social Security Act (42 U.S.C. 1395ff).

23 (c) APPLICATION OF PRACTICE GUIDELINES.—

24 (1) IN GENERAL.—In the case of items and
25 services for which the Department of Health and

1 Human Services has recognized a national practice
2 guideline, such items and services shall be deemed to
3 meet the standards specified in section 201(a) if
4 they have been provided in accordance with such
5 guideline. For purposes of this subsection, an item
6 or service not provided in accordance with a practice
7 guideline shall be deemed to have been provided in
8 accordance with the guideline if the health care pro-
9 vider providing the item or service—

10 (A) exercised appropriate professional
11 judgment in accordance with the laws and re-
12 quirements of the State in which such item or
13 service is furnished in deviating from the guide-
14 line;

15 (B) acted in the best interest of the indi-
16 vidual receiving the item or service; and

17 (C) acted in a manner consistent with the
18 individual's wishes.

19 (2) OVERRIDE OF STANDARDS.—

20 (A) IN GENERAL.—An individual's treating
21 physician or other health care professional au-
22 thorized to exercise independent professional
23 judgment in implementing a patient's medical
24 or nursing care plan in accordance with the
25 scope of practice, licensure, and other law of

1 the State where items and services are to be
2 furnished may override practice standards es-
3 tablished pursuant to section 201(a) or practice
4 guidelines described in paragraph (1), including
5 such standards and guidelines that are imple-
6 mented by a provider through the use of health
7 information technology, such as electronic
8 health record technology, clinical decision sup-
9 port technology, and computerized order entry
10 programs.

11 (B) LIMITATION.—An override described
12 in subparagraph (A) shall, in the professional
13 judgment of such physician, nurse, or health
14 care professional, be—

15 (i) consistent with such physician's,
16 nurse's, or health care professional's deter-
17 mination of medical necessity and appro-
18 priateness or nursing assessment;

19 (ii) in the best interests of the indi-
20 vidual; and

21 (iii) consistent with the individual's
22 wishes.

23 **SEC. 204. COVERAGE OF LONG-TERM CARE SERVICES.**

24 (a) IN GENERAL.—Subject to the other provisions of
25 this Act, individuals enrolled for benefits under this Act

1 are entitled to the following long-term services and sup-
2 ports and to have payment made by the Secretary to an
3 eligible provider for such services and supports if medically
4 necessary and appropriate and in accordance with the
5 standards established in this Act, for maintenance of
6 health or for care, services, diagnosis, treatment, or reha-
7 bilitation that is related to a medically determinable condi-
8 tion, whether physical or mental, of health, injury, or age
9 that—

10 (1) causes a functional limitation in performing
11 one or more activities of daily living; or

12 (2) requires a similar need of assistance in per-
13 forming instrumental activities of daily living.

14 (b) ELIGIBILITY.—An individual shall be eligible for
15 services and supports described in this section if such indi-
16 vidual has one or more medically determinable conditions
17 described in subsection (a).

18 (c) SERVICES AND SUPPORTS.—Long-term services
19 and supports under this section shall be tailored to an in-
20 dividual's needs, as determined through assessment, and
21 shall be defined by the Secretary to—

22 (1) include any long-term nursing services for
23 the enrollee, whether provided in an institution or in
24 a home and community-based setting;

1 (2) provide coverage for a broad spectrum of
2 long-term services and supports, including for home
3 and community-based services and other care pro-
4 vided through non-institutional settings;

5 (3) provide coverage that meets the physical,
6 mental, and social needs of recipients while allowing
7 recipients their maximum possible autonomy and
8 their maximum possible civic, social, and economic
9 participation;

10 (4) prioritize delivery of long-term services and
11 supports through home and community-based serv-
12 ices over institutionalization;

13 (5) unless an individual elects otherwise, ensure
14 that recipients will receive home and community
15 based long-term services and supports (as defined in
16 subsection (f)(4)), regardless of the individuals's
17 type or level of disability, service need, or age;

18 (6) be provided with the goal of enabling per-
19 sons with disabilities to receive services in the least
20 restrictive and most integrated setting appropriate
21 to the individual's needs;

22 (7) be provided in such a manner that allows
23 persons with disabilities to maintain their independ-
24 ence, self-determination, and dignity;

1 (8) provide long-term services and supports
2 that are of equal quality and equally accessible
3 across geographic regions; and

4 (9) ensure that long-term services and supports
5 provide recipient's the option of self-direction of
6 services from either the recipient or care coordina-
7 tors of the recipient's choosing.

8 (d) PUBLIC CONSULTATION.—In developing regula-
9 tions to implement this section, the Secretary shall consult
10 with an advisory commission on long-term services and
11 supports that includes—

12 (1) people with disabilities who use long-term
13 services and supports and older adults who use long-
14 term services and supports;

15 (2) representatives of people with disabilities
16 and representatives of older adults;

17 (3) groups that represent the diversity of the
18 population of people living with disabilities, including
19 racial, ethnic, national origin, primary language use,
20 age, sex, including gender identity and sexual ori-
21 entation, geographical, and socioeconomic diversity;

22 (4) providers of long-term services and sup-
23 ports, including family attendants and family care-
24 givers, and members of organized labor;

25 (5) disability rights organizations; and

1 (6) relevant academic institutions and research-
2 ers.

3 (e) BUDGETING AND PAYMENTS.—Budgeting and
4 payments for long-term services and supports provided
5 under this section shall be made in accordance with the
6 provisions under title VI.

7 (f) DEFINITIONS.—In this section:

8 (1) The term “long-term services and supports”
9 means long-term care, treatment, maintenance, or
10 services needed to support the activities of daily liv-
11 ing and instrumental activities of daily living, includ-
12 ing home and community-based services and any ad-
13 ditional services and supports identified by the Sec-
14 retary to support people with disabilities to live,
15 work, and participate in their communities.

16 (2) The term “activities of daily living” means
17 basic personal everyday activities, including tasks
18 such as eating, toileting, grooming, dressing, bath-
19 ing, and transferring.

20 (3) The term “instrumental activities of daily
21 living” means activities related to living independ-
22 ently in the community, including but not limited to,
23 meal planning and preparation, managing finances,
24 shopping for food, clothing, and other essential
25 items, performing essential household chores, com-

1 communicating by phone or other media, and traveling
2 around and participating in the community.

3 (4) The term “home and community-based
4 services” means the home and community-based
5 services that are coverable under subsections (c),
6 (d), (i), and (k) of section 1915 of the Social Secu-
7 rity Act (42 U.S.C. 1396n), and as defined by the
8 Secretary, including as defined in the home and
9 community-based services settings rule in sections
10 441.530 and 441.710 of title 42, Code of Federal
11 Regulations (or a successor regulation).

12 **TITLE III—PROVIDER** 13 **PARTICIPATION**

14 **SEC. 301. PROVIDER PARTICIPATION AND STANDARDS;** 15 **WHISTLEBLOWER PROTECTIONS.**

16 (a) **IN GENERAL.**—An individual or other entity fur-
17 nishing any covered item or service under this Act is not
18 a qualified provider unless the individual or entity—

19 (1) is a qualified provider of the items or serv-
20 ices under section 302;

21 (2) has filed with the Secretary a participation
22 agreement described in subsection (b); and

23 (3) meets, as applicable, such other qualifica-
24 tions and conditions with respect to a provider of
25 services under title XVIII of the Social Security Act

1 as described in section 1866 of the Social Security
2 Act (42 U.S.C. 1395cc).

3 (b) REQUIREMENTS IN PARTICIPATION AGREE-
4 MENT.—

5 (1) IN GENERAL.—A participation agreement
6 described in this subsection between the Secretary
7 and a provider shall provide at least for the fol-
8 lowing:

9 (A) Items and services to eligible persons
10 shall be furnished by the provider without dis-
11 crimination, in accordance with section 104(a).
12 Nothing in this subparagraph shall be con-
13 strued as requiring the provision of a type or
14 class of items or services that are outside the
15 scope of the provider's normal practice.

16 (B) No charge will be made to any enrolled
17 individual for any covered items or services
18 other than for payment authorized by this Act.

19 (C) The provider agrees to furnish such in-
20 formation as may be reasonably required by the
21 Secretary, in accordance with uniform reporting
22 standards established under section 401(b)(1),
23 for—

24 (i) quality review by designated enti-
25 ties;

1 (ii) making payments under this Act,
2 including the examination of records as
3 may be necessary for the verification of in-
4 formation on which such payments are
5 based;

6 (iii) statistical or other studies re-
7 quired for the implementation of this Act;
8 and

9 (iv) such other purposes as the Sec-
10 retary may specify.

11 (D) In the case of a provider that is not
12 an individual, the provider agrees not to employ
13 or use for the provision of health services any
14 individual or other provider that has had a par-
15 ticipation agreement under this subsection ter-
16 minated for cause. The Secretary may authorize
17 such employment or use on a case-by-case
18 basis.

19 (E) In the case of a provider paid under
20 a fee-for-service basis for items and services
21 furnished under this Act, the provider agrees to
22 submit bills and any required supporting docu-
23 mentation relating to the provision of covered
24 items and services within 30 days after the date
25 of providing such items and services.

1 (F) In the case of an institutional provider
2 paid pursuant to section 611, the provider
3 agrees to submit information and any other re-
4 quired supporting documentation as may be
5 reasonably required by the Secretary within 30
6 days after the date of providing such items and
7 services and in accordance with the uniform re-
8 porting standards established under section
9 401(b)(1), including information on a quarterly
10 basis that—

11 (i) relates to the provision of covered
12 items and services; and

13 (ii) describes items and services fur-
14 nished with respect to specific individuals.

15 (G) In the case of a provider that receives
16 payment for items and services furnished under
17 this Act based on diagnosis-related coding, pro-
18 cedure coding, or other coding system or data,
19 the provider agrees—

20 (i) to disclose to the Secretary any
21 system or index of coding or classifying pa-
22 tient symptoms, diagnoses, clinical inter-
23 ventions, episodes, or procedures that such
24 provider utilizes for global budget negotia-
25 tions under title VI or for meeting any

1 other payment, documentation, or data col-
2 lection requirements under this Act; and

3 (ii) not to use any such system or
4 index to establish financial incentives or
5 disincentives for health care professionals,
6 or that is proprietary, interferes with the
7 medical or nursing process, or is designed
8 to increase the amount or number of pay-
9 ments.

10 (H) The provider complies with the duty of
11 provider ethics and reporting requirements de-
12 scribed in paragraph (2).

13 (I) In the case of a provider that is not an
14 individual, the provider agrees that no board
15 member, executive, or administrator of such
16 provider receives compensation from, owns
17 stock or has other financial investments in, or
18 serves as a board member of any entity that
19 contracts with or provides items or services, in-
20 cluding pharmaceutical products and medical
21 devices or equipment, to such provider.

22 (2) PROVIDER DUTY OF ETHICS.—Each health
23 care provider, including institutional providers, has a
24 duty to advocate for and to act in the exclusive in-
25 terest of each individual under the care of such pro-

1 vider according to the applicable legal standard of
2 care, such that no financial interest or relationship
3 impairs any health care provider's ability to furnish
4 necessary and appropriate care to such individual.
5 To implement the duty established in this para-
6 graph, the Secretary shall—

7 (A) promulgate reasonable reporting rules
8 to evaluate participating provider compliance
9 with this paragraph;

10 (B) prohibit participating providers,
11 spouses, and immediate family members of par-
12 ticipating providers, from accepting or entering
13 into any arrangement for any bonus, incentive
14 payment, profit-sharing, or compensation based
15 on patient utilization or based on financial out-
16 comes of any other provider or entity; and

17 (C) prohibit participating providers or any
18 board member or representative of such pro-
19 vider from serving as board members for or re-
20 ceiving any compensation, stock, or other finan-
21 cial investment in an entity that contracts with
22 or provides items or services (including pharma-
23 ceutical products and medical devices or equip-
24 ment) to such provider.

1 (3) TERMINATION OF PARTICIPATION AGREE-
2 MENT.—

3 (A) IN GENERAL.—Participation agree-
4 ments may be terminated, with appropriate no-
5 tice—

6 (i) by the Secretary for failure to meet
7 the requirements of this Act;

8 (ii) in accordance with the provisions
9 described in section 411; or

10 (iii) by a provider.

11 (B) TERMINATION PROCESS.—Providers
12 shall be provided notice and a reasonable oppor-
13 tunity to correct deficiencies before the Sec-
14 retary terminates an agreement unless a more
15 immediate termination is required for public
16 safety or similar reasons.

17 (C) PROVIDER PROTECTIONS.—

18 (i) PROHIBITION.—The Secretary may
19 not terminate a participation agreement or
20 in any other way discriminate against, or
21 cause to be discriminated against, any cov-
22 ered provider or authorized representative
23 of the provider, on account of such pro-
24 vider or representative—

1 (I) providing, causing to be pro-
2 vided, or being about to provide or
3 cause to be provided to the provider,
4 the Federal Government, or the attor-
5 ney general of a State information re-
6 lating to any violation of, or any act
7 or omission the provider or represent-
8 ative reasonably believes to be a viola-
9 tion of, any provision of this title (or
10 an amendment made by this title);

11 (II) testifying or being about to
12 testify in a proceeding concerning
13 such violation;

14 (III) assisting or participating, or
15 being about to assist or participate, in
16 such a proceeding; or

17 (IV) objecting to, or refusing to
18 participate in, any activity, policy,
19 practice, or assigned task that the
20 provider or representative reasonably
21 believes to be in violation of any provi-
22 sion of this Act (including any amend-
23 ment made by this Act), or any order,
24 rule, regulation, standard, or ban

1 under this Act (including any amend-
2 ment made by this Act).

3 (ii) COMPLAINT PROCEDURE.—A pro-
4 vider or representative who believes that he
5 or she has been discriminated against in
6 violation of this section may seek relief in
7 accordance with the procedures, notifica-
8 tions, burdens of proof, remedies, and stat-
9 utes of limitation set forth in section
10 2087(b) of title 15, United States Code.

11 (c) WHISTLEBLOWER PROTECTIONS.—

12 (1) RETALIATION PROHIBITED.—No person
13 may discharge or otherwise discriminate against any
14 employee because the employee or any person acting
15 pursuant to a request of the employee—

16 (A) notified the Secretary or the employ-
17 ee's employer of any alleged violation of this
18 title, including communications related to car-
19 rying out the employee's job duties;

20 (B) refused to engage in any practice made
21 unlawful by this title, if the employee has iden-
22 tified the alleged illegality to the employer;

23 (C) testified before or otherwise provided
24 information relevant for Congress or for any

1 Federal or State proceeding regarding any pro-
2 vision (or proposed provision) of this title;

3 (D) commenced, caused to be commenced,
4 or is about to commence or cause to be com-
5 menced a proceeding under this title;

6 (E) testified or is about to testify in any
7 such proceeding; or

8 (F) assisted or participated or is about to
9 assist or participate in any manner in such a
10 proceeding or in any other manner in such a
11 proceeding or in any other action to carry out
12 the purposes of this title.

13 (2) ENFORCEMENT ACTION.—Any employee
14 covered by this section who alleges discrimination by
15 an employer in violation of paragraph (1) may bring
16 an action, subject to the statute of limitations in the
17 anti-retaliation provisions of the False Claims Act
18 and the rules and procedures, legal burdens of proof,
19 and remedies applicable under the employee protec-
20 tions provisions of the Surface Transportation As-
21 sistance Act.

22 (3) APPLICATION.—

23 (A) Nothing in this subsection shall be
24 construed to diminish the rights, privileges, or
25 remedies of any employee under any Federal or

1 State law or regulation, including the rights
2 and remedies against retaliatory action under
3 the False Claims Act (31 U.S.C. 3730(h)), or
4 under any collective bargaining agreement. The
5 rights and remedies in this section may not be
6 waived by any agreement, policy, form, or con-
7 dition of employment.

8 (B) Nothing in this subsection shall be
9 construed to preempt or diminish any other
10 Federal or State law or regulation against dis-
11 crimination, demotion, discharge, suspension,
12 threats, harassment, reprimand, retaliation, or
13 any other manner of discrimination, including
14 the rights and remedies against retaliatory ac-
15 tion under the False Claims Act (31 U.S.C.
16 3730(h)).

17 (4) DEFINITIONS.—In this subsection:

18 (A) EMPLOYER.—The term “employer”
19 means any person engaged in profit or non-
20 profit business or industry, including one or
21 more individuals, partnerships, associations,
22 corporations, trusts, professional membership
23 organization including a certification, discipli-
24 nary, or other professional body, unincorporated
25 organizations, nongovernmental organizations,

1 or trustees, and subject to liability for violating
2 the provisions of this Act.

3 (B) EMPLOYEE.—The term “employee”
4 means any individual performing activities
5 under this Act on behalf of an employer.

6 **SEC. 302. QUALIFICATIONS FOR PROVIDERS.**

7 (a) IN GENERAL.—A health care provider is consid-
8 ered to be qualified to furnish covered items and services
9 under this Act if the provider is licensed or certified to
10 furnish such items and services in the State in which the
11 individual receiving such items or services is located and
12 meets—

13 (1) the requirements of such State’s law to fur-
14 nish such items and services; and

15 (2) applicable requirements of Federal law to
16 furnish such items and services.

17 (b) LIMITATION.—An entity or provider shall not be
18 qualified to furnish covered items and services under this
19 Act if the entity or provider provides no items and services
20 directly to individuals, including—

21 (1) entities or providers that contract with
22 other entities or providers to provide such items and
23 services; and

24 (2) entities that are currently approved to co-
25 ordinate care plans under the Medicare Advantage

1 program established in part C of title XVIII of the
2 Social Security Act (42 U.S.C. 1851 et seq.) but do
3 not directly provide items and services of such care
4 plans.

5 (c) MINIMUM PROVIDER STANDARDS.—

6 (1) IN GENERAL.—The Secretary shall estab-
7 lish, evaluate, and update national minimum stand-
8 ards to ensure the quality of items and services pro-
9 vided under this Act and to monitor efforts by
10 States to ensure the quality of such items and serv-
11 ices. A State may establish additional minimum
12 standards which providers shall meet with respect to
13 items and services provided in such State.

14 (2) NATIONAL MINIMUM STANDARDS.—The
15 Secretary shall establish national minimum stand-
16 ards under paragraph (1) for institutional providers
17 of services and individual health care practitioners.
18 Except as the Secretary may specify in order to
19 carry out this Act, a hospital, skilled nursing facility,
20 or other institutional provider of services shall meet
21 standards applicable to such a provider under the
22 Medicare program under title XVIII of the Social
23 Security Act (42 U.S.C. 1395 et seq.). Such stand-
24 ards also may include, where appropriate, elements
25 relating to—

1 (A) adequacy and quality of facilities;

2 (B) mandatory minimum safe registered
3 nurse-to-patient staffing ratios and optimal
4 staffing levels for physicians and other health
5 care practitioners;

6 (C) training and competence of personnel
7 (including requirements related to the number
8 of or type of required continuing education
9 hours);

10 (D) comprehensiveness of service;

11 (E) continuity of service;

12 (F) patient waiting time, access to serv-
13 ices, and preferences; and

14 (G) performance standards, including orga-
15 nization, facilities, structure of services, effi-
16 ciency of operation, and outcome in palliation,
17 improvement of health, stabilization, cure, or
18 rehabilitation.

19 (3) TRANSITION IN APPLICATION.—If the Sec-
20 retary provides for additional requirements for pro-
21 viders under this subsection, any such additional re-
22 quirement shall be implemented in a manner that
23 provides for a reasonable period during which a pre-
24 viously qualified provider is permitted to meet such
25 an additional requirement.

1 (4) ABILITY TO PROVIDE SERVICES.—With re-
 2 spect to any entity or provider certified to provide
 3 items and services described in section 201(a)(7),
 4 the Secretary may not prohibit such entity or pro-
 5 vider from participating for reasons other than such
 6 entity’s or provider’s ability to provide such items
 7 and services.

8 (d) FEDERAL PROVIDERS.—Any provider qualified to
 9 provide health care items and services through the Depart-
 10 ment of Veterans Affairs, the Indian Health Service, or
 11 the uniformed services (with respect to the direct care
 12 component of the TRICARE Program) is a qualifying pro-
 13 vider under this section with respect to any individual who
 14 qualifies for such items and services under applicable Fed-
 15 eral law.

16 **SEC. 303. USE OF PRIVATE CONTRACTS.**

17 (a) IN GENERAL.—This section shall apply beginning
 18 2 years after the date of the enactment of this Act.

19 (b) PARTICIPATING PROVIDERS.—

20 (1) PRIVATE CONTRACTS FOR COVERED ITEMS
 21 AND SERVICES FOR ELIGIBLE INDIVIDUALS.—An in-
 22 stitutional or individual provider with an agreement
 23 in effect under section 301 may not bill or enter into
 24 any private contract with any individual eligible for

1 benefits under the Act for any item or service that
2 is a benefit under this Act.

3 (2) PRIVATE CONTRACTS FOR NONCOVERED
4 ITEMS AND SERVICES FOR ELIGIBLE INDIVIDUALS.—

5 An institutional or individual provider with an agree-
6 ment in effect under section 301 may bill or enter
7 into a private contract with an individual eligible for
8 benefits under the Act for any item or service that
9 is not a benefit under this Act only if—

10 (A) the contract and provider meet the re-
11 quirements specified in paragraphs (3) and (4),
12 respectively;

13 (B) such item or service is not payable or
14 available under this Act; and

15 (C) the provider receives—

16 (i) no reimbursement under this Act
17 directly or indirectly for such item or serv-
18 ice, and

19 (ii) receives no amount for such item
20 or service from an organization which re-
21 ceives reimbursement for such items or
22 service under this Act directly or indirectly.

23 (3) CONTRACT REQUIREMENTS.—Any contract
24 to provide items and services described in paragraph
25 (2) shall—

1 (A) be in writing and signed by the indi-
2 vidual (or authorized representative of the indi-
3 vidual) receiving the item or service before the
4 item or service is furnished pursuant to the
5 contract;

6 (B) not be entered into at a time when the
7 individual is facing an emergency health care
8 situation; and

9 (C) clearly indicate to the individual receiv-
10 ing such items and services that by signing
11 such a contract the individual—

12 (i) agrees not to submit a claim (or to
13 request that the provider submit a claim)
14 under this Act for such items or services;

15 (ii) agrees to be responsible for pay-
16 ment of such items or services and under-
17 stands that no reimbursement will be pro-
18 vided under this Act for such items or
19 services;

20 (iii) acknowledges that no limits under
21 this Act apply to amounts that may be
22 charged for such items or services; and

23 (iv) acknowledges that the provider is
24 providing services outside the scope of the
25 program under this Act.

1 (4) AFFIDAVIT.—A participating provider who
2 enters into a contract described in paragraph (2)
3 shall have in effect during the period any item or
4 service is to be provided pursuant to the contract an
5 affidavit that shall—

6 (A) identify the provider who is to furnish
7 such noncovered item or service, and be signed
8 by such provider;

9 (B) state that the provider will not submit
10 any claim under this Act for any noncovered
11 item or service provided to any individual en-
12 rolled under this Act; and

13 (C) be filed with the Secretary no later
14 than 10 days after the first contract to which
15 such affidavit applies is entered into.

16 (5) ENFORCEMENT.—If a provider signing an
17 affidavit described in paragraph (4) knowingly and
18 willfully submits a claim under this title for any item
19 or service provided or receives any reimbursement or
20 amount for any such item or service provided pursu-
21 ant to a private contract described in paragraph (2)
22 with respect to such affidavit—

23 (A) any contract described in paragraph
24 (2) shall be null and void;

1 (B) no payment shall be made under this
2 title for any item or service furnished by the
3 provider during the 2-year period beginning on
4 the date the affidavit was signed; and

5 (C) any payment received under this title
6 for any item or service furnished during such
7 period shall be remitted.

8 (6) PRIVATE CONTRACTS FOR INELIGIBLE INDI-
9 VIDUALS.—An institutional or individual provider
10 with an agreement in effect under section 301 may
11 bill or enter into a private contract with any indi-
12 vidual ineligible for benefits under the Act for any
13 item or service.

14 (c) NONPARTICIPATING PROVIDERS.—

15 (1) PRIVATE CONTRACTS FOR COVERED ITEMS
16 AND SERVICES FOR ELIGIBLE INDIVIDUALS.—An in-
17 stitutional or individual provider with no agreement
18 in effect under section 301 may bill or enter into
19 any private contract with any individual eligible for
20 benefits under the Act for any item or service that
21 is a benefit under this Act described in title II only
22 if the contract and provider meet the requirements
23 specified in paragraphs (2) and (3), respectively.

1 (2) ITEMS REQUIRED TO BE INCLUDED IN CON-
2 TRACT.—Any contract to provide items and services
3 described in paragraph (1) shall—

4 (A) be in writing and signed by the indi-
5 vidual (or authorized representative of the indi-
6 vidual) receiving the item or service before the
7 item or service is furnished pursuant to the
8 contract;

9 (B) not be entered into at a time when the
10 individual is facing an emergency health care
11 situation; and

12 (C) clearly indicate to the individual receiv-
13 ing such items and services that by signing
14 such a contract the individual—

15 (i) acknowledges that the individual
16 has the right to have such items or services
17 provided by other providers for whom pay-
18 ment would be made under this Act;

19 (ii) agrees not to submit a claim (or
20 to request that the provider submit a
21 claim) under this Act for such items or
22 services even if such items or services are
23 otherwise covered by this Act;

24 (iii) agrees to be responsible for pay-
25 ment of such items or services and under-

1 stands that no reimbursement will be pro-
2 vided under this Act for such items or
3 services;

4 (iv) acknowledges that no limits under
5 this Act apply to amounts that may be
6 charged for such items or services; and

7 (v) acknowledges that the provider is
8 providing services outside the scope of the
9 program under this Act.

10 (3) AFFIDAVIT.—A provider who enters into a
11 contract described in paragraph (1) shall have in ef-
12 fect during the period any item or service is to be
13 provided pursuant to the contract an affidavit that
14 shall—

15 (A) identify the provider who is to furnish
16 such covered item or service, and be signed by
17 such provider;

18 (B) state that the provider will not submit
19 any claim under this Act for any covered item
20 or service provided to any individual enrolled
21 under this Act during the 2-year period begin-
22 ning on the date the affidavit is signed; and

23 (C) be filed with the Secretary no later
24 than 10 days after the first contract to which
25 such affidavit applies is entered into.

1 (4) ENFORCEMENT.—If a provider signing an
2 affidavit described in paragraph (3) knowingly and
3 willfully submits a claim under this title for any item
4 or service provided or receives any reimbursement or
5 amount for any such item or service provided pursu-
6 ant to a private contract described in paragraph (1)
7 with respect to such affidavit—

8 (A) any contract described in paragraph
9 (1) shall be null and void; and

10 (B) no payment shall be made under this
11 title for any item or service furnished by the
12 provider during the 2-year period beginning on
13 the date the affidavit was signed.

14 (5) PRIVATE CONTRACTS FOR NONCOVERED
15 ITEMS AND SERVICES FOR ANY INDIVIDUAL.—An in-
16 stitutional or individual provider with no agreement
17 in effect under section 301 may bill or enter into a
18 private contract with any individual for a item or
19 service that is not a benefit under this Act.

TITLE IV—ADMINISTRATION

Subtitle A—General

Administration Provisions

SEC. 401. ADMINISTRATION.

(a) GENERAL DUTIES OF THE SECRETARY.—

(1) IN GENERAL.—The Secretary shall develop policies, procedures, guidelines, and requirements to carry out this Act, including related to—

(A) eligibility for benefits;

(B) enrollment;

(C) benefits provided;

(D) provider participation standards and qualifications, as described in title III;

(E) levels of funding;

(F) methods for determining amounts of payments to providers of covered items and services, consistent with subtitle B;

(G) a process for appealing or petitioning for a determination of coverage or noncoverage of items and services under this Act;

(H) planning for capital expenditures and service delivery;

(I) planning for health professional education funding;

1 (J) encouraging States to develop regional
2 planning mechanisms; and

3 (K) any other regulations necessary to
4 carry out the purposes of this Act.

5 (2) REGULATIONS.—Regulations authorized by
6 this Act shall be issued by the Secretary in accord-
7 ance with section 553 of title 5, United States Code.

8 (3) ACCESSIBILITY.—The Secretary shall have
9 the obligation to ensure the timely and accessible
10 provision of items and services that all eligible indi-
11 viduals are entitled to under this Act.

12 (b) UNIFORM REPORTING STANDARDS; ANNUAL RE-
13 PORT; STUDIES.—

14 (1) UNIFORM REPORTING STANDARDS.—

15 (A) IN GENERAL.—The Secretary shall es-
16 tablish uniform State reporting requirements
17 and national standards to ensure an adequate
18 national database containing information per-
19 taining to health services practitioners, ap-
20 proved providers, the costs of facilities and
21 practitioners providing items and services, the
22 quality of such items and services, the outcomes
23 of such items and services, and the equity of
24 health among population groups. Such database
25 shall include, to the maximum extent feasible

1 without compromising patient privacy, health
2 outcome measures used under this Act, and to
3 the maximum extent feasible without excessively
4 burdening providers, a description of the stand-
5 ards and qualifications, levels of finding, and
6 methods described in subparagraphs (D)
7 through (F) of subsection (a)(1).

8 (B) REQUIRED DATA DISCLOSURES.—In
9 establishing reporting requirements and stand-
10 ards under subparagraph (A), the Secretary
11 shall require a provider with an agreement in
12 effect under section 301 to disclose to the Sec-
13 retary, in a time and manner specified by the
14 Secretary, the following (as applicable to the
15 type of provider):

16 (i) Any data the provider is required
17 to report or does report to any State or
18 local agency, or, as of January 1, 2019, to
19 the Secretary or any entity that is part of
20 the Department of Health and Human
21 Services, except data that are required
22 under the programs terminated in section
23 903.

24 (ii) Annual financial data that in-
25 cludes information on employees (including

1 the number of employees, hours worked,
2 and wage information) by job title and by
3 each patient care unit or department with-
4 in each facility (including outpatient units
5 or departments); the number of registered
6 nurses per staffed bed by each such unit or
7 department; information on the dollar
8 value and annual spending (including pur-
9 chases, upgrades, and maintenance) for
10 health information technology; and risk-ad-
11 justed and raw patient outcome data (in-
12 cluding data on medical, surgical, obstet-
13 ric, and other procedures).

14 (C) REPORTS.—The Secretary shall regu-
15 larly analyze information reported to the Sec-
16 retary and shall define rules and procedures to
17 allow researchers, scholars, health care pro-
18 viders, and others to access and analyze data
19 for purposes consistent with quality and out-
20 comes research, without compromising patient
21 privacy.

22 (2) ANNUAL REPORT.—Beginning 2 years after
23 the date of the enactment of this Act, the Secretary
24 shall annually report to Congress on the following:

1 (A) The status of implementation of the
2 Act.

3 (B) Enrollment under this Act.

4 (C) Benefits under this Act.

5 (D) Expenditures and financing under this
6 Act.

7 (E) Cost-containment measures and
8 achievements under this Act.

9 (F) Quality assurance.

10 (G) Health care utilization patterns, in-
11 cluding any changes attributable to the pro-
12 gram.

13 (H) Changes in the per-capita costs of
14 health care.

15 (I) Differences in the health status of the
16 populations of the different States, including by
17 racial, ethnic, national origin, primary language
18 use, age, disability, sex, including gender iden-
19 tity and sexual orientation, geographical, and
20 income characteristics;

21 (J) Progress on quality and outcome meas-
22 ures, and long-range plans and goals for
23 achievements in such areas.

24 (K) Plans for improving service to medi-
25 cally underserved populations.

1 (L) Transition problems as a result of im-
2 plementation of this Act.

3 (M) Opportunities for improvements under
4 this Act.

5 (3) STATISTICAL ANALYSES AND OTHER STUD-
6 IES.—The Secretary may, either directly or by con-
7 tract—

8 (A) make statistical and other studies, on
9 a nationwide, regional, State, or local basis, of
10 any aspect of the operation of this Act;

11 (B) develop and test methods of delivery of
12 items and services as the Secretary may con-
13 sider necessary or promising for the evaluation,
14 or for the improvement, of the operation of this
15 Act; and

16 (C) develop methodological standards for
17 policymaking.

18 (c) AUDITS.—

19 (1) IN GENERAL.—The Comptroller General of
20 the United States shall conduct an audit of the De-
21 partment of Health and Human Services every fifth
22 fiscal year following the effective date of this Act to
23 determine the effectiveness of the program in car-
24 rying out the duties under subsection (a).

1 (2) REPORTS.—The Comptroller General of the
2 United States shall submit a report to Congress con-
3 cerning the results of each audit conducted under
4 this subsection.

5 **SEC. 402. CONSULTATION.**

6 The Secretary shall consult with Federal agencies,
7 Indian tribes and urban Indian health organizations, and
8 private entities, such as labor organizations representing
9 health care workers, professional societies, national asso-
10 ciations, nationally recognized associations of health care
11 experts, medical schools and academic health centers, con-
12 sumer groups, and business organizations in the formula-
13 tion of guidelines, regulations, policy initiatives, and infor-
14 mation gathering to ensure the broadest and most in-
15 formed input in the administration of this Act. Nothing
16 in this Act shall prevent the Secretary from adopting
17 guidelines, consistent with the provisions of section 203(c),
18 developed by such a private entity if, in the Secretary's
19 judgment, such guidelines are generally accepted as rea-
20 sonable and prudent and consistent with this Act.

21 **SEC. 403. REGIONAL ADMINISTRATION.**

22 (a) COORDINATION WITH REGIONAL OFFICES.—The
23 Secretary shall establish and maintain regional offices for
24 purposes of carrying out the duties specified in subsection
25 (c) and promoting adequate access to, and efficient use

1 of, tertiary care facilities, equipment, and services by indi-
2 viduals enrolled under this Act. Wherever possible, the
3 Secretary shall incorporate regional offices of the Centers
4 for Medicare & Medicaid Services for this purpose.

5 (b) APPOINTMENT OF REGIONAL DIRECTORS.—In
6 each such regional office there shall be—

7 (1) one regional director appointed by the Sec-
8 retary;

9 (2) one deputy director appointed by the re-
10 gional director to represent the Indian and Alaska
11 Native tribes in the region, if any; and

12 (3) one deputy director appointed by the re-
13 gional director to oversee long-term services and
14 supports.

15 (c) REGIONAL OFFICE DUTIES.—Each regional di-
16 rector shall—

17 (1) provide an annual health care needs assess-
18 ment with respect to the region under the director's
19 jurisdiction to the Secretary after a thorough exam-
20 ination of health needs and in consultation with pub-
21 lic health officials, clinicians, patients, and patient
22 advocates;

23 (2) recommend any changes in provider reim-
24 bursement or payment for delivery of health services

1 determined appropriate by the regional director, sub-
2 ject to the provisions of title VI; and

3 (3) establish a quality assurance mechanism in
4 each such region in order to minimize both under-
5 utilization and overutilization of health care items
6 and services and to ensure that all providers meet
7 quality standards established pursuant to this Act.

8 **SEC. 404. BENEFICIARY OMBUDSMAN.**

9 (a) IN GENERAL.—The Secretary shall appoint a
10 Beneficiary Ombudsman who shall have expertise and ex-
11 perience in the fields of health care and education of, and
12 assistance to, individuals enrolled under this Act.

13 (b) DUTIES.—The Beneficiary Ombudsman shall—

14 (1) receive complaints, grievances, and requests
15 for information submitted by individuals enrolled
16 under this Act or eligible to enroll under this Act
17 with respect to any aspect of the Medicare for All
18 Program;

19 (2) provide assistance with respect to com-
20 plaints, grievances, and requests referred to in para-
21 graph (1), including assistance in collecting relevant
22 information for such individuals, to seek an appeal
23 of a decision or determination made by a regional of-
24 fice or the Secretary; and

1 title XVIII or State plans under title XIX of the Social
2 Security Act:

3 (1) Section 1128 (relating to exclusion of indi-
4 viduals and entities).

5 (2) Section 1128A (civil monetary penalties).

6 (3) Section 1128B (criminal penalties).

7 (4) Section 1124 (relating to disclosure of own-
8 ership and related information).

9 (5) Section 1126 (relating to disclosure of cer-
10 tain owners).

11 (6) Section 1877 (relating to physician refer-
12 rals).

13 **TITLE V—QUALITY ASSESSMENT**

14 **SEC. 501. QUALITY STANDARDS.**

15 (a) IN GENERAL.—All standards and quality meas-
16 ures under this Act shall be implemented and evaluated
17 by the Center for Clinical Standards and Quality of the
18 Centers for Medicare & Medicaid Services (referred to in
19 this title as the “Center”) or such other agency deter-
20 mined appropriate by the Secretary, in coordination with
21 the Agency for Healthcare Research and Quality and other
22 offices of the Department of Health and Human Services.

23 (b) DUTIES OF THE CENTER.—The Center shall per-
24 form the following duties:

1 (1) Review and evaluate each practice guideline
2 developed under part B of title IX of the Public
3 Health Service Act. In so reviewing and evaluating,
4 the Center shall determine whether the guideline
5 should be recognized as a national practice guideline
6 in accordance with and subject to the provisions of
7 section 203(c).

8 (2) Review and evaluate each standard of qual-
9 ity, performance measure, and medical review cri-
10 terion developed under part B of title IX of the Pub-
11 lic Health Service Act (42 U.S.C. 299 et seq.). In
12 so reviewing and evaluating, the Center shall deter-
13 mine whether the standard, measure, or criterion is
14 appropriate for use in assessing or reviewing the
15 quality of items and services provided by health care
16 institutions or health care professionals. The use of
17 mechanisms that discriminate against people with
18 disabilities is prohibited for use in any value or cost-
19 effectiveness assessments. The Center shall consider
20 the evidentiary basis for the standard, and the valid-
21 ity, reliability, and feasibility of measuring the
22 standard.

23 (3) Adoption of methodologies for profiling the
24 patterns of practice of health care professionals and
25 for identifying and notifying outliers.

1 (4) Development of minimum criteria for com-
2 petence for entities that can qualify to conduct ongo-
3 ing and continuous external quality reviews in the
4 administrative regions. Such criteria shall require
5 such an entity to be administratively independent of
6 the individual or board that administers the region
7 and shall ensure that such entities do not provide fi-
8 nancial incentives to reviewers to favor one pattern
9 of practice over another. The Center shall ensure co-
10 ordination and reporting by such entities to ensure
11 national consistency in quality standards.

12 (5) Submission of a report to the Secretary an-
13 nually specifically on findings from outcomes re-
14 search and development of practice guidelines that
15 may affect the Secretary's determination of coverage
16 of services under section 401(a)(1)(G).

17 **SEC. 502. ADDRESSING HEALTH CARE DISPARITIES.**

18 (a) EVALUATING DATA COLLECTION AP-
19 PROACHES.—The Center shall evaluate approaches for the
20 collection of data under this Act, to be performed in con-
21 junction with existing quality reporting requirements and
22 programs under this Act, that allow for the ongoing, accu-
23 rate, and timely collection of data on disparities in health
24 care services and performance on the basis of race, eth-
25 nicity, national origin, primary language use, age, dis-

1 ability, sex (including gender identity and sexual orienta-
 2 tion), geography, or socioeconomic status. In conducting
 3 such evaluation, the Center shall consider the following ob-
 4 jectives:

5 (1) Protecting patient privacy.

6 (2) Minimizing the administrative burdens of
 7 data collection and reporting on providers under this
 8 Act.

9 (3) Improving data on race, ethnicity, national
 10 origin, primary language use, age, disability, sex (in-
 11 cluding gender identity and sexual orientation), ge-
 12 ography, and socioeconomic status.

13 (b) REPORTS TO CONGRESS.—

14 (1) REPORT ON EVALUATION.—Not later than
 15 18 months after the date on which benefits first be-
 16 come available as described in section 106(a), the
 17 Center shall submit to Congress and the Secretary
 18 a report on the evaluation conducted under sub-
 19 section (a). Such report shall, taking into consider-
 20 ation the results of such evaluation—

21 (A) identify approaches (including defining
 22 methodologies) for identifying and collecting
 23 and evaluating data on health care disparities
 24 on the basis of race, ethnicity, national origin,
 25 primary language use, age, disability, sex (in-

1 including gender identity and sexual orientation),
2 geography, or socioeconomic status under the
3 Medicare for All Program; and

4 (B) include recommendations on the most
5 effective strategies and approaches to reporting
6 quality measures, as appropriate, on the basis
7 of race, ethnicity, national origin, primary lan-
8 guage use, age, disability, sex (including gender
9 identity and sexual orientation), geography, or
10 socioeconomic status.

11 (2) REPORT ON DATA ANALYSES.—Not later
12 than 4 years after the submission of the report
13 under subsection (b)(1), and every 4 years there-
14 after, the Center shall submit to Congress and the
15 Secretary a report that includes recommendations
16 for improving the identification of health care dis-
17 parities based on the analyses of data collected
18 under subsection (c).

19 (c) IMPLEMENTING EFFECTIVE APPROACHES.—Not
20 later than 2 years after the date on which benefits first
21 become available as described in section 106(a), the Sec-
22 retary shall implement the approaches identified in the re-
23 port submitted under subsection (b)(1) for the ongoing,
24 accurate, and timely collection and evaluation of data on
25 health care disparities on the basis of race, ethnicity, na-

1 tional origin, primary language use, age, disability, sex
 2 (including gender identity and sexual orientation), geog-
 3 raphy, or socioeconomic status.

4 **TITLE VI—HEALTH BUDGET;**
 5 **PAYMENTS; COST CONTAIN-**
 6 **MENT MEASURES**

7 **Subtitle A—Budgeting**

8 **SEC. 601. NATIONAL HEALTH BUDGET.**

9 (a) NATIONAL HEALTH BUDGET.—

10 (1) IN GENERAL.—By not later than September
 11 1 of each year, beginning with the year prior to the
 12 date on which benefits first become available as de-
 13 scribed in section 106(a), the Secretary shall estab-
 14 lish a national health budget, which specifies a budg-
 15 et for the total expenditures to be made for covered
 16 health care items and services under this Act.

17 (2) DIVISION OF BUDGET INTO COMPONENTS.—

18 The national health budget shall consist of the fol-
 19 lowing components:

20 (A) An operating budget.

21 (B) A capital expenditures budget.

22 (C) A special projects budget.

23 (D) Quality assessment activities under
 24 title V.

1 (E) Health professional education expendi-
2 tures.

3 (F) Administrative costs, including costs
4 related to the operation of regional offices.

5 (G) A reserve fund.

6 (H) Prevention and public health activities.

7 (3) ALLOCATION AMONG COMPONENTS.—The
8 Secretary shall allocate the funds received for pur-
9 poses of carrying out this Act among the compo-
10 nents described in paragraph (2) in a manner that
11 ensures—

12 (A) that the operating budget allows for
13 every participating provider in the Medicare for
14 All Program to meet the needs of their respec-
15 tive patient populations;

16 (B) that the special projects budget is suf-
17 ficient to meet the health care needs within
18 areas described in paragraph (2)(C) through
19 the construction, renovation, and staffing of
20 health care facilities in a reasonable timeframe;

21 (C) a fair allocation for quality assessment
22 activities; and

23 (D) that the health professional education
24 expenditure component is sufficient to provide
25 for the amount of health professional education

1 expenditures sufficient to meet the need for cov-
2 ered health care services.

3 (4) REGIONAL ALLOCATION.—The Secretary
4 shall annually provide each regional office with an
5 allotment the Secretary determines appropriate for
6 purposes of carrying out this Act in such region, in-
7 cluding payments to providers in such region, capital
8 expenditures in such region, special projects in such
9 region, health professional education in such region,
10 administrative expenses in such region, and preven-
11 tion and public health activities in such region.

12 (5) OPERATING BUDGET.—The operating budg-
13 et described in paragraph (2)(A) shall be used for—

14 (A) payments to institutional providers
15 pursuant to section 611; and

16 (B) payments to individual providers pur-
17 suant to section 612.

18 (6) CAPITAL EXPENDITURES BUDGET.—The
19 capital expenditures budget described in paragraph
20 (2)(B) shall be used for—

21 (A) the construction or renovation of
22 health care facilities, excluding congregate or
23 segregated facilities for individuals with disabili-
24 ties who receive long-term care services and
25 support; and

1 (B) major equipment purchases.

2 (7) SPECIAL PROJECTS BUDGET.—The special
3 projects budget described in paragraph (2)(C) shall
4 be used for the purposes of allocating funds for the
5 construction of new facilities, major equipment pur-
6 chases, and staffing in rural or medically under-
7 served areas (as defined in section 330(b)(3) of the
8 Public Health Service Act (42 U.S.C. 254b(b)(3))),
9 including areas designated as health professional
10 shortage areas (as defined in section 332(a) of the
11 Public Health Service Act (42 U.S.C. 254e(a))), and
12 to address health disparities, including racial, ethnic,
13 national origin, primary language use, age, dis-
14 ability, sex (including gender identity and sexual ori-
15 entation), geography, or socioeconomic health dis-
16 parities.

17 (8) TEMPORARY WORKER ASSISTANCE.—

18 (A) IN GENERAL.—For up to 5 years fol-
19 lowing the date on which benefits first become
20 available as described in section 106(a), at least
21 1 percent of the budget shall be allocated to
22 programs providing assistance to workers who
23 perform functions in the administration of the
24 health insurance system, or related functions
25 within health care institutions or organizations

1 who may be affected by the implementation of
2 this Act and who may experience economic dis-
3 location as a result of the implementation of
4 this Act.

5 (B) CLARIFICATION.—Assistance described
6 in subparagraph (A) shall include wage replace-
7 ment, retirement benefits, job training and
8 placement, preferential hiring, and education
9 benefits.

10 (9) RESERVE FUND.—The reserve fund de-
11 scribed in paragraph (2)(G) shall be used to respond
12 to the costs of an epidemic, pandemic, natural dis-
13 aster, or other such health emergency, or market-
14 shift adjustments related to patient volume.

15 (10) SUPPLEMENTAL INDIAN HEALTH SERVICE
16 ALLOCATION.—The Secretary shall annually deter-
17 mine the need to provide an allotment of supple-
18 mental funds to Indian Health Services, including
19 payments to providers, capital expenditures, special
20 projects, health professional education, administra-
21 tive expenses, and prevention and public health ac-
22 tivities.

23 (b) DEFINITIONS.—In this section:

24 (1) CAPITAL EXPENDITURES.—The term “cap-
25 ital expenditures” means expenses for the purchase,

1 lease, construction, or renovation of capital facilities
2 and for major equipment.

3 (2) HEALTH PROFESSIONAL EDUCATION EX-
4 PENDITURES.—The term “health professional edu-
5 cation expenditures” means expenditures in hospitals
6 and other health care facilities to cover costs associ-
7 ated with teaching and related research activities, in-
8 cluding the impact of workforce diversity on patient
9 outcomes.

10 **Subtitle B—Payments to Providers**

11 **SEC. 611. PAYMENTS TO INSTITUTIONAL PROVIDERS** 12 **BASED ON GLOBAL BUDGETS.**

13 (a) IN GENERAL.—Not later than the beginning of
14 each fiscal quarter during which an institutional provider
15 of care (including hospitals, skilled nursing facilities, Fed-
16 erally qualified health centers, and independent dialysis fa-
17 cilities) is to furnish items and services under this Act,
18 the Secretary shall pay to such institutional provider a
19 lump sum in accordance with the succeeding provisions of
20 this subsection and consistent with the following:

21 (1) PAYMENT IN FULL.—Such payment shall be
22 considered as payment in full for all operating ex-
23 penses for items and services furnished under this
24 Act, whether inpatient or outpatient, by such pro-
25 vider for such quarter, including outpatient or any

1 other care provided by the institutional provider or
2 provided by any health care provider who provided
3 items and services pursuant to an agreement paid
4 through the global budget as described in paragraph
5 (3).

6 (2) QUARTERLY REVIEW.—The regional direc-
7 tor, on a quarterly basis, shall review whether re-
8 quirements of the institutional provider’s participa-
9 tion agreement and negotiated global budget have
10 been performed and shall determine whether adjust-
11 ments to such institutional provider’s payment are
12 warranted. This review shall include consideration
13 for additional funding necessary for unanticipated
14 items and services for individuals with complex med-
15 ical needs or market-shift adjustments related to pa-
16 tient volume. The review shall also include an as-
17 sessment of any adjustments made to ensure that
18 accuracy and need for adjustment was appropriate.

19 (3) AGREEMENTS FOR SALARIED PAYMENTS
20 FOR CERTAIN PROVIDERS.—Certain group practices
21 and other health care providers, as determined by
22 the Secretary, with agreements to provide items and
23 services at a specified institutional provider paid a
24 global budget under this subsection may elect to be
25 paid through such institutional provider’s global

1 budget in lieu of payment under section 612 of this
2 title. Any—

3 (A) individual health care professional of
4 such group practice or other provider receiving
5 payment through an institutional provider's
6 global budget shall be paid on a salaried basis
7 that is equivalent to salaries or other compensa-
8 tion rates negotiated for individual health care
9 professionals of such institutional provider; and

10 (B) any group practice or other health care
11 provider that receives payment through an in-
12 stitutional provider global budget under this
13 paragraph shall be subject to the same report-
14 ing and disclosure requirements of the institu-
15 tional provider.

16 (4) INTERIM ADJUSTMENTS.—The regional di-
17 rector shall consider a petition for adjustment of any
18 payment under this section filed by an institutional
19 provider at any time based on the following:

20 (A) Factors that led to increased costs for
21 the institutional provider that can reasonably be
22 considered to be unanticipated and out of the
23 control of the institutional provider, such as—

24 (i) natural disasters;

1 (ii) outbreaks of epidemics or infec-
2 tious diseases;

3 (iii) unexpected facility or equipment
4 repairs or purchases;

5 (iv) significant and unexpected in-
6 creases in pharmaceutical or medical device
7 prices; and

8 (v) unanticipated increases in complex
9 or high-cost patients or care needs.

10 (B) Changes in Federal or State law that
11 result in a change in costs.

12 (C) Reasonable increases in labor costs, in-
13 cluding salaries and benefits, and changes in
14 collective bargaining agreements, prevailing
15 wage, or local law.

16 (b) PAYMENT AMOUNT.—

17 (1) IN GENERAL.—The amount of each pay-
18 ment to a provider described in subsection (a) shall
19 be determined before the start of each fiscal year
20 through negotiations between the provider and the
21 regional director with jurisdiction over such pro-
22 vider. Such amount shall be based on factors speci-
23 fied in paragraph (2).

1 (2) PAYMENT FACTORS.—Payments negotiated
2 pursuant to paragraph (1) shall take into account,
3 with respect to a provider—

4 (A) the historical volume of services pro-
5 vided for each item and services in the previous
6 3-year period;

7 (B) the actual expenditures of such pro-
8 vider in such provider's most recent cost report
9 under title XVIII of the Social Security Act for
10 each item and service compared to—

11 (i) such expenditures for other institu-
12 tional providers in the director's jurisdic-
13 tion; and

14 (ii) normative payment rates estab-
15 lished under comparative payment rate
16 systems, including any adjustments, for
17 such items and services;

18 (C) projected changes in the volume and
19 type of items and services to be furnished;

20 (D) wages for employees, including any
21 necessary increases mandatory minimum safe
22 registered nurse-to-patient ratios and optimal
23 staffing levels for physicians and other health
24 care workers;

1 (E) the provider's maximum capacity to
2 provide items and services;

3 (F) education and prevention programs;

4 (G) permissible adjustment to the pro-
5 vider's operating budget due to factors such
6 as—

7 (i) an increase in primary or specialty
8 care access;

9 (ii) efforts to decrease health care dis-
10 parities in rural or medically underserved
11 areas;

12 (iii) a response to emergent epidemic
13 conditions;

14 (iv) an increase in complex or high-
15 cost patients or care needs; or

16 (v) proposed new and innovative pa-
17 tient care programs at the institutional
18 level;

19 (H) whether the provider is located in a
20 high social vulnerability index community, zip
21 code, or census track, or is a minority-serving
22 provider; and

23 (I) any other factor determined appro-
24 priate by the Secretary.

1 (3) LIMITATION.—Payment amounts negotiated
2 pursuant to paragraph (1) may not—

3 (A) take into account capital expenditures
4 of the provider or any other expenditure not di-
5 rectly associated with the provision of items and
6 services by the provider to an individual;

7 (B) be used by a provider for capital ex-
8 penditures or such other expenditures;

9 (C) exceed the provider's capacity to pro-
10 vide care under this Act; or

11 (D) be used to pay or otherwise com-
12 pensate any board member, executive, or ad-
13 ministrator of the institutional provider who
14 has any interest or relationship prohibited
15 under section 301(b)(2) of this Act or disclosed
16 under section 301 of this Act.

17 (4) LIMITATION ON COMPENSATION.—Com-
18 pensation costs for any employee or any contractor
19 or any subcontractor employee of an institutional
20 provider receiving global budgets under this section
21 shall meet the compensation cap established in sec-
22 tion 702 of the Bipartisan Budget Act of 2013 (41
23 U.S.C. 4304(a)(16)) and implementing regulations.

24 (5) REGIONAL NEGOTIATIONS PERMITTED.—
25 Subject to section 614, a regional director may nego-

1 tiate changes to an institutional provider's global
2 budget, including any adjustments to address un-
3 foreseen market-shifts related to patient volume.

4 (c) BASELINE RATES AND ADJUSTMENTS.—

5 (1) IN GENERAL.—The Secretary shall use ex-
6 isting prospective payment systems under title
7 XVIII of the Social Security Act to serve as the
8 comparative payment rate system in global budget
9 negotiations described in subsection (b). The Sec-
10 retary shall update such comparative payment rate
11 systems annually.

12 (2) SPECIFICATIONS.—In developing the com-
13 parative payment rate system, the Secretary shall
14 use only the operating base payment rates under
15 each such prospective payment systems with applica-
16 ble adjustments.

17 (3) LIMITATION.—The comparative rate system
18 established under this subsection shall not include
19 the value-based payment adjustments and the cap-
20 ital expenses base payment rates that may be in-
21 cluded in such a prospective payment system.

22 (4) INITIAL YEAR.—In the first year that global
23 budget payments under this Act are available to in-
24 stitutional providers and for purposes of selecting a
25 comparative payment rate system used during initial

1 global budget negotiations for each institutional pro-
2 vider, the Secretary shall take into account the ap-
3 propriate prospective payment system from the most
4 recent year under title XVIII of the Social Security
5 Act to determine what operating base payment the
6 institutional provider would have been paid for cov-
7 ered items and services furnished the preceding year
8 with applicable adjustments, excluding value-based
9 payment adjustments, based on such prospective
10 payment system.

11 (d) OPERATING EXPENSES.—For purposes of this
12 title, “operating expenses” of a provider include the fol-
13 lowing:

14 (1) The cost of all items and services associated
15 with the provision of inpatient care and outpatient
16 care, including the following:

17 (A) Wages and salary costs for physicians,
18 nurses, and other health care practitioners em-
19 ployed by an institutional provider, including
20 mandatory minimum safe registered nurse-to-
21 patient staffing ratios and optimal staffing lev-
22 els for physicians and other healthcare workers.

23 (B) Wages and salary costs for all ancil-
24 lary staff and services.

1 (C) Costs of all pharmaceutical products
2 administered by health care clinicians at the in-
3 stitutional provider's facilities or through serv-
4 ices provided in accordance with State licensing
5 laws or regulations under which the institu-
6 tional provider operates.

7 (D) Costs for infectious disease response
8 preparedness, including maintenance of a 1-
9 year or 365-day stockpile of personal protective
10 equipment, occupational testing and surveil-
11 lance, medical services for occupational infec-
12 tious disease exposure, and contact tracing.

13 (E) Purchasing and maintenance of med-
14 ical devices, supplies, and other health care
15 technologies, including diagnostic testing equip-
16 ment.

17 (F) Costs of all incidental services nec-
18 essary for safe patient care and handling.

19 (G) Costs of patient care, education, and
20 prevention programs, including occupational
21 health and safety programs, public health pro-
22 grams, and necessary staff to implement such
23 programs, for the continued education and
24 health and safety of clinicians and other indi-
25 viduals employed by the institutional provider.

1 (2) Administrative costs for the institutional
2 provider.

3 **SEC. 612. PAYMENT TO INDIVIDUAL PROVIDERS THROUGH**
4 **FEE-FOR-SERVICE.**

5 (a) IN GENERAL.—In the case of a provider not de-
6 scribed in section 611(a) (including those in group prac-
7 tices who are not receiving payment on a salaried basis
8 described in section 611(a)(3) and providers of home and
9 community-based services), payment for items and serv-
10 ices furnished under this Act for which payment is not
11 otherwise made under section 611 shall be made by the
12 Secretary in amounts determined under the fee schedule
13 established pursuant to subsection (b). Such payment
14 shall be considered to be payment in full for such items
15 and services, and a provider receiving such payment may
16 not charge the individual receiving such item or service
17 in any amount.

18 (b) FEE SCHEDULE.—

19 (1) ESTABLISHMENT.—Not later than 1 year
20 after the date of the enactment of this Act, and in
21 consultation with providers and regional office direc-
22 tors, the Secretary shall establish a national fee
23 schedule for items and services payable under this
24 Act. The Secretary shall evaluate the effectiveness of

1 the fee-for-service structure and update such fee
2 schedule annually.

3 (2) AMOUNTS.—In establishing payment
4 amounts for items and services under the fee sched-
5 ule established under paragraph (1), the Secretary
6 shall take into account—

7 (A) the amounts payable for such items
8 and services under title XVIII of the Social Se-
9 curity Act; and

10 (B) the expertise of providers and value of
11 items and services furnished by such providers.

12 (c) ELECTRONIC BILLING.—The Secretary shall es-
13 tablish a uniform national system for electronic billing for
14 purposes of making payments under this subsection.

15 (d) PHYSICIAN PRACTICE REVIEW BOARD.—Each di-
16 rector of a regional office, in consultation with representa-
17 tives of physicians practicing in that region, shall establish
18 and appoint a physician practice review board to assure
19 quality, cost effectiveness, and fair reimbursements for
20 physician-delivered items and services. The use of mecha-
21 nisms that discriminate against people with disabilities is
22 prohibited for use in any value or cost-effectiveness assess-
23 ments.

1 **SEC. 613. ENSURING ACCURATE VALUATION OF SERVICES**
2 **UNDER THE MEDICARE PHYSICIAN FEE**
3 **SCHEDULE.**

4 (a) STANDARDIZED AND DOCUMENTED REVIEW
5 PROCESS.—Section 1848(c)(2) of the Social Security Act
6 (42 U.S.C. 1395w-4(c)(2)) is amended by adding at the
7 end the following new subparagraph:

8 “(P) STANDARDIZED AND DOCUMENTED
9 REVIEW PROCESS.—

10 “(i) IN GENERAL.—Not later than one
11 year after the date of enactment of this
12 subparagraph, the Secretary shall estab-
13 lish, document, and make publicly avail-
14 able, in consultation with the Office of Pri-
15 mary Health Care, a standardized process
16 for reviewing the relative values of physi-
17 cians’ services under this paragraph.

18 “(ii) MINIMUM REQUIREMENTS.—The
19 standardized process shall include, at a
20 minimum, methods and criteria for identi-
21 fying services for review, prioritizing the
22 review of services, reviewing stakeholder
23 recommendations, and identifying addi-
24 tional resources to be considered during
25 the review process.”.

1 (b) PLANNED AND DOCUMENTED USE OF FUNDS.—
 2 Section 1848(c)(2)(M) of the Social Security Act (42
 3 U.S.C. 1395w-4(c)(2)(M)) is amended by adding at the
 4 end the following new clause:

5 “(x) PLANNED AND DOCUMENTED
 6 USE OF FUNDS.—For each fiscal year (be-
 7 ginning with the first fiscal year beginning
 8 on or after the date of enactment of this
 9 clause), the Secretary shall provide to Con-
 10 gress a written plan for using the funds
 11 provided under clause (ix) to collect and
 12 use information on physicians’ services in
 13 the determination of relative values under
 14 this subparagraph.”.

15 (c) INTERNAL TRACKING OF REVIEWS.—

16 (1) IN GENERAL.—Not later than 1 year after
 17 the date of enactment of this Act, the Secretary
 18 shall submit to Congress a proposed plan for system-
 19 atically and internally tracking the Secretary’s re-
 20 view of the relative values of physicians’ services,
 21 such as by establishing an internal database, under
 22 section 1848(c)(2) of the Social Security Act (42
 23 U.S.C. 1395w-4(c)(2)), as amended by this section.

24 (2) MINIMUM REQUIREMENTS.—The proposal
 25 shall include, at a minimum, plans and a timeline

1 for achieving the ability to systematically and inter-
2 nally track the following:

3 (A) When, how, and by whom services are
4 identified for review.

5 (B) When services are reviewed or re-
6 viewed or when new services are added.

7 (C) The resources, evidence, data, and rec-
8 ommendations used in reviews.

9 (D) When relative values are adjusted.

10 (E) The rationale for final relative value
11 decisions.

12 (d) FREQUENCY OF REVIEW.—Section 1848(c)(2) of
13 the Social Security Act (42 U.S.C. 1395w-4(c)(2)) is
14 amended—

15 (1) in subparagraph (B)(i), by striking “5” and
16 inserting “4”; and

17 (2) in subparagraph (K)(i)(I), by striking “peri-
18 odically” and inserting “annually”.

19 (e) CONSULTATION WITH MEDICARE PAYMENT AD-
20 VISORY COMMISSION.—

21 (1) IN GENERAL.—Section 1848(c)(2) of the
22 Social Security Act (42 U.S.C. 1395w-4(c)(2)) is
23 amended—

24 (A) in subparagraph (B)(i), by inserting
25 “in consultation with the Medicare Payment

1 Advisory Commission,” after “The Secretary,”;
2 and

3 (B) in subparagraph (K)(i)(I), as amended
4 by subsection (d)(2), by inserting “, in coordi-
5 nation with the Medicare Payment Advisory
6 Commission,” after “annually”.

7 (2) CONFORMING AMENDMENTS.—Section 1805
8 of the Social Security Act (42 U.S.C. 1395b–6) is
9 amended—

10 (A) in subsection (b)(1)(A), by inserting
11 the following before the semicolon at the end:
12 “and including coordinating with the Secretary
13 in accordance with section 1848(c)(2) to sys-
14 tematically review the relative values established
15 for physicians’ services, identify potentially
16 misvalued services, and propose adjustments to
17 the relative values for physicians’ services”; and

18 (B) in subsection (e)(1), in the second sen-
19 tence, by inserting “or the Ranking Minority
20 Member” after “the Chairman”.

21 (f) PERIODIC AUDIT BY THE COMPTROLLER GEN-
22 ERAL.—Section 1848(c)(2) of the Social Security Act (42
23 U.S.C. 1395w–4(c)(2)), as amended by subsection (a), is
24 amended by adding at the end the following new subpara-
25 graph:

1 “(Q) PERIODIC AUDIT BY THE COMP-
2 TROLLER GENERAL.—

3 “(i) IN GENERAL.—The Comptroller
4 General of the United States (in this sub-
5 section referred to as the ‘Comptroller
6 General’) shall periodically audit the review
7 by the Secretary of relative values estab-
8 lished under this paragraph for physicians’
9 services.

10 “(ii) ACCESS TO INFORMATION.—The
11 Comptroller General shall have unre-
12 stricted access to all deliberations, records,
13 and data related to the activities carried
14 out under this paragraph, in a timely man-
15 ner, upon request.”.

16 **SEC. 614. PAYMENT PROHIBITIONS; CAPITAL EXPENDI-**
17 **TURES; SPECIAL PROJECTS.**

18 (a) SENSE OF CONGRESS.—It is the sense of Con-
19 gress that tens of millions of people in the United States
20 do not receive healthcare services while billions of dollars
21 that could be spent on providing health care are diverted
22 to profit. There is a moral imperative to correct the mas-
23 sive deficiencies in our current health system and to elimi-
24 nate profit from the provision of health care.

1 (b) PROHIBITIONS.—Payments to providers under
2 this Act may not take into account, include any process
3 for the provision of funding for, or be used by a provider
4 for—

5 (1) marketing of the provider;

6 (2) the profit or net revenue of the provider, or
7 increasing the profit or net revenue of the provider;

8 (3) incentive payments, bonuses, or other com-
9 pensation based on patient utilization of items and
10 services or any financial measure applied with re-
11 spect to the provider (or any group practice, inte-
12 grated health care delivery system, or other provider
13 with which the provider contracts or has a pecuniary
14 interest), including any value-based payment or em-
15 ployment-based compensation;

16 (4) any agreement or arrangement described in
17 section 203(a)(4) of the Labor-Management Report-
18 ing and Disclosure Act of 1959 (29 U.S.C.
19 433(a)(4)); or

20 (5) political or contributions prohibited under
21 section 317 of the Federal Elections Campaign Act
22 of 1971 (52 U.S.C. 30119(a)(1)).

23 (c) PAYMENTS FOR CAPITAL EXPENDITURES.—

24 (1) IN GENERAL.—The Secretary shall pay,
25 from amounts made available for capital expendi-

1 tures pursuant to section 601(a)(2)(B), such sums
2 determined appropriate by the Secretary to providers
3 who have submitted an application to the regional
4 director of the region or regions in which the pro-
5 vider operates or seeks to operate in a time and
6 manner specified by the Secretary for purposes of
7 funding capital expenditures of such providers.

8 (2) PRIORITY.—The Secretary shall prioritize
9 allocation of funding under paragraph (1) to
10 projects that propose to use such funds to improve
11 service in a medically underserved area (as defined
12 in section 330(b)(3) of the Public Health Service
13 Act (42 U.S.C. 254b(b)(3))) or to address health
14 disparities, including racial, ethnic, national origin,
15 primary language use, age, disability, sex (including
16 gender identity and sexual orientation), geography,
17 or socioeconomic health disparities.

18 (3) LIMITATION.—The Secretary shall not
19 grant funding for capital expenditures under this
20 subsection for capital projects that are financed di-
21 rectly or indirectly through the diversion of private
22 or other non-Medicare for All Program funding that
23 results in reductions in care to patients, including
24 reductions in registered nursing staffing patterns

1 and changes in emergency room or primary care
2 services or availability.

3 (4) CAPITAL ASSETS NOT FUNDED BY THE
4 MEDICARE FOR ALL PROGRAM.—Operating expenses
5 and funds shall not be used by an institutional pro-
6 vider receiving payment for capital expenditures
7 under this subsection for a capital asset that was
8 not funded by the Medicare for All program without
9 the approval of the regional director or directors of
10 the region or regions where the capital asset is lo-
11 cated.

12 (d) PROHIBITION AGAINST CO-MINGLING OPER-
13 ATING AND CAPITAL FUNDS.—Providers that receive pay-
14 ment under this title shall be prohibited from using, with
15 respect to funds made available under this Act—

16 (1) funds designated for operating expenditures
17 for capital expenditures or for profit; or

18 (2) funds designated for capital expenditures
19 for operating expenditures.

20 (e) PAYMENTS FOR SPECIAL PROJECTS.—

21 (1) IN GENERAL.—The Secretary shall allocate
22 to each regional director, from amounts made avail-
23 able for special projects pursuant to section
24 601(a)(2)(C), such sums determined appropriate by
25 the Secretary for purposes of funding projects de-

1 scribed in such section, including the construction,
2 renovation, or staffing of health care facilities, in
3 rural, underserved, or health professional or medical
4 shortage areas within such region and to address
5 health disparities, including racial, ethnic, national
6 origin, primary language use, age, disability, sex, in-
7 cluding gender identity and sexual orientation, geog-
8 raphy, or socioeconomic health disparities. Each re-
9 gional director shall, prior to distributing such funds
10 in accordance with paragraph (2), present a budget
11 describing how such funds will be distributed to the
12 Secretary.

13 (2) DISTRIBUTION.—A regional director shall
14 distribute funds to providers operating in the region
15 of such director’s jurisdiction in a manner deter-
16 mined appropriate by the director.

17 (f) PROHIBITION ON FINANCIAL INCENTIVE
18 METRICS IN PAYMENT DETERMINATIONS.—The Sec-
19 retary may not utilize any quality metrics or standards
20 for the purposes of establishing provider payment meth-
21 odologies, programs, modifiers, or adjustments for pro-
22 vider payments under this title.

1 **SEC. 615. OFFICE OF HEALTH EQUITY.**

2 Title XVII of the Public Health Service Act (42
3 U.S.C. 300u et seq.) is amended by adding at the end
4 the following:

5 **“SEC. 1712. OFFICE OF HEALTH EQUITY.**

6 “(a) IN GENERAL.—There is established, in the Of-
7 fice of the Secretary of Health and Human Services, an
8 Office of Health Equity, to be headed by a Director, to
9 ensure coordination and collaboration across the programs
10 and activities of the Department of Health and Human
11 Services with respect to ensuring health equity.

12 “(b) MONITORING, TRACKING, AND AVAILABILITY OF
13 DATA.—

14 “(1) IN GENERAL.—In carrying out subsection
15 (a), the Director of the Office of Health Equity shall
16 monitor, track, and make publicly available data
17 on—

18 “(A) the disproportionate burden of dis-
19 ease and death among people of color,
20 disaggregated by race, major ethnic group,
21 Tribal affiliation, national origin, primary lan-
22 guage use, English proficiency status, immigra-
23 tion status, length of stay in the United States
24 age, disability, sex (including gender identity
25 and sexual orientation), incarceration, home-
26 lessness, geography, and socioeconomic status;

1 “(B) barriers to health, including such
2 barriers relating to income, education, housing,
3 food insecurity (including availability, access,
4 utilization, and stability), employment status,
5 working conditions, and conditions related to
6 the physical environment (including pollutants
7 and population density);

8 “(C) barriers to health care access, includ-
9 ing—

10 “(i) lack of trust and awareness;

11 “(ii) lack of transportation;

12 “(iii) geography;

13 “(iv) hospital and service closures;

14 “(v) lack of health care infrastructure
15 and facilities; and

16 “(vi) lack of health care professional
17 staffing and recruitment;

18 “(D) disparities in quality of care received,
19 including discrimination in health care settings
20 and the use of racially-biased practice guide-
21 lines and algorithms; and

22 “(E) disparities in utilization of care.

23 “(2) ANALYSIS OF CROSS-SECTIONAL INFORMA-
24 TION.—The Director of the Office of Health Equity
25 shall ensure that the data collection and reporting

1 process under paragraph (1) allows for the analysis
2 of cross-sectional information on people’s identities.

3 “(c) POLICIES.—In carrying out subsection (a), the
4 Director of the Office of Health Equity shall develop, co-
5 ordinate, and promote policies that enhance health equity,
6 including by—

7 “(1) providing recommendations on—

8 “(A) cultural competence, implicit bias,
9 and ethics training with respect to health care
10 workers;

11 “(B) increasing diversity in the health care
12 workforce; and

13 “(C) ensuring sufficient health care profes-
14 sionals and facilities; and

15 “(2) ensuring adequate public health funding at
16 the local and State levels to address health dispari-
17 ties.

18 “(d) CONSULTATION.—In carrying out subsection
19 (a), the Director of the Office of Health Equity, in coordi-
20 nation with the Director of the Indian Health Service,
21 shall consult with Indian Tribes and with Urban Indian
22 organizations on data collection, reporting, and implemen-
23 tation of policies.

1 “(e) ANNUAL REPORT.—In carrying out subsection
2 (a), the Director of the Office of Health Equity shall de-
3 velop and publish an annual report on—

4 “(1) statistics collected by the Office;

5 “(2) proposed evidence-based solutions to miti-
6 gate health inequities; and

7 “(3) health care professional staffing levels and
8 access to facilities.

9 “(f) CENTRALIZED ELECTRONIC REPOSITORY.—In
10 carrying out subsection (a), the Director of the Office of
11 Health Equity shall—

12 “(1) establish and maintain a centralized elec-
13 tronic repository to incorporate data collected across
14 Federal departments and agencies on race, ethnicity,
15 Tribal affiliation, national origin, primary language
16 use, English proficiency status, immigration status,
17 length of stay in the United States age, disability,
18 sex (including gender identity and sexual orienta-
19 tion), incarceration, homelessness, geography, and
20 socioeconomic status; and

21 “(2) make such data available for public use
22 and analysis.

23 “(g) PRIVACY.—Notwithstanding any other Federal
24 or State law, no Federal or State official or employee or
25 other entity shall disclose, or use, for any law enforcement

1 or immigration purpose, any personally identifiable infor-
2 mation (including with respect to an individual’s religious
3 beliefs, practices, or affiliation, national origin, ethnicity,
4 or immigration status) that is collected or maintained pur-
5 suant to this section.”.

6 **SEC. 616. OFFICE OF PRIMARY CARE.**

7 Title XVII of the Public Health Service Act (42
8 U.S.C. 300u et seq.) is amended by adding at the end
9 the following:

10 **“SEC. 1713. OFFICE OF PRIMARY CARE.**

11 “(a) IN GENERAL.—There is established, in the Of-
12 fice of Health Equity established under section 1712, an
13 Office of Primary Health Care, to be headed by a Direc-
14 tor, to ensure coordination and collaboration across the
15 programs and activities of the Department of Health and
16 Human Services with respect to increasing access to high-
17 quality primary health care, particularly in underserved
18 areas and for underserved populations.

19 “(b) NATIONAL GOALS.—Not later than 1 year after
20 the date of enactment of this section, the Director of the
21 Office of Primary Health Care shall publish national
22 goals—

23 “(1) to increase access to high-quality primary
24 health care, particularly in underserved areas and
25 for underserved populations; and

1 “(2) to address health disparities, including
2 with respect to race, ethnicity, national origin
3 (disaggregated by major ethnic group and Tribal af-
4 filiation), primary language use, English proficiency
5 status, immigration status, length of stay in the
6 United States, age, disability, sex (including gender
7 identity and sexual orientation), incarceration, home-
8 lessness, geography, and socioeconomic status.

9 “(c) OTHER RESPONSIBILITIES.—In carrying out
10 subsections (a) and (b), the Director of the Office of Pri-
11 mary Health Care shall—

12 “(1) coordinate, in consultation with the Sec-
13 retary, health professional education policies and
14 goals to achieve the national goals published pursu-
15 ant to subsection (b);

16 “(2) develop and maintain a system to monitor
17 the number and specialties of individuals pursuing
18 careers in, or practicing, primary health care
19 through their health professional education, any
20 postgraduate training, and professional practice;

21 “(3) develop, coordinate, and promote policies
22 that expand the number of primary health care prac-
23 titioners, registered nurses, mid-level practitioners,
24 and dentists;

1 “(4) recommend appropriate training, technical
2 assistance, and patient protection enhancements for
3 primary care health professionals, including reg-
4 istered nurses, to achieve uniform high quality and
5 patient safety;

6 “(5) provide recommendations on targeted pro-
7 grams and resources for Federally qualified health
8 centers, rural health centers, community health cen-
9 ters, and other community-based organizations;

10 “(6) provide recommendations for broader pa-
11 tient referral to additional resources, not limited to
12 health care, and collaboration with other organiza-
13 tions and sectors that influence health outcomes;
14 and

15 “(7) consult with the Secretary on the alloca-
16 tion of the special projects budget under section
17 601(a)(2)(C) of the Medicare for All Act of 2021.

18 “(d) RULE OF CONSTRUCTION.—Nothing in this sec-
19 tion shall be construed—

20 “(1) to preempt any provision of State law es-
21 tablishing practice standards or guidelines for health
22 care professionals, including professional licensing or
23 practice laws or regulations; or

1 “(2) to require that any State impose additional
2 educational standards or guidelines for health care
3 professionals.”.

4 **SEC. 617. PAYMENTS FOR PRESCRIPTION DRUGS AND AP-**
5 **PROVED DEVICES AND EQUIPMENT.**

6 The prices to be paid for covered pharmaceuticals,
7 medical supplies, medical technologies, and medically nec-
8 essary equipment covered under this Act shall be nego-
9 tiated annually by the Secretary.

10 (1) IN GENERAL.—Notwithstanding any other
11 provision of law, the Secretary shall, for fiscal years
12 beginning on or after the date of the enactment of
13 this subsection, negotiate with pharmaceutical man-
14 ufacturers the prices (including discounts, rebates,
15 and other price concessions) that may be charged to
16 the Medicare for All Program during a negotiated
17 price period (as specified by the Secretary) for cov-
18 ered drugs for eligible individuals under the Medi-
19 care for All Program. In negotiating such prices
20 under this section, the Secretary shall take into ac-
21 count the following factors:

22 (A) The comparative clinical effectiveness
23 and cost effectiveness, when available from an
24 impartial source, of such drug.

1 (B) The budgetary impact of providing
2 coverage of such drug.

3 (C) The number of similarly effective
4 drugs or alternative treatment regimens for
5 each approved use of such drug.

6 (D) The total revenues from global sales
7 obtained by the manufacturer for such drug
8 and the associated investment in research and
9 development of such drug by the manufacturer.

10 (2) FINALIZATION OF NEGOTIATED PRICE.—

11 The negotiated price of each covered drug for a ne-
12 gotiated price period shall be finalized not later than
13 30 days before the first fiscal year in such nego-
14 tiated price period.

15 (3) COMPETITIVE LICENSING AUTHORITY.—

16 (A) IN GENERAL.—Notwithstanding any
17 exclusivity under clause (iii) or (iv) of section
18 505(j)(5)(F) of the Federal Food, Drug, and
19 Cosmetic Act, clause (iii) or (iv) of section
20 505(c)(3)(E) of such Act, section 351(k)(7)(A)
21 of the Public Health Service Act, or section
22 527(a) of the Federal Food, Drug, and Cos-
23 metic Act, or by an extension of such exclusivity
24 under section 505A of such Act or section 505E
25 of such Act, and any other provision of law that

1 provides for market exclusivity (or extension of
2 market exclusivity) with respect to a drug, in
3 the case that the Secretary is unable to success
4 fully negotiate an appropriate price for a cov-
5 ered drug for a negotiated price period, the Sec-
6 retary shall authorize the use of any patent,
7 clinical trial data, or other exclusivity granted
8 by the Federal Government with respect to such
9 drug as the Secretary determines appropriate
10 for purposes of manufacturing such drug for
11 sale under Medicare for All Program. Any enti-
12 ty making use of a competitive license to use
13 patent, clinical trial data, or other exclusivity
14 under this section shall provide to the manufac-
15 turer holding such exclusivity reasonable com-
16 pensation, as determined by the Secretary
17 based on the following factors:

18 (i) The risk-adjusted value of any
19 Federal Government subsidies and invest-
20 ments in research and development used to
21 support the development of such drug.

22 (ii) The risk-adjusted value of any in-
23 vestment made by such manufacturer in
24 the research and development of such
25 drug.

1 (iii) The impact of the price, including
2 license compensation payments, on meeting
3 the medical need of all patients at a rea-
4 sonable cost.

5 (iv) The relationship between the
6 price of such drug, including compensation
7 payments, and the health benefits of such
8 drug.

9 (v) Other relevant factors determined
10 appropriate by the Secretary to provide
11 reasonable compensation.

12 (B) REASONABLE COMPENSATION.—The
13 manufacturer described in subparagraph (A)
14 may seek recovery against the United States in
15 the United States Court of Federal Claims.

16 (C) INTERIM PERIOD.—Until 1 year after
17 a drug described in subparagraph (A) is ap-
18 proved under section 505(j) of the Federal
19 Food, Drug, and Cosmetic Act or section
20 351(k) of the Public Health Service Act and is
21 provided under license issued by the Secretary
22 under such subparagraph, the Medicare for All
23 Program shall not pay more for such drug than
24 the average of the prices available, during the
25 most recent 12-month period for which data is

1 available prior to the beginning of such nego-
2 tiated price period, from the manufacturer to
3 any wholesaler, retailer, provider, health main-
4 tenance organization, nonprofit entity, or gov-
5 ernmental entity in the ten OECD (Organiza-
6 tion for Economic Cooperation and Develop-
7 ment) countries that have the largest gross do-
8 mestic product with a per capita income that is
9 not less than half the per capita income of the
10 United States.

11 (D) AUTHORIZATION FOR SECRETARY TO
12 PROCURE DRUGS DIRECTLY.—The Secretary
13 may procure a drug manufactured pursuant to
14 a competitive license under subparagraph (A)
15 for purposes of this Act.

16 (4) FDA REVIEW OF LICENSED DRUG APPLICA-
17 TIONS.—The Secretary shall prioritize review of ap-
18 plications under section 505(j) of the Federal Food,
19 Drug, and Cosmetic Act for drugs licensed under
20 paragraph (3)(A).

21 (5) PROHIBITION OF ANTICOMPETITIVE BEHAV-
22 IOR.—No drug manufacturer may engage in anti-
23 competitive behavior with another manufacturer that
24 may interfere with the issuance and implementation

1 of a competitive license or run contrary to public
2 policy.

3 (6) REQUIRED REPORTING.—The Secretary
4 may require pharmaceutical manufacturers to dis-
5 close to the Secretary such information that the Sec-
6 retary determines necessary for purposes of carrying
7 out this subsection.

8 **TITLE VII—UNIVERSAL**
9 **MEDICARE TRUST FUND**

10 **SEC. 701. UNIVERSAL MEDICARE TRUST FUND.**

11 (a) IN GENERAL.—There is hereby created on the
12 books of the Treasury of the United States a trust fund
13 to be known as the Universal Medicare Trust Fund (in
14 this section referred to as the “Trust Fund”). The Trust
15 Fund shall consist of such gifts and bequests as may be
16 made and such amounts as may be deposited in, or appro-
17 priated to, such Trust Fund as provided in this Act.

18 (b) APPROPRIATIONS INTO TRUST FUND.—

19 (1) TAXES.—There are appropriated to the
20 Trust Fund for each fiscal year beginning with the
21 fiscal year which includes the date on which benefits
22 first become available as described in section 106,
23 out of any moneys in the Treasury not otherwise ap-
24 propriated, amounts equivalent to 100 percent of the
25 net increase in revenues to the Treasury which is at-

1 tributable to the amendments made by sections 801
2 and 902. The amounts appropriated by the pre-
3 ceding sentence shall be transferred from time to
4 time (but not less frequently than monthly) from the
5 general fund in the Treasury to the Trust Fund,
6 such amounts to be determined on the basis of esti-
7 mates by the Secretary of the Treasury of the taxes
8 paid to or deposited into the Treasury, and proper
9 adjustments shall be made in amounts subsequently
10 transferred to the extent prior estimates were in ex-
11 cess of or were less than the amounts that should
12 have been so transferred.

13 (2) CURRENT PROGRAM RECEIPTS.—

14 (A) INITIAL YEAR.—Notwithstanding any
15 other provision of law, there is appropriated to
16 the Trust Fund for the fiscal year containing
17 January 1 of the first year following the date
18 of the enactment of this Act, an amount equal
19 to the aggregate amount appropriated for the
20 preceding fiscal year for the following (in-
21 creased by the consumer price index for all
22 urban consumers for the fiscal year involved):

23 (i) The Medicare program under title
24 XVIII of the Social Security Act (other

1 than amounts attributable to any pre-
2 miums under such title).

3 (ii) The Medicaid program under
4 State plans approved under title XIX of
5 such Act.

6 (iii) The Federal Employees Health
7 Benefits program, under chapter 89 of title
8 5, United States Code.

9 (iv) The purchased care component of
10 the TRICARE program, under chapter 55
11 of title 10, United States Code (other than
12 amounts appropriated for the purchased
13 care component of the TRICARE Overseas
14 Program).

15 (v) The maternal and child health
16 program (under title V of the Social Secu-
17 rity Act), vocational rehabilitation pro-
18 grams, programs for drug abuse and men-
19 tal health services under the Public Health
20 Service Act, programs providing general
21 hospital or medical assistance, and any
22 other Federal program identified by the
23 Secretary, in consultation with the Sec-
24 retary of the Treasury, to the extent the
25 programs provide for payment for health

1 services the payment of which may be
2 made under this Act.

3 (B) SUBSEQUENT YEARS.—Notwithstand-
4 ing any other provision of law, there is appro-
5 priated to the trust fund for the fiscal year con-
6 taining January 1 of the second year following
7 the date of the enactment of this Act, and for
8 each fiscal year thereafter, an amount equal to
9 the amount appropriated to the Trust Fund for
10 the previous year, adjusted for reductions in
11 costs resulting from the implementation of this
12 Act, changes in the consumer price index for all
13 urban consumers for the fiscal year involved,
14 and other factors determined appropriate by the
15 Secretary.

16 (3) RESTRICTIONS SHALL NOT APPLY.—Any
17 other provision of law in effect on the date of enact-
18 ment of this Act restricting the use of Federal funds
19 for any reproductive health service shall not apply to
20 monies in the Trust Fund.

21 (c) INCORPORATION OF PROVISIONS.—The provisions
22 of subsections (b) through (i) of section 1817 of the Social
23 Security Act (42 U.S.C. 1395i) shall apply to the Trust
24 Fund under this section in the same manner as such pro-
25 visions applied to the Federal Hospital Insurance Trust

1 Fund under such section 1817, except that, for purposes
 2 of applying such subsections to this section, the “Board
 3 of Trustees of the Trust Fund” shall mean the “Sec-
 4 retary”.

5 (d) TRANSFER OF FUNDS.—Any amounts remaining
 6 in the Federal Hospital Insurance Trust Fund under sec-
 7 tion 1817 of the Social Security Act (42 U.S.C. 1395i)
 8 or the Federal Supplementary Medical Insurance Trust
 9 Fund under section 1841 of such Act (42 U.S.C. 1395t)
 10 after the payment of claims for items and services fur-
 11 nished under title XVIII of such Act have been completed,
 12 shall be transferred into the Universal Medicare Trust
 13 Fund under this section.

14 **TITLE VIII—CONFORMING**
 15 **AMENDMENTS TO THE EM-**
 16 **PLOYEE RETIREMENT IN-**
 17 **COME SECURITY ACT OF 1974**

18 **SEC. 801. PROHIBITION OF EMPLOYEE BENEFITS DUPLICA-**
 19 **TIVE OF BENEFITS UNDER THE MEDICARE**
 20 **FOR ALL PROGRAM; COORDINATION IN CASE**
 21 **OF WORKERS' COMPENSATION.**

22 (a) IN GENERAL.—Part 5 of subtitle B of title I of
 23 the Employee Retirement Income Security Act of 1974
 24 (29 U.S.C. 1131 et seq.) is amended by adding at the end
 25 the following new section:

1 **“SEC. 522. PROHIBITION OF EMPLOYEE BENEFITS DUPLI-**
2 **CATIVE OF UNIVERSAL MEDICARE PROGRAM**
3 **BENEFITS; COORDINATION IN CASE OF**
4 **WORKERS’ COMPENSATION.**

5 “(a) IN GENERAL.—Subject to subsection (b), no em-
6 ployee benefit plan may provide benefits that duplicate
7 payment for any items or services for which payment may
8 be made under the Medicare for All Act of 2021.

9 “(b) REIMBURSEMENT.—Each workers compensation
10 carrier that is liable for payment for workers compensa-
11 tion services furnished in a State shall reimburse the
12 Medicare for All Program for the cost of such services.

13 “(c) DEFINITIONS.—In this subsection—

14 “(1) the term ‘workers compensation carrier’
15 means an insurance company that underwrite work-
16 ers compensation medical benefits with respect to
17 one or more employers and includes an employer or
18 fund that is financially at risk for the provision of
19 workers compensation medical benefits;

20 “(2) the term ‘workers compensation medical
21 benefits’ means, with respect to an enrollee who is
22 an employee subject to the workers compensation
23 laws of a State, the comprehensive medical benefits
24 for work-related injuries and illnesses provided for
25 under such laws with respect to such an employee;
26 and

1 payments for any items or services for which payment may
2 be made under the this Act.

3 (b) CONFORMING AMENDMENT.—Section 601 of part
4 6 of subtitle B of title I of the Employee Retirement In-
5 come Security Act of 1974 (19 U.S.C. 1161) is amended
6 by adding the following subsection at the end:

7 “(c) Subsection (a) shall apply to any group health
8 plan that does not duplicate payments for any items or
9 services for which payment may be made under the Medi-
10 care for All Act of 2021.”.

11 **SEC. 803. EFFECTIVE DATE OF TITLE.**

12 The provisions of and amendments made by this title
13 shall take effect on the date described in section 106(a).

14 **TITLE IX—ADDITIONAL**
15 **CONFORMING AMENDMENTS**

16 **SEC. 901. RELATIONSHIP TO EXISTING FEDERAL HEALTH**
17 **PROGRAMS.**

18 (a) MEDICARE, MEDICAID, AND STATE CHILDREN’S
19 HEALTH INSURANCE PROGRAM (SCHIP).—

20 (1) IN GENERAL.—Notwithstanding any other
21 provision of law and with respect to an individual el-
22 igible to enroll under this Act, subject to paragraphs
23 (2) and (3)—

24 (A) no benefits shall be available under
25 title XVIII of the Social Security Act for any

1 item or service furnished beginning on the date
2 that is 2 years after the date of the enactment
3 of this Act;

4 (B) no individual is entitled to medical as-
5 sistance under a State plan approved under
6 title XIX of such Act for any item or service
7 furnished on or after such date;

8 (C) no individual is entitled to medical as-
9 sistance under a State child health plan under
10 title XXI of such Act for any item or service
11 furnished on or after such date; and

12 (D) no payment shall be made to a State
13 under section 1903(a) or 2105(a) of such Act
14 with respect to medical assistance or child
15 health assistance for any item or service fur-
16 nished on or after such date.

17 (2) TRANSITION.—In the case of inpatient hos-
18 pital services and extended care services during a
19 continuous period of stay which began before the ef-
20 fective date of benefits under section 106, and which
21 had not ended as of such date, for which benefits
22 are provided under title XVIII of the Social Security
23 Act, under a State plan under title XIX of such Act,
24 or under a State child health plan under title XXI
25 of such Act, the Secretary shall provide for continu-

1 ation of benefits under such title or plan until the
2 end of the period of stay.

3 (3) SCHOOL PROGRAMS.—All school related
4 health programs, centers, initiatives, services, or
5 other activities or work provided under title XIX or
6 title XXI of the Social Security Act as of January
7 1, 2019, shall be continued and covered by the Medi-
8 care for All Program.

9 (b) FEDERAL EMPLOYEES HEALTH BENEFITS PRO-
10 GRAM.—No benefits shall be made available under chapter
11 89 of title 5, United States Code, with respect to items
12 and services furnished to any individual eligible to enroll
13 under this Act.

14 (c) TRICARE PROGRAM.—

15 (1) DIRECT CARE COMPONENT.—Nothing in
16 this Act shall affect the eligibility of beneficiaries
17 under chapter 55 of title 10, United States Code,
18 who are entitled to receive care furnished at facilities
19 of the uniformed services under the TRICARE pro-
20 gram for such care.

21 (2) PURCHASED CARE COMPONENT.—

22 (A) IN GENERAL.—Except as provided in
23 subparagraph (B), no benefits shall be made
24 available under the purchased care component
25 of the TRICARE program for items or services

1 furnished to any individual eligible to enroll
2 under this Act.

3 (B) TRICARE OVERSEAS.—During any
4 period in which an individual is eligible for ben-
5 efits under the TRICARE Overseas Program
6 and is located in a TRICARE overseas region,
7 the individual may receive benefits for items or
8 services furnished to the individual under the
9 purchased care component of such program
10 during such period.

11 (d) TREATMENT OF BENEFITS FOR VETERANS AND
12 NATIVE AMERICANS.—

13 (1) IN GENERAL.—Nothing in this Act shall af-
14 fect the eligibility of veterans for the medical bene-
15 fits and services provided under title 38, United
16 States Code, or of Indians for the medical benefits
17 and services provided by or through the Indian
18 Health Service.

19 (2) REEVALUATION.—No reevaluation of the
20 Indian Health Service shall be undertaken without
21 consultation with tribal leaders and stakeholders.

22 **SEC. 902. SUNSET OF PROVISIONS RELATED TO THE STATE**
23 **EXCHANGES.**

24 Effective on the date that is 2 years after the date
25 of the enactment of this Act, the Federal and State Ex-

1 changes established pursuant to title I of the Patient Pro-
2 tection and Affordable Care Act (Public Law 111–148)
3 shall terminate, and any other provision of law that relies
4 upon participation in or enrollment through such an Ex-
5 change, including such provisions of the Internal Revenue
6 Code of 1986, shall cease to have force or effect.

7 **SEC. 903. SUNSET OF PROVISIONS RELATED TO PAY FOR**
8 **PERFORMANCE PROGRAMS.**

9 (a) Effective on the date described in section 106(a),
10 the Federal programs related to pay for performance pro-
11 grams and value-based purchasing shall terminate, and
12 any other provision of law that relies upon participation
13 in or enrollment in such program shall cease to have force
14 or effect. Programs that shall terminate include—

15 (1) the Merit-based Incentive Payment System
16 established pursuant to subsection (q) of section
17 1848 of the Social Security Act (42 U.S.C. 1395w–
18 4(q));

19 (2) the incentives for meaningful use of cer-
20 tified EHR technology established pursuant to sub-
21 section (a)(7) of section 1848 of the Social Security
22 Act (42 U.S.C. 1395w–4(a)(7));

23 (3) the incentives for adoption and meaningful
24 use of certified EHR technology established pursu-

1 ant to subsection (o) of section 1848 of the Social
2 Security Act (42 U.S.C. 1395w-4(o));

3 (4) alternative payment models established
4 under section 1833(z) of the Social Security Act (42
5 U.S.C. 1395(z)); and

6 (5) the following programs as established pur-
7 suant to the following sections of the Patient Protec-
8 tion and Affordable Care Act:

9 (A) Section 2701 (adult health quality
10 measures).

11 (B) Section 2702 (payment adjustments
12 for health care acquired conditions).

13 (C) Section 2706 (Pediatric Accountable
14 Care Organization Demonstration Projects for
15 the purposes of receiving incentive payments).

16 (D) Section 3002(b) (42 U.S.C. 1395w-
17 4(a)(8)) (incentive payments for quality report-
18 ing).

19 (E) Section 3001(a) (42 U.S.C.
20 1395ww(o)) (Hospital Value-Based Purchas-
21 ing).

22 (F) Section 3006 (value-based purchasing
23 program for skilled nursing facilities and home
24 health agencies).

1 (G) Section 3007 (42 U.S.C. 1395w-4(p))
2 (value based payment modifier under physician
3 fee schedule).

4 (H) Section 3008 (42 U.S.C. 1395ww(p))
5 (payment adjustments for health care-acquired
6 condition).

7 (I) Section 3022 (42 U.S.C. 1395jjj)
8 (Medicare shared savings programs).

9 (J) Section 3023 (42 U.S.C. 1395cc-4)
10 (National Pilot Program on Payment Bun-
11 dling).

12 (K) Section 3024 (42 U.S.C. 1395cc-5)
13 (Independence at home demonstration pro-
14 gram).

15 (L) Section 3025 (42 U.S.C. 1395ww(q))
16 (hospital readmissions reduction program).

17 (M) Section 10301 (plans for value-based
18 purchasing program for ambulatory surgical
19 centers).

1 **TITLE X—TRANSITION**
 2 **Subtitle A—Medicare for All Tran-**
 3 **sition Over 2 Years and Transi-**
 4 **tional Buy-In Option**

5 **SEC. 1001. MEDICARE FOR ALL TRANSITION OVER TWO**
 6 **YEARS.**

7 Title XVIII of the Social Security Act (42 U.S.C.
 8 1395c et seq.) is amended by adding at the end the fol-
 9 lowing new section:

10 **“SEC. 1899C. MEDICARE FOR ALL TRANSITION OVER 2**
 11 **YEARS.**

12 “(a) **TRANSITION.**—

13 “(1) **IN GENERAL.**—Every individual who meets
 14 the requirements described in paragraph (3) shall be
 15 eligible to enroll in the Medicare for All Program
 16 under this section during the transition period start-
 17 ing one year after the date of enactment of the
 18 Medicare for All Act of 2021.

19 “(2) **BENEFITS.**—An individual enrolled under
 20 this section is entitled to the benefits established
 21 under title II of the Medicare for All Act of 2021.

22 “(3) **REQUIREMENTS FOR ELIGIBILITY.**—The
 23 requirements described in this paragraph are the fol-
 24 lowing:

1 “(A) The individual meets the eligibility re-
2 quirements established by the Secretary under
3 title I of the Medicare for All Act of 2021.

4 “(B) The individual has attained the appli-
5 cable year of age, or is currently enrolled in
6 Medicare at the time of the transition to Medi-
7 care for All.

8 “(4) APPLICABLE YEAR OF AGE DEFINED.—
9 For purposes of this section, the term ‘applicable
10 year of age’ means one year after the date of enact-
11 ment of the Medicare for All Act of 2021, the age
12 of 55 or older, the age 18 or younger.

13 “(b) ENROLLMENT; COVERAGE.—The Secretary shall
14 establish enrollment periods and coverage under this sec-
15 tion consistent with the principles for establishment of en-
16 rollment periods and coverage for individuals under other
17 provisions of this title. The Secretary shall establish such
18 periods so that coverage under this section shall first begin
19 on January 1 of the year on which an individual first be-
20 comes eligible to enroll under this section.

21 “(c) SATISFACTION OF INDIVIDUAL MANDATE.—For
22 purposes of applying section 5000A of the Internal Rev-
23 enue Code of 1986, the coverage provided under this sec-
24 tion constitutes minimum essential coverage under sub-
25 section (f)(1)(A)(i) of such section 5000A.

1 of the Patient Protection and Affordable Care Act
 2 (and the amendments made by that title) and title
 3 XXVII of the Public Health Service Act (42 U.S.C.
 4 300gg et seq.) that are applicable to qualified health
 5 plans offered through the Exchanges, subject to the
 6 limitation under subsection (e)(2).

7 (3) OFFERING THROUGH EXCHANGES.—The
 8 Medicare Transition buy-in shall be made available
 9 only through the Exchanges, and shall be available
 10 to individuals wishing to enroll and to qualified em-
 11 ployers (as defined in section 1312(f)(2) of the Pa-
 12 tient Protection and Affordable Care Act (42 U.S.C.
 13 18032)) who wish to make such plan available to
 14 their employees.

15 (4) ELIGIBILITY TO PURCHASE.—Any United
 16 States resident may enroll in the Medicare Transi-
 17 tion buy-in.

18 (c) BENEFITS; ACTUARIAL VALUE.—In carrying out
 19 this section, the Administrator shall ensure that the Medi-
 20 care Transition buy-in provides—

21 (1) coverage for the benefits required to be cov-
 22 ered under title II of this Act; and

23 (2) coverage of benefits that are actuarially
 24 equivalent to 90 percent of the full actuarial value
 25 of the benefits provided under the plan.

1 (d) PROVIDERS AND REIMBURSEMENT RATES.—

2 (1) IN GENERAL.—With respect to the reim-
3 bursement provided to health care providers for cov-
4 ered benefits, as described in section 201, provided
5 under the Medicare Transition buy-in, the Adminis-
6 trator shall reimburse such providers at rates deter-
7 mined for equivalent items and services under the
8 Medicare for All fee-for-service schedule established
9 in section 612(b) of this Act.

10 (2) PRESCRIPTION DRUGS.—Any payment rate
11 under this subsection for a prescription drug shall be
12 at the prices negotiated under section 616 of this
13 Act.

14 (3) PARTICIPATING PROVIDERS.—

15 (A) IN GENERAL.—A health care provider
16 that is a participating provider of services or
17 supplier under the Medicare program under
18 title XVIII of the Social Security Act (42
19 U.S.C. 1395 et seq.) or under a State Medicaid
20 plan under title XIX of such Act (42 U.S.C.
21 1396 et seq.) on the date of enactment of this
22 Act shall be a participating provider in the
23 Medicare Transition buy-in.

24 (B) ADDITIONAL PROVIDERS.—The Ad-
25 ministrator shall establish a process to allow

1 health care providers not described in subpara-
2 graph (A) to become participating providers in
3 the Medicare Transition buy-in. Such process
4 shall be similar to the process applied to new
5 providers under the Medicare program.

6 (e) PREMIUMS.—

7 (1) DETERMINATION.—The Administrator shall
8 determine the premium amount for enrolling in the
9 Medicare Transition buy-in, which—

10 (A) may vary according to family or indi-
11 vidual coverage, age, and tobacco status (con-
12 sistent with clauses (i), (iii), and (iv) of section
13 2701(a)(1)(A) of the Public Health Service Act
14 (42 U.S.C. 300gg(a)(1)(A))); and

15 (B) shall take into account the cost-shar-
16 ing reductions and premium tax credits which
17 will be available with respect to the plan under
18 section 1402 of the Patient Protection and Af-
19 fordable Care Act (42 U.S.C. 18071) and sec-
20 tion 36B of the Internal Revenue Code of 1986,
21 as amended by subsection (g).

22 (2) LIMITATION.—Variation in premium rates
23 of the Medicare Transition buy-in by rating area, as
24 described in clause (ii) of section 2701(a)(1)(A)(iii)

1 of the Public Health Service Act (42 U.S.C.
2 300gg(a)(1)(A)) is not permitted.

3 (f) TERMINATION.—This section shall cease to have
4 force or effect on the effective date described in section
5 106(a).

6 (g) TAX CREDITS AND COST-SHARING SUBSIDIES.—

7 (1) PREMIUM ASSISTANCE TAX CREDITS.—

8 (A) CREDITS ALLOWED TO MEDICARE
9 TRANSITION BUY-IN ENROLLEES IN NON-EX-
10 PANSION STATES.—Paragraph (1) of section
11 36B(c) of the Internal Revenue Code of 1986
12 is amended by redesignating subparagraphs (C)
13 and (D) as subparagraphs (D) and (E), respec-
14 tively, and by inserting after subparagraph (B)
15 the following new subparagraph:

16 “(C) SPECIAL RULES FOR MEDICARE
17 TRANSITION BUY-IN ENROLLEES.—

18 “(i) IN GENERAL.—In the case of a
19 taxpayer who is covered, or whose spouse
20 or dependent (as defined in section 152) is
21 covered, by the Medicare Transition buy-in
22 established under section 1002(a) of the
23 Medicare for All Act of 2021 for all
24 months in the taxable year, subparagraph

1 (A) shall be applied without regard to ‘but
2 does not exceed 400 percent’.

3 “(ii) ENROLLEES IN MEDICAID NON-
4 EXPANSION STATES.—In the case of a tax-
5 payer residing in a State which (as of the
6 date of the enactment of the Medicare for
7 All Act of 2021) does not provide for eligi-
8 bility under clause (i)(VIII) or (ii)(XX) of
9 section 1902(a)(10)(A) of the Social Secu-
10 rity Act for medical assistance under title
11 XIX of such Act (or a waiver of the State
12 plan approved under section 1115) who is
13 covered, or whose spouse or dependent (as
14 defined in section 152) is covered, by the
15 Medicare Transition buy-in established
16 under section 1002(a) of the Medicare for
17 All Act of 2021 for all months in the tax-
18 able year, subparagraphs (A) and (B) shall
19 be applied by substituting ‘0 percent’ for
20 ‘100 percent’ each place it appears.”.

21 (B) PREMIUM ASSISTANCE AMOUNTS FOR
22 TAXPAYERS ENROLLED IN MEDICARE TRANSI-
23 TION BUY-IN.—

24 (i) IN GENERAL.—Subparagraph (A)
25 of section 36B(b)(3) of such Code is

1 amended—(I) by redesignating clause (ii)
 2 as clause (iii), (II) by striking “clause (ii)”
 3 in clause (i) and inserting “clauses (ii) and
 4 (iii)”, and (III) by inserting after clause (i)
 5 the following new clause:

6 “(ii) SPECIAL RULES FOR TAXPAYERS
 7 ENROLLED IN MEDICARE TRANSITION BUY-
 8 IN.—In the case of a taxpayer who is cov-
 9 ered, or whose spouse or dependent (as de-
 10 fined in section 152) is covered, by the
 11 Medicare Transition buy-in established
 12 under section 1002(a) of the Medicare for
 13 All Act of 2021 for all months in the tax-
 14 able year, the applicable percentage for
 15 any taxable year shall be determined in the
 16 same manner as under clause (i), except
 17 that the following table shall apply in lieu
 18 of the table contained in such clause:

“In the case of household income (expressed as a percent of poverty line) within the following income tier:	The initial premium percentage is—	The final premium percentage is—
Up to 100 percent	2.00	2.00
100 percent up to 138 percent	2.04	2.04
138 percent up to 150 percent	3.06	4.08
150 percent and above	4.08	5.00.”.

19 (ii) CONFORMING AMENDMENT.—Sub-
 20 clause (I) of clause (iii) of section
 21 36B(b)(3) of such Code, as redesignated

1 by subparagraph (A)(i), is amended by in-
 2 serting “, and determined after the appli-
 3 cation of clause (ii)” after “after applica-
 4 tion of this clause”.

5 (2) COST-SHARING SUBSIDIES.—Subsection (b)
 6 of section 1402 of the Patient Protection and Af-
 7 fordable Care Act (42 U.S.C. 18071(b)) is amend-
 8 ed—

9 (A) by inserting “, or in the Medicare
 10 Transition buy-in established under section
 11 1002(a) of the Medicare for All Act of 2021,”
 12 after “coverage” in paragraph (1);

13 (B) by redesignating paragraphs (1) (as so
 14 amended) and (2) as subparagraphs (A) and
 15 (B), respectively, and by moving such subpara-
 16 graphs 2 ems to the right;

17 (C) by striking “INSURED.—In this sec-
 18 tion” and inserting “INSURED.—
 19 “(1) IN GENERAL.—In this section”;

20 (D) by striking the flush language; and

21 (E) by adding at the end the following new
 22 paragraph:

23 “(2) SPECIAL RULES.—

24 “(A) INDIVIDUALS LAWFULLY PRESENT.—

25 In the case of an individual described in section

1 36B(c)(1)(B) of the Internal Revenue Code of
2 1986, the individual shall be treated as having
3 household income equal to 100 percent of the
4 poverty line for a family of the size involved for
5 purposes of applying this section.

6 “(B) MEDICARE TRANSITION BUY-IN EN-
7 ROLLEES IN MEDICAID NON-EXPANSION
8 STATES.—In the case of an individual residing
9 in a State which (as of the date of the enact-
10 ment of the Medicare for All Act of 2021) does
11 not provide for eligibility under clause (i)(VIII)
12 or (ii)(XX) of section 1902(a)(10)(A) of the So-
13 cial Security Act for medical assistance under
14 title XIX of such Act (or a waiver of the State
15 plan approved under section 1115) who enrolls
16 in such Medicare Transition buy-in, the pre-
17 ceding sentence, paragraph (1)(B), and para-
18 graphs (1)(A)(i) and (2)(A) of subsection (c)
19 shall each be applied by substituting ‘0 percent’
20 for ‘100 percent’ each place it appears.”.

21 (h) CONFORMING AMENDMENTS.—

22 (1) TREATMENT AS A QUALIFIED HEALTH
23 PLAN.—Section 1301(a)(2) of the Patient Protection
24 and Affordable Care Act (42 U.S.C. 18021(a)(2)) is
25 amended—

1 (A) in the paragraph heading, by inserting
 2 “THE MEDICARE TRANSITION BUY-IN,” before
 3 “AND”; and

4 (B) by inserting “The Medicare Transition
 5 buy-in,” before “and a multi-State plan”.

6 (2) LEVEL PLAYING FIELD.—Section 1324(a)
 7 of the Patient Protection and Affordable Care Act
 8 (42 U.S.C. 18044(a)) is amended by inserting “the
 9 Medicare Transition buy-in,” before “or a multi-
 10 State qualified health plan”.

11 **Subtitle B—Transitional Medicare** 12 **Reforms**

13 **SEC. 1011. ELIMINATING THE 24-MONTH WAITING PERIOD** 14 **FOR MEDICARE COVERAGE FOR INDIVID-** 15 **UALS WITH DISABILITIES.**

16 (a) IN GENERAL.—Section 226(b) of the Social Secu-
 17 rity Act (42 U.S.C. 426(b)) is amended—

18 (1) in paragraph (2)(A), by striking “, and has
 19 for 24 calendar months been entitled to,”;

20 (2) in paragraph (2)(B), by striking “, and has
 21 been for not less than 24 months,”;

22 (3) in paragraph (2)(C)(ii), by striking “, in-
 23 cluding the requirement that he has been entitled to
 24 the specified benefits for 24 months,”;

1 (4) in the first sentence, by striking “for each
2 month beginning with the later of (I) July 1973 or
3 (II) the twenty-fifth month of his entitlement or sta-
4 tus as a qualified railroad retirement beneficiary de-
5 scribed in paragraph (2), and” and inserting “for
6 each month for which the individual meets the re-
7 quirements of paragraph (2), beginning with the
8 month following the month in which the individual
9 meets the requirements of such paragraph, and”;
10 and

11 (5) in the second sentence, by striking “the
12 ‘twenty-fifth month of his entitlement’” and all that
13 follows through “paragraph (2)(C) and”.

14 (b) CONFORMING AMENDMENTS.—

15 (1) SECTION 226.—Section 226 of the Social
16 Security Act (42 U.S.C. 426) is amended by—

17 (A) striking subsections (e)(1)(B), (f), and
18 (h); and

19 (B) redesignating subsections (g) and (i)
20 as subsections (f) and (g), respectively.

21 (2) MEDICARE DESCRIPTION.—Section 1811(2)
22 of the Social Security Act (42 U.S.C. 1395c(2)) is
23 amended by striking “have been entitled for not less
24 than 24 months” and inserting “are entitled”.

1 (3) **MEDICARE COVERAGE.**—Section 1837(g)(1)
2 of the Social Security Act (42 U.S.C. 1395p(g)(1))
3 is amended by striking “25th month of” and insert-
4 ing “month following the first month of”.

5 (4) **RAILROAD RETIREMENT SYSTEM.**—Section
6 7(d)(2)(ii) of the Railroad Retirement Act of 1974
7 (45 U.S.C. 231f(d)(2)(ii)) is amended—

8 (A) by striking “has been entitled to an
9 annuity” and inserting “is entitled to an annu-
10 ity”;

11 (B) by striking “, for not less than 24
12 months”; and

13 (C) by striking “could have been entitled
14 for 24 calendar months, and”.

15 (c) **EFFECTIVE DATE.**—The amendments made by
16 this section shall apply to insurance benefits under title
17 XVIII of the Social Security Act with respect to items and
18 services furnished in months beginning after December 1
19 following the date of enactment of this Act, and before
20 the date that is 2 years after the date of the enactment
21 of such Act.

22 **SEC. 1012. ENSURING CONTINUITY OF CARE.**

23 (a) **IN GENERAL.**—The Secretary shall ensure that
24 all persons enrolled or who seeks to enroll in a health plan
25 during the transition period of the Medicare for All Pro-

1 gram are protected from disruptions in their care during
2 the transition period, including continuity of care with
3 such persons current health care provider teams.

4 (b) CONTINUITY OF COVERAGE AND CARE IN GEN-
5 ERAL.—During the transition period of the Medicare for
6 All Act, group health plans and health insurance issuers
7 offering group or individual health insurance coverage
8 shall not end coverage for an enrollee during the transition
9 period described in the Act until all ages are eligible to
10 enroll in the Medicare for All Program except as expressly
11 agreed upon under the terms of the plan.

12 (c) CONTINUITY OF COVERAGE AND CARE FOR PER-
13 SONS WITH COMPLEX MEDICAL NEEDS.—

14 (1) The Secretary shall ensure that persons
15 with disabilities, complex medical needs, or chronic
16 conditions are protected from disruptions in their
17 care during the transition period, including con-
18 tinuity of care with such persons current health care
19 provider teams.

20 (2) During the transition period of the Medi-
21 care for All Act group health plans and health insur-
22 ance issuers offering group or individual health in-
23 surance coverage shall not—

24 (A) end coverage for an enrollee who has
25 a disability, complex medical need, or chronic

1 condition during the transition period described
2 in the Act until all ages are eligible to enroll in
3 the Medicare for All Program; or

4 (B) impose any exclusion with respect to
5 such plan or coverage on the basis of a person's
6 disability, complex medical need, or chronic con-
7 dition during the transition period described
8 under this Act until all ages are eligible to en-
9 roll in the Medicare for All Program.

10 (d) PUBLIC CONSULTATION DURING TRANSITION.—

11 The Secretary shall consult with communities and advo-
12 cacy organizations of persons living with disabilities as
13 well as other patient advocacy organizations to ensure that
14 the transition buy-in takes into account the continuity of
15 care for persons with disabilities, complex medical needs,
16 or chronic conditions.

17 **TITLE XI—MISCELLANEOUS**

18 **SEC. 1101. DEFINITIONS.**

19 In this Act—

20 (1) the term “global budget” means the pay-
21 ment negotiated between an institutional provider
22 and as described in section 611(b);

23 (2) the term “group practice” has the meaning
24 given such term in section 1877(h)(4) of the Social
25 Security Act (42 U.S.C. 1395nn(h)(4));

1 (3) the term “individual provider” means a sup-
2 plier (as defined in section 1861(d) of such Act (42
3 U.S.C. 1395x(d)));

4 (4) the term “institutional provider” means—

5 (A) providers of services described in sec-
6 tion 1861(u) of such Act (42 U.S.C. 1395x(u));

7 (B) hospitals as defined in section 1861(e)
8 of the Social Security Act (42 U.S.C.
9 1395x(e)), and any outpatient settings or clinics
10 operating within a hospital license or any set-
11 ting or clinic that provides outpatient hospital
12 services;

13 (C) psychiatric hospitals (as defined in sec-
14 tion 1861(e) of the Social Security Act (42
15 U.S.C. 1395x(f)));

16 (D) rehabilitation hospitals (as defined by
17 the Secretary of Health and Human Services
18 under section 1886(d)(1)(B)(ii) of the Social
19 Security Act (42 U.S.C. 1395ww(d)(1)(B)(ii)));

20 (E) long-term care hospitals as defined in
21 section 1861 of the Social Security Act (42
22 U.S.C. 1395x(ccc)); and

23 (F) independent dialysis facilities and inde-
24 pendent end-stage renal disease facilities as de-
25 scribed in 42 CFR 413.174(b);

1 (5) the term “medically necessary or appro-
2 priate” means the health care items and services or
3 supplies that are needed or appropriate to prevent,
4 diagnose, or treat an illness, injury, condition, dis-
5 ease, or its symptoms for an individual and are de-
6 termined to be necessary or appropriate for such in-
7 dividual by the physician or other health care profes-
8 sional treating such individual, after such profes-
9 sional performs an assessment of such individual’s
10 condition, in a manner that meets—

11 (A) the scope of practice, licensing, and
12 other law of the State in which the individual
13 receiving such items and services is located; and

14 (B) appropriate standards established by
15 the Secretary for purposes of carrying out this
16 Act;

17 (6) the term “provider” means an institutional
18 provider or a supplier (as defined in section 1861(d)
19 of such Act (42 U.S.C. 1395x(d)) if the reference to
20 “this title” were a reference to the Medicare for All
21 Program);

22 (7) the term “Secretary” means the Secretary
23 of Health and Human Services;

1 (8) the term “State” means a State, the Dis-
2 trict of Columbia, or a territory of the United
3 States;

4 (9) the term “TRICARE Overseas Program”
5 means the element of the TRICARE program ad-
6 ministered by International SOS (or such successor
7 administrator) under which care and health benefits
8 are furnished to TRICARE beneficiaries located in
9 a TRICARE overseas region;

10 (10) the term “TRICARE program” has the
11 meaning given such term in section 1072 of title 10,
12 United States Code;

13 (11) the term “uniformed services” has the
14 meaning given such term in section 101 of title 10,
15 United States Code; and

16 (12) the term “United States” shall include the
17 States, the District of Columbia, and the territories
18 of the United States.

19 **SEC. 1102. RULES OF CONSTRUCTION.**

20 (a) IN GENERAL.—A State or local government may
21 set additional standards or apply other State or local laws
22 with respect to eligibility, benefits, and minimum provider
23 standards, only if such State or local standards—

24 (1) provide equal or greater eligibility than is
25 available under this Act;

1 (2) provide equal or greater in-person access to
2 benefits under this Act;

3 (3) do not reduce access to benefits under this
4 Act;

5 (4) allow for the effective exercise of the profes-
6 sional judgment of physicians or other health care
7 professionals; and

8 (5) are otherwise consistent with this Act.

9 (b) RELATION TO STATE LICENSING LAW.—Nothing
10 in this Act shall be construed to preempt State licensing,
11 practice, or educational laws or regulations with respect
12 to health care professionals and health care providers, for
13 such professionals and providers who practice in that
14 State.

15 (c) APPLICATION TO STATE AND FEDERAL LAW ON
16 WORKPLACE RIGHTS.—Nothing in this Act shall be con-
17 strued to diminish or alter the rights, privileges, remedies,
18 or obligations of any employee or employer under any Fed-
19 eral or State law or regulation or under any collective bar-
20 gaining agreement.

21 (d) RESTRICTIONS ON PROVIDERS.—With respect to
22 any individuals or entities certified to provide items and
23 services covered under section 201(a)(7), a State may not
24 prohibit an individual or entity from participating in the

1 program under this Act for reasons other than the ability
2 of the individual or entity to provide such services.

3 **SEC. 1103. NO USE OF RESOURCES FOR LAW ENFORCE-**
4 **MENT OF CERTAIN REGISTRATION REQUIRE-**
5 **MENTS.**

6 Notwithstanding any provision of Federal or State
7 law, no Federal or State law enforcement official or em-
8 ployee shall use any funds, facilities, property, equipment,
9 or personnel made available pursuant to this Act (or any
10 amendment made thereby) to investigate, enforce, or as-
11 sist in the investigation or enforcement of any criminal,
12 civil, or administrative violation or warrant for a violation
13 of any requirement that individuals register with the Fed-
14 eral Government based on religion, national origin, eth-
15 nicity, immigration status, or other protected category.

○

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: E.6 **Consider Approval of Resolution 2022-03 Reviewing and Approving, with Amendments, Board Policies and Procedures related to Governance, Ethics, and Board Conduct**

PRESENTED BY: **April Sousa, Board Secretary**

TYPE OF ACTION: **Roll Call Vote**

Recommendation:

Staff recommends that the Board review the Draft Update of the Board Policy Manual, ask questions, take public comment, and adopt Resolution 2022-03 (**Attachment 1**) to approve, with amendments, the MCSD Board of Directors Policy Manual Related to Policies and Procedures on Governance, Ethics, and Board Conduct (**Attachment 2**).

Discussion:

McKinleyville Community Services District (MCSD) has been accredited under the Special District Leadership Foundation's (SDLF) District of Distinction program since May 2015. To maintain this accreditation, MCSD must reapply regularly. The District of Distinction Accreditation is designed as a way for Districts to highlight their prudent fiscal practices along with other areas important to effectively operate and govern a Special District. All accreditation materials are required to have a bi-annual review, minimum.

One of the required material submissions is the Districts' ability to demonstrate that their operations conform to all statutes and regulations under state law as reflected in a policies and procedures manual. Board Policies and Procedures should focus on governance, ethics, and board conduct. The Board Policy Manual is reviewed annually by staff for any changes. Various changes, including the addition of virtual meeting requirements (Board direction given September 9, 2020) and draft changes to the Board self-evaluation process (Board direction given August 5, 2020), were added in 2020. In January, the Board discussed amending the name and duties of the Audit Committee to the Audit and Finance Committee and providing for expanded duties for review of other financial materials as necessary. Staff has amended pages 23 and 24 to reflect these desired changes and can be found in **Attachment 2** through a red-lined revision copy of the Board Manual. No other revisions were needed at this time.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 – Resolution 2022-03
- Attachment 2 – Exhibit 1 to Resolution 2022-03 - Board Policy Manual Draft Update (Red-lined with Changes)

RESOLUTION 2022-03

A RESOLUTION THAT THE MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS REVIEW AND APPROVE ITS POLICIES AND PROCEDURES RELATED TO GOVERNANCE, ETHICS, AND BOARD CONDUCT

WHEREAS, the Special District Leadership Foundation (SDLF), District of Distinction accreditation is designed as a way for Districts to highlight their prudent fiscal practices along with other areas important to effectively operate and govern a Special District; and

WHEREAS, for accreditation, McKinleyville Community Services District is required to conduct a bi-annual review of all policies, including policies and procedures that regulate governance, ethics, and Board conduct; and

WHEREAS, McKinleyville Community Services District has created an annual process of reviewing the Board of Directors Policy Manual; and

WHEREAS, the Board of Directors Policy Manual conforms to all statutes and regulations under state law; and

WHEREAS, there are desired revisions that address changes to the committee that provides financial oversight of the District by the Board; and

WHEREAS, McKinleyville Community Services District, after a careful review, desires to update the Board of Directors Policy Manual to rename this committee as the Audit & Finance Committee as well as enhance financial duties for said committee.

NOW, THEREFORE, BE IT RESOLVED that the McKinleyville Community Services District Board of Directors has reviewed and approved its policies and procedures related to governance, ethics, and board conduct, as amended in Exhibit 1.

ADOPTED, SIGNED AND APPROVED at a duly called meeting of the Board of Directors of the McKinleyville Community Services District on February 2, 2022 by the following polled vote:

- AYES:
- NOES:
- ABSENT:
- ABSTAIN:

David Couch, Board President

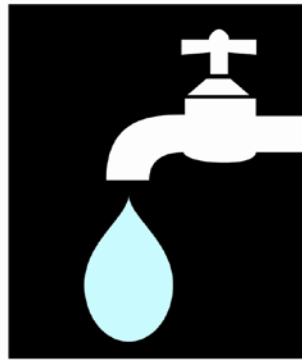
Attest:

April Sousa, MMC, Board Secretary

McKINLEYVILLE



COMMUNITY SERVICES DISTRICT



MCKINLEYVILLE COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS POLICY MANUAL

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PART 1 -- GENERAL RULES

Rule 1-1: PURPOSE - The purpose of this Policy Manual is to provide guidelines for the conduct of the Board of Directors of the McKinleyville Community Services District (MCS D, District) to help maintain the highest standard of ethics for its Board members. The objectives of this policy are to (1) provide guidance for dealing with ethical issues, (2) heighten awareness of ethics and values as critical elements in Board members' conduct, and (3) improve ethical decision-making and values-based management.

Rule 1-2: SUSPENSION OF RULES - Any of the within rules not required by law may be suspended by a majority of the Board.

Rule 1-3: ALTERATION, AMENDMENT OR REPEAL - Any rule may be altered, amended or repealed at a duly noticed meeting by a majority vote of the Board.

Rule 1-4: NON-DISCRIMINATION STATEMENT - The District shall not unlawfully discriminate against anyone, (public, qualified employees or job applicants, etc.) on the basis of race, color, creed, national origin, ancestry, age, physical disability, mental disability, medical condition, marital status, sexual orientation, medical leave status, veteran status, or any other basis protected by federal, state, or local laws.

PART 2 -- BASIS OF AUTHORITY

Rule 2-1: AUTHORITY OF THE BOARD - The Board of Directors is the unit of authority within the District. Apart from their normal function as a part of this unit, individual Directors may not commit the District to any policy, act, or expenditure.

Rule 2-2: REPRESENTATION - The Board of Directors as a whole should not represent any factional segment of the community, but rather represent and act for the community as a whole. The proper operation of the District requires decisions and policy to be made within the proper channels of governmental structure, that public office not be used for personal gain, and that all individuals associated with the District remain objective, impartial and responsive to the needs of the public they serve.

Rule 2-3: GOVERNING LAWS - Board Members are obligated to uphold the Constitution of the United States and the Constitution of the State of California. Board Members will comply with applicable laws regulating their conduct, including conflict of interest, financial disclosure, and open government meeting laws. Board Members will strive to work in cooperation with other public officials unless prohibited from so doing by law or officially recognized confidentiality of their work.

PART 3 -- BOARD STRUCTURE

Rule 3-1: OFFICERS - Annually, at the regular January Board Meeting, the Board shall update the rotation schedule for the coming years. Appointment of officers shall be subject

to the affirmative vote of the Board with a strong preference for a rotation schedule. The Finance Director shall perform the duties of Treasurer and the General Manager shall select a staff member to serve as Board Secretary.

Rule 3-2: PRESIDENT - The President shall perform the duties of presiding officer at all meetings of the Board of Directors and shall carry out the resolutions and orders of the Board of Directors and perform such other duties as the Board of Directors prescribes including appointment of members to serve on committees of the Board and designation of committee chairs, except for the Recreation Advisory Committee. The Board President is responsible for leadership at public meetings and for exerting every effort to unite the Board into a working, cohesive group by preserving order and decorum. The Board President shall decide questions of order subject to appeal to the Board. This requires the assistance and cooperation of all of the Board Members.

Rule 3-3: VICE-PRESIDENT - In the absence of the President, the Vice-President shall perform the President's duties. When the President disqualifies themselves from participating in an agenda item or declares themselves partisan in the debate on any such item, the Vice-President shall perform the duties of the presiding officer.

Rule 3-4: COMMITTEES - Committees of the Board, whether standing or ad hoc, may, from time to time, be established by the President of the Board, subject to confirmation by the Board. Unless authority to perform a duty is expressly delegated by the Board to a committee, committee motions and recommendations shall be advisory to the Board. Committees shall not commit the District to any policy, act or expenditure nor may any committee direct staff to perform specific duties unless authorized by the Board. The Committee Chair is authorized to schedule committee meetings as deemed necessary and to preside at any such meeting.

Where the Board has agreed to designate a Director or Directors to serve on a non-District Committee, the President shall appoint said Directors for Board ratification.

For a detailed description of current committees along with specific Board direction, please see Appendix A.

PART 4 -- CODE OF ETHICS

Rule 4-1: OBJECTIVES - The Board of Directors of MCSD are committed to providing excellence in legislative leadership that result in the provision of the highest quality services and representation to the District's constituents. In order to assist in the government of the behavior between and among members of the Board of Directors, the following guidelines are recommended:

4-1A Respect: The dignity, style, values and opinions of each director shall be respected.

4-1B Listening: Responsive and attentive listening during communications is encouraged.

4-1C Representation: The needs and desires of the District's constituents shall be a priority of the Board of Directors.

4-1D Responsibility: The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to the General Manager of the District.

4-1E Attitude: Directors should always commit themselves to emphasis of a positive and professional attitude.

4-1F Issue Orientation: Directors should commit themselves to focusing on issues and not personal attacks. The presentation of the opinions of others should be encouraged. The formation of voting blocs based on personal relationships rather than the merit of issues must be avoided.

4-1G Openness: Different viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions. Once the Board of Directors takes action, Directors should support that action regardless of differing opinions.

4-1H Code of Ethics: Directors are required by law (AB1234, California Government Code § 53234, et seq.) to receive a minimum of two hours of training every two years in general ethics principals and law. Proof of completion must be provided to the District. If any one Board member is not in compliance the meeting compensation fee will be withheld for all Directors until compliance is met.

4-1I Conflict of Interest: Each Director is responsible for completion and submittal of an annual Conflict of Interest (Form 700) to the District Filing Officer. This form is then forwarded to the County Elections Office and is kept on file for public review.

Rule 4-1J Virtual Meeting Etiquette

In the event that Board meetings are held on a virtual platform, or a Board member attends a meeting remotely or by teleconference, the Board member is expected to express the same decorum as they would in person. For any virtual meeting participation, Board members should attend dressed appropriately and provide full attention to the proceedings of the Board meeting.

Rule 4-2: INFORMATION - Directors should practice the following procedures:

4-2A Clarification: In seeking clarification on informational and policy items, Directors should directly approach the General Manager only to obtain

information needed to supplement, upgrade, or enhance their knowledge to improve legislative decision making.

4-2B Complaints: In handling complaints from residents and property owners of the District, said complaints should be referred to the General Manager.

4-2C Safety: In handling items related to safety, concerns for safety or hazards should be reported to the General Manager or to the District Office. Emergency situations should be dealt with immediately by seeking appropriate assistance.

4-2D Policy: In seeking clarification for administrative policy related concerns, especially those involving personnel, legal action, land acquisition, finances, and programming, said concerns should be directed to the General Manager.

Rule 4-2E Virtual Meeting Board Member Participation

When attending a meeting remotely or virtually, Board members should keep microphones muted unless speaking. In order to be called upon for discussion, motions, or voting, Board members should use the “Raise Hand” feature of the virtual platform. If this is not accessible, the Board member may physically raise their hand and wait to be called upon by the Chair.

Rule 4-3: INTERACTION WITH STAFF - When approached by District personnel concerning specific District policy, Directors should direct inquiries to the General Manager.

Rule 4-4: TEAM EFFORT - The smooth working of the District is a team effort. All individuals should try to work together in the collaborative process, assisting each other in conducting the affairs of the District.

Rule 4-5: CONSTITUENT REQUESTS - When responding to constituent requests and concerns, Directors should be courteous, responding to individuals in a positive manner and routing their questions through the General Manager. The General Manager will then date stamp, log in the request, delegate to staff for the appropriate response as needed and upon resolution follow up with the Board within fourteen days.

Rule 4-6: INTERACTION WITH GENERAL MANAGER - The District’s General Manager serves at the pleasure of the Board. The Board will provide policy direction and instructions to the General Manager on matters within the authority of the Board by majority vote of the Board during duly convened Board and Committee meetings. Directors should develop a working relationship with the General Manager wherein current issues, concerns and District projects can be discussed comfortably and openly.

4-6A General Manager Evaluations: The Board shall conduct performance evaluations for the General Manager. As noted in the Supervisor’s Policy Manual, 360 evaluations from Department Heads may also be requested by the Board. These

evaluations should be conducted annually on the anniversary of the General Manager's hire date. Please see "Attachment A" for a written procedure.

Rule 4-7: BOARD AS A WHOLE - Directors should function as a part of the whole. Issues should be brought by individual Board members to the attention of the Board as a whole, rather than to individual members selectively. The Board of Directors functions collectively, not as individuals and all members should be tolerant of each other's views. Unless the Board, by formal action, delegates responsibility to one or more individual Board members and such delegation is authorized by law, no Director has the legal capacity to act on behalf of the District.

Rule 4-8: MONITORING PROGRESS - Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

Rule 4-9: PREPARATION - Directors shall thoroughly prepare themselves to discuss agenda items at meetings of the Board of Directors. Information may be requested from the General Manager but contact among Board members concerning District affairs outside of the meeting context is to be avoided, as such activity may constitute a violation of the State of California open meeting laws.

Rule 4-10: STAFF NOTES - Information that is exchanged before the meetings shall be distributed through the General Manager, and all Directors will receive all information being distributed.

Rule 4-11: COURTESY - Directors shall always conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.

Rule 4-12: QUESTIONS - Directors shall defer to the President for conduct of meetings of the Board but shall be free to question and discuss items on the agenda. All comments should be confined to the matter being discussed by the Board.

Rule 4-13: MINUTES-RECORDING OF INFORMATION

4-13A Audio Recording: Unless directed otherwise by the Board President, all open sessions of the Board meetings shall be audio recorded in their entirety. The recordings will be retained in accordance with the current MCSD records retention policy.

4-13B Minutes: Copies of meeting minutes shall be distributed to Directors as part of the information packet for the next regular meeting of the Board, at which time the Board will consider approving the minutes as presented or with modifications. Once approved by the Board, the official minutes shall be kept in the District vault.

4-13C Action Minutes: Action minutes shall be taken by the Board Secretary which summarize (a) Action taken, with a recordation of motion noting name of each person making and seconding the motion (b) Action taken, with a recordation of voting by

name on each motion where a roll call vote is required (c) Specific information requested by the Board to be entered in the minutes.

Rule 4-14: CONFLICT OF INTEREST - Directors shall abstain from participating in consideration on any item involving a legally prohibited conflict of interest and shall declare the nature of that conflict to the Board.

Rule 4-15: CORRESPONDENCE - Staff shall date-stamp the original of all correspondence from constituents, responsible agencies, and trustee agencies upon receipt and distribute a copy to each director within one week. Where a response is requested or where the General Manager believes a response is needed, the General Manager will cause a response to be transmitted to the author with copies to the Board as soon as workloads allow but no later than ten working days following receipt.

Rule 4-16: DIRECTOR REACTION TO CORRESPONDENCE - A Director that believes the Board should address an issue raised by the author of correspondence, or by staff's response to correspondence, reserves the right to request Board review on a subsequent agenda by submitting a written request to the General Manager at least fourteen days prior to that meeting. When a Director submits such a request staff will prepare a draft response for Board edit at the Board Meeting. Where a concern arises within seventeen days of a Board Meeting, the Director with the concern should express his or her concern at the Board meeting and request the inclusion of the issue as an agenda item at a subsequent Board meeting.

PART 5 -- BOARD MEETING PROCEDURES

Rule 5-1: REGULAR MEETINGS - Regular meetings of the Board of Directors shall be held on the first Wednesday of each calendar month at 7:00 PM at either Azalea Hall 1620 Pickett Road or the District Office 1656 Sutter Road as specified by the agenda. The date, time, and place of regular meetings shall be reconsidered annually at the annual organizational meeting of the Board.

5-1A: Virtual Meetings – On March 12, California State Governor Newsom signed Executive Order N-25-20 with clarifying regulations through Executive Order N-29-20 on March 20, 2020, relaxing specific location meeting requirements of the Brown Act. On April 1, 2020 MCSD approved Resolution 2020-05 aligning with executive orders to allow for Regular board meetings to meet virtually via zoom webinar or at the following Toll Free: 1-888-788-0099. This regulation will remain in effect until rescinded by the Governor. If similar circumstances in the future require virtual meetings, a new Resolution will be drafted and voted on by the Board.

Rule 5-2: SPECIAL MEETINGS (NON-EMERGENCY) - Special meetings (non-emergency) of the Board of Directors may be called by the President.

5-2A Notice: All Directors, the Manager and District Counsel shall be notified of the Special Board Meeting and the purpose or purposes for which it is called. Said notification shall be in writing, delivered to them at least twenty-four (24) hours prior to the meeting.

5-2B Notification: Newspapers of general circulation in the District, radio stations and television stations, organizations, and property owners who have requested notice of Special Meetings in accordance with the Ralph M. Brown Act (California Government Code 54950 through 54960) shall be notified by a mailing unless the Special Meeting is called less than one week in advance, in which case, notice, including a description of the business to be transacted, will be given by telephone during business hours as soon after the meeting is scheduled as is practical.

5-2C Agenda: An agenda shall be prepared as specified for the Regular Board Meetings and shall be delivered with the notice of the Special Meeting to those specified above.

5-2D New Business: Only those items of business listed in the call for the Special Meeting shall be considered at any Special Meeting.

Rule 5-3: SPECIAL MEETINGS (EMERGENCY) - In the event of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened immediate disruption of public facilities, the Board of Directors may hold an emergency special meeting without complying with the twenty-four (24) hour notice required above. An emergency situation means a substantial emergency which severely impairs or threatens public health, safety or both, as determined by the General Manager and Board President or Vice President in the Presidents absence.

5-3A Notification: Newspapers of general circulation in the District, radio stations and television stations which have requested notice of Special Meetings in accordance with the Ralph M. Brown Act shall be notified by at least one (1) hour prior to the emergency meeting. In the event that telephone services are not working, the notice requirement of one hour is waived, but the General Manager, or their designee, shall notify such newspapers, radio stations or television stations of the fact of holding the Emergency Special Meeting and of any action taken by the Board, as soon after the meeting as possible.

5-3B New Business: No Closed Session may be held during an Emergency Special Meeting, and all other rules governing Special Meetings shall be observed with the exception of the twenty-four (24) hour notice. The minutes of the Emergency Special Meeting, a list of persons the General Manager or designee notified or attempted to notify, a copy of the roll call vote(s), and any actions taken at such meeting shall be posted for a minimum of ten (10) days in the District office as soon after the meeting as possible.

Rule 5-4: ADJOURNED MEETINGS - A majority vote by the Board of Directors may terminate any Board meeting at any place in the agenda, to any time and place specified in the order of adjournment, except when a quorum is lacking at any Regular or Adjourned Meeting, the members present may declare the meeting adjourned to a stated time and place, and they shall cause a written notice of adjournment to be given to those specified above.

Rule 5-5: ANNUAL ORGANIZATIONAL MEETING - The Board of Directors shall hold an annual meeting at its Regular Meeting in December. At this meeting the Board will elect a President and Vice-President from among its members to serve during the coming calendar year, and will appoint the Finance Director as the Board's Treasurer and the General Manager shall select a staff member to serve as the Board's Secretary.

Rule 5-6: ORDER OF AGENDA - The Presiding Officer of the meeting described herein shall determine the order in which the agenda items shall be considered for discussion and/or action by the Board. Any Director may place an item on a Board Meeting agenda by submitting a letter describing the item to be discussed at least fourteen days prior to the Board Meeting.

Rule 5-7: MEETING ROOM PREPARATION - The Board President and the General Manager shall insure that appropriate information is available for the audience at meetings of the Board of Directors, and that physical facilities for said meetings are functional and appropriate.

PART 6 -- BOARD MEETING CONDUCT

Rule 6-1: CONDUCT GUIDELINES - Meetings of the Board of Directors shall be conducted by the President in a manner consistent with the policies of the District. The latest edition of Rosenberg's Rules of Order, Revised shall also be used as a general guideline for meeting protocol. District policies shall prevail whenever they are in conflict with Rosenberg's Rules of Order, Revised. Members of the Board of Directors will fully comply with the provisions of the state's open meeting law for public agencies, the Brown Act.

Rule 6-2: CONDUCT OBJECTIVE - The conduct of meetings shall to the fullest extent possible, enable Directors to consider problems to be solved; weigh evidence related thereto, and make wise decisions intended to solve the problems; receive, consider and take any needed action with respect to reports of accomplishments of District operations.

Rule 6-3: PUBLIC INPUT - Provisions for permitting any individual or group to address the Board concerning items on the agenda of a Special Meeting, or to address the Board at a Regular Meeting on any subject that lies primarily within the jurisdiction of the Board President and as follows:

6-3A Time Limits: The President, unless a majority of the Board objects, may allot a maximum amount of time for each speaker and a maximum amount of time to each subject matter.

6-3B Disruptive Conduct: No disruptive, insulting, offensive, threatening, intimidating, demeaning, physically threatening, hostile or violent conduct, actions or speech shall be permitted at any Board meeting. Engaging in such conduct or speech shall be grounds for summary termination, by the President, of the speaker's privilege to address the Board and/or removal of the individual from the meeting.

6-3C: Public Input for Virtual Meetings – the public will be permitted to participate live at each virtual meeting in accordance with the same regulations as attending and speaking at a live board meeting. For members who are unable to attend the meeting live, the public may send letters and/or emails to the Board Secretary no later than 4:30 p.m. the day prior to the meeting. A supplemental packet of all received letters will be presented to the board the day of the meeting and posted online for public viewing. Any letters received after the deadline will be held until the next meeting. The Board secretary will record a summary of the letters/emails received during the meeting for public record.

Rule 6-4: WILLFUL DISRUPTION - Willful disruption of any meeting of the Board of Directors shall not be permitted. If the President with the concurrence of the Directors finds that there is in fact willful disruption of any meeting of the Board, they may order the room cleared and subsequently conduct the Board's business without the audience present.

6-4A New Business: In such an event, only matters appearing on the agenda may be considered in such a session.

6-4B Re-admittance: After clearing the room, the President should permit those persons who, in their opinion, were not responsible for the willful disruption to re-enter the meeting room before any further business is conducted.

6-4C Media: Representatives of the news media, whom the President finds not to have participated in the disruption, shall be admitted to the remainder of the meeting.

Rule 6-5: QUORUM AND MAJORITY - Action can only be taken by the vote of the majority of the Board of Directors. Three (3) Directors represent a quorum for the conduct of business. Actions taken at a meeting where only a minimum quorum is present, therefore, require all three (3) votes to be effective.

Rule 6-6: ABSTENTIONS - Where a Director abstains in a vote with respect to a potential Conflict of Interest the Director shall be considered absent. Where a Director abstains in a vote for any reason other than a potential Conflict of Interest (see Rule 4-14, above), the abstention will be recorded as an abstention which has the same effect as a "NO" vote. Thus, if only three directors are present and one abstains, no action can be taken on the item because a "Majority of the Board" did not vote "YES".

Rule 6-7: DIRECTIONS - The Board may give directions which are not formal action. Such directions include the Board's directives and instructions to the General Manager. The President shall determine by consensus a Board directive and shall state it for clarification. Should any two directors challenge the statement of the President, a voice vote may be requested. A formal motion may be made to resolve a disputed directive, or to take some other action (such as to refer the matter to the General Manager for review and recommendation, etc.). Informal action by the Board is still Board action and shall only occur regarding matters which appear on the agenda for the Board Meeting during which said informal action is taken.

PART 7 -- PARLIAMENTARY PROCEDURE

Rule 7-1: PARLIAMENTARY DETERMINATIONS - The Presiding Officer shall preserve order and decorum and shall decide questions of order subject to appeal to the Board.

Rule 7-2: AUTHORITY OF PRESIDING OFFICER - The Presiding Officer shall not make a motion or second a motion, but they may debate and vote on any matter under consideration. Where the President wishes to make or second a motion, they should vacate the role of Presiding Officer until that item is resolved. Where the President has vacated the role of Presiding Officer for a particular agenda item, the Vice-President (or another director) shall become the Presiding Officer until all action on that agenda item is completed.

Rule 7-3: CALL FOR QUESTION - A "call for question" shall be deemed a non-binding request that the Presiding Officer close debate and bring a motion to an immediate vote. The Presiding Officer may choose to continue discussion of the issue.

Rule 7-4: MOTION TO CLOSE DEBATE - The "motion to close debate", if seconded, shall be a non-debatable motion, and shall have precedence over any other motion except for a parliamentary inquiry, or a motion to adjourn. Should the "motion to close debate" pass by a majority vote, the Presiding Officer shall thereafter immediately call the question on the pending motion.

Rule 7-5: AMENDMENTS TO MOTIONS - A main motion may only be amended with the consent of the maker and seconder. Without this approval, no amendment to a motion shall be in order without a vote on the principal motion. A "substitute motion" shall be construed as an amendment to the main motion and shall follow the process described in this rule.

Rule 7-6: RECONSIDERATION - Any Director that voted for an approved motion on an agenda item may move to reconsider that item at a subsequent meeting. If seconded by any other Director and passed by a majority vote, the effect of the motion is to nullify the earlier motion so that a new motion may be debated at the subsequent meeting. Normally under no circumstances can such an item be reconsidered at the same meeting. An exception may be made if action is a legal requirement at the meeting in question. If the matter is to be reconsidered at a subsequent meeting, notice of that fact must be stated in the agenda for the subsequent meeting.

Rule 7-7: RECONSIDERATION (Subsequent to Meeting) - Any two Directors may request that an item resolved at an earlier meeting be added to the agenda of a subsequent meeting. The Presiding Officer may reject this request if no new information is presented in their opinion to warrant further debate. At the meeting where the item rejected by the President could have been considered a majority of the Board may place an item on a subsequent meeting's agenda.

Rule 7-8: MOTION TO CONTINUE - Any Director may move that an item be continued to a specific future Board Meeting even if a main motion is pending consideration. If a motion to continue is seconded and passed all consideration on that item is halted and continued until the subsequent meeting.

Rule 7-9: MOTION TO TABLE - Any Director may move that an item be tabled for an indefinite time, even if a main motion is pending consideration. If such a motion is seconded and passed all consideration on that item is halted until a Director requests consideration on a subsequent agenda.

Rule 7-10: ORDER OF DEBATE (Legislative Matter, Action Items) - The Presiding Officer shall follow the following order of debate in the consideration of Legislative **(Action/Decision)** matters:

7-10A Presentation: Staff shall present the issue with any recommendations.

7-10B Questions of Staff by Board: Through the General Manager, the Board may ask questions of staff to clarify the issue or the recommendation.

7-10C Audience Input: Members of the audience may make statements or ask questions regarding the matter. Any person wishing to address the Board shall, when recognized by the President, step to the rostrum, and give their name to the Board Secretary. All questions of staff from the public shall be addressed to the President. The President may impose reasonable limitations upon the amount of time each person can speak or the number of times any speaker can speak. After affording public comment, he or she may close the public comment period when necessary to allow the Board to complete its business.

7-10D Board Discussion and Resolution: Following closure of public input, the Board shall discuss the item and take the action it deems desirable by motion. Individual Directors may ask questions of members of the audience through the President, but such questions and answers should not become a debate. All other audience input shall be deemed "out of order" by the Presiding Officer unless the Board determines that additional input is desirable.

Rule 7-11: ORDER OF DEBATE (Quasi-Judicial) - The Presiding Officer shall follow the following order of debate in the consideration of quasi-judicial/adjudicative matters:

7-11A Presentation: Staff shall present the issue with any recommendations.

7-11B Questions of Staff by Board: The Board may ask questions of staff to clarify the issue or the recommendation.

7-11C Public Hearing: The Presiding Officer shall open the Public Hearing, call upon the Applicant to make a statement, and then receive any and all input from the public. Any person wishing to address the Board, shall, when recognized by the President, step to the rostrum, and give their name to the Board Secretary. All questions of staff from the public shall be addressed through the President. Following receipt of public comment, the applicant shall be given the opportunity to respond to comments received. The President may limit the amount of time each person can speak or the number of times a speaker can speak and may close public comment restricting further discussion to the Board level unless a majority of the Board wishes to hear other testimony. The President shall then close the Public Hearing.

7-11D Board Discussion and Resolution: Following closure of public input, the Board shall debate the item and take the action it deems desirable by motion. Individual Directors may ask questions of members of the audience through the President, but such questions and answers should not become a debate. All other audience input shall be deemed "out of order" by the Presiding Officer unless the Board determines that additional input is desirable.

Rule 7-12: ORDER OF DEBATE (Non-Legislative Matter, Informational Items)

7-12A Presentation: Staff shall present the issue with any recommendations.

7-12B Questions of Staff by Board: The Board may ask questions of staff to clarify the issue or the recommendation.

7-12C Audience Input: The Board President may choose to accept input from the audience regarding the matter, however such input is optional and at the Board President's discretion.

Rule 7-13: EX PARTE CONTACT AND DISCLOSURE - If a Director talks to or is otherwise contacted by a party in a quasi-judicial/adjudicative matter pending before the Board, that Director must disclose to the Board of Directors that he or she was contacted and disclose the name of the person who contacted them.

PART 8 -- REMUNERATION

Rule 8-1: BOARD MEETING COMPENSATION - Directors will be compensated one hundred twenty-five dollars (\$125) per noticed meeting attended up to a maximum of \$750 per month (6 meetings) per Director, with no compensation for Committee Meetings or Ceremonial Meetings, with future meeting fees to be adjusted only upon future Board

action in compliance with California Government Code section 61047 and applicable law. For the purposes of this section, a “day of service” means any of the following:

- (1) A meeting conducted pursuant to the Ralph M. Brown Act, Chapter 9 (commencing with [Section 54950](#)) of Part 1 of Division 2 of Title 5 of the Government Code.
- (2) Representation of the District at a public event, provided that the Board of Directors has previously approved the member's representation at a Board of Directors' meeting and that the member delivers a written report to the Board of Directors regarding the member's representation at the next Board of Directors' meeting following the public event.
- (3) Representation of the District at a public meeting or a public hearing conducted by another public agency, provided that the Board of Directors has previously approved the member's representation at a Board of Directors' meeting and that the member delivers a written report to the Board of Directors regarding the member's representation at the next Board of Directors' meeting following the public meeting or public hearing.
- (4) Representation of the District at a meeting of a public benefit nonprofit corporation on whose board the District has membership, provided that the Board of Directors has previously approved the member's representation at a Board of Directors' meeting and the member delivers a written report to the Board of Directors regarding the member's representation at the next Board of Directors' meeting following the corporation's meeting.
- (5) Participation in a training program on a topic that is directly related to the District, provided that the Board of Directors has previously approved the member's participation at a Board of Directors' meeting, and that the member delivers a written report to the Board of Directors regarding the member's participation at the next Board of Directors' meeting following the training program.

Rule 8-2: BOARD MEMBER EXPENSES - Board Members that incur expenses for service rendered at the request of the Board shall be reimbursed on the basis established under the District's Expenditure Control Guidelines.

Rule 8-3: INSURANCE - Board Members serving continuously prior to December 31, 1995 shall be eligible for the same insurance benefits as afforded regular employees while serving on the Board. These Board Members shall not be eligible for insurance benefits after they stop serving on the Board unless they participate on a self-pay basis. Board Members starting terms on or after January 1, 1996 shall not be eligible for insurance benefits unless the recipient participates on a self-pay basis.

PART 9 -- PERSONNEL POLICIES

Rule 9-1: SEXUAL HARASSMENT - The District will not tolerate sexual harassment (which includes harassment based on verbal, physical and visual conduct that creates an intimidating, offensive, or hostile working environment or that interferes with an employee's work performance) by a Board Member, consultants, clients, customers, members of the public, or visitors. The Board considers sexual harassment to be a major offense which may result in disciplinary action of the offending Director. The District is committed to providing a workplace free of sexual harassment (which includes harassment based on gender, pregnancy, childbirth, or related medical conditions), as well as harassment based on such factors as race, color, creed, national origin, ancestry, age, physical disability, mental disability, medical condition, marital status, sexual orientation, medical leave status, veteran status, or any other basis protected by federal, state or local laws.

AB 1661 (Chapter 816, Statutes of 2016) requires local agency officials to receive two hours of sexual harassment prevention training and education within the first six months of taking office and every two years thereafter.

An employee who feels that they have been harassed is encouraged to immediately report such incident to the immediate supervisor of the accused individual without fear of reprisal. The General Manager shall be informed of all such complaints and will assist in the investigation and resolution of complaints.

Rule 9-2: WORKPLACE VIOLENCE - In recognition of the fact that workplace violence is a concern among Boards, employers and employees across the country the District has committed itself to providing a safe, violence-free workplace. In this regard, the District strictly prohibits employees, consultants, clients, customers, members of the public, visitors, or anyone else on MCSD premises or engaging in a District-related activity from behaving in a violent, threatening, intimidating, or hostile manner.

Moreover, the District seeks to prevent workplace violence before it begins and reserves the right to deal with behavior that suggests a propensity towards violence even prior to any violent behavior occurring.

The District believes that prevention of workplace violence begins with recognition and awareness of potentially early warning signs and the Board shall respond to any situation that may present the possibility of violence.

Workplace violence includes, but is not limited to, the following:

- Threats of any kind;
- Threatening, physically aggressive, or violent behavior, such as intimidation of or attempts to instill fear in others;
- Other behavior that suggests a propensity toward violence, which can include belligerent speech, excessive arguing or swearing, threats to Board or staff members, sabotage, or threats of sabotage of District property, or a demonstrated pattern of refusal to follow District policies and procedures;

- Defacing District property or causing physical damage to the facilities.

Rule 9-3: NON-DISCRIMINATION - The District shall not unlawfully discriminate against qualified employees or job applicants on the basis of race, color, creed, national origin, ancestry, age, physical disability, mental disability, medical condition, marital status, sexual orientation, medical leave status, veteran status, or any other basis protected by federal, state, or local laws.

Equal opportunity shall be provided to all qualified employees and applicants in every aspect of personnel policy and practice. The District shall not discriminate against physically or mentally disabled person who, with reasonable accommodation, can perform the essential function of the job in question.

All Directors are expected to carry out their duties in a manner that is free from discriminatory statements or conduct.

Rule 9-4: REASONABLE ACCOMMODATION - Pursuant to the Americans with Disabilities Act, MCSD has a duty to reasonably accommodate Directors with known disabilities. This accommodation is not generally required until the person with the disability requests it.

PART 10 -- DIRECTORS LEGAL LIABILITY

Rule 10-1: DEFENSE - The District shall defend and indemnify Board Members from any claim, liability or demand that arises out of a Director's performance of his or her duties as a Board Member or Officer of the District.

Rule 10-2: LEGAL COUNSEL - The District Counsel reports to the Board as a whole but is available to each director for consultation regarding legal matters particular to that Board Member's participation in District matters. No Board Member may request a legal opinion of legal counsel without concurrence by the Board except as such requests relate to questions regarding that Member's participation. The determination of legal counsel that the member's legal issue is personal and that they must seek outside legal counsel is final. The Board President may privately consult with legal counsel based upon credible information of an on-going criminal investigation or criminal wrongdoing or fraud of District management or the Board, provided the allegation is not against the Board chair.

PART 11 -- ANNUAL BOARD SELF-EVALUATION

Rule 11-1: POLICY - The Board is committed to assessing its own performance as a board in order to identify the Board's strengths and areas in which it may improve the Board's functioning. The goals of the self-evaluation are to clarify roles, to enhance harmony and understanding among Board members, and to improve the efficiency and effectiveness of the Board meetings. The ultimate goal is to improve MCSD policies for the benefit of the McKinleyville community and employees of the District.

Rule 11-2: PROCEDURE – The Board has established the following procedure for self-evaluation:

- Annually, the Board shall conduct a self-evaluation utilizing the approved assessment form.
- The Board Secretary will distribute the assessment form to all Board members at the first meeting in July each year.
- The completed assessment forms shall be returned to the Secretary of the Board at or before the August meeting.
- The Secretary of the Board shall compile a summary of the results of the assessment which will be distributed at the September meeting and included as an agenda item for review, discussion and appropriate action.

Rule 11-3: EVALUATIONS – The evaluation instrument shall incorporate criteria contained in this Board Policy Manual regarding structure, ethics, policies and procedures. The Self-Evaluation Worksheet can be found as Attachment B in this document.

PART 12 – VIRTUAL MEETING POLICY AND PROCEDURES

Rule 12-1: POLICY – On March 12, California State Governor Newsom signed Executive Order N-25-20 with clarifying regulations through Executive Order N-29-20 on March 20, 2020, relaxing specific location meeting requirements of the Brown Act. On April 1, 2020 MCSD approved Resolution 2020-05 aligning with executive orders to allow for Regular board meetings to meet virtually via zoom webinar or at the following Toll Free: 1-888-788-0099. This regulation will remain in effect until rescinded by the Governor. If similar circumstances in the future require virtual meetings, a new Resolution will be drafted and voted on by the Board.

12-1A: Public Input - the public will be permitted to participate live at each virtual meeting in accordance with the same regulations as attending and speaking at a live board meeting. For members who are unable to attend the meeting live, the public may send letters and/or emails to the Board Secretary no later than 4:30 p.m. the day prior to the meeting. A supplemental packet of all received letters will be presented to the board the day of the meeting and posted online for public viewing. Any letters received after the deadline will be held until the next meeting. The Board secretary will record a summary of the letters/emails received during the meeting for public record.

12-1B: Virtual Meeting Etiquette - In the event that Board meetings are held on a virtual platform, or a Board member attends a meeting remotely or by teleconference, the Board member is expected to express the same decorum as they would in person. For any virtual meeting participation, Board members should attend dressed appropriately and provide full attention to the proceedings of the Board meeting.

12-1C: Board Member Participation - When attending a meeting remotely or virtually, Board members should keep microphones muted unless speaking. In order

to be called upon for discussion, motions, or voting, Board members should use the “Raise Hand” feature of the virtual platform. If this is not accessible, the Board member may physically raise their hand and wait to be called upon by the Chair.

Appendix A

Board Direction for Committee Assignments

The Board of Directors of the McKinleyville Community Services District (MCSD; District) currently (2020) has eleven (11) committees, nine of which are standing committees and two ad-hoc committees. A standing committee is a permanent committee established for the purpose of specializing in the consideration of a particular subject area. MCSD's standing committees include Parks and Recreation Committee, Area Fund, Redwood Region Economic Development Committee, Audit Committee, Employee Negotiations Committee, McKinleyville Municipal Advisory Committee, and Environmental Matters committee. An Ad-Hoc Committee is a committee formed for a specific task or objective and dissolved after the completion of the task or achievement of the objective. The McKinleyville Senior Center Advisory Committee dissolved in March 2019, however the continued collaboration and agreement with the McKinleyville Senior Center still requires an MCSD Board Liaison.

Parks and Recreation Committee: The primary purpose of the Parks and Recreation Committee (PARC) is to make recommendations to the McKinleyville Community Services District (MCSD) Board of Directors regarding plans, policies, programs, and projects relating to McKinleyville's parks, facilities, open space maintenance zones, and recreation activities.

The PARC is appointed by the Board and should include one Director who will be appointed by the Board President. An alternate Director will be selected in the event the primary Director is unable to attend a PARC meeting. Members should represent, to the extent possible, various recreational interests of the community including but not limited to business, environmental, equestrian, sports, seniors, trails and youth. The Parks and Recreation Committee meet once a month on the 3rd Thursday at 6:30pm at District's Conference Room, 1656 Sutter Road, McKinleyville. The designated Board Member should report back to the Board during the regular monthly Board of Directors meetings.

Area Fund: The primary purpose of the McKinleyville Area Fund is to help in the decision-making process to grant funds to deserving organizations and projects in the McKinleyville area.

The MCSD Board President will appoint a Director to serve as a member for the McKinleyville Area Fund annually. The committee meets on an "as needed" basis. The designated Board Member should report to the Board during the regular monthly Board of Directors meetings as applicable.

Redwood Region Economic Development Commission: The Redwood Region Economic Development Commission (RREDC) is a collaboration of Humboldt County communities dedicated to expanding economic opportunity in Humboldt County. The primary purpose of RREDC is to create opportunity and to support the growth of local businesses by leading

projects of regional significance, making loans, and offering technical assistance through partnership with the North Coast Small Business Development Center.

RREDC has nineteen members and is governed by a Board of Directors of elected officials appointed by member agencies. The MCSD Board President will appoint a Director to serve as a member for RREDC annually. An alternate Director will be selected in the event the primary Director is unable to attend a RREDC meeting. The RREDC Board of Directors meet once a month on the 4th Monday at 6:30pm at the Prosperity Center, 520 E Street, Eureka. The designated Board Member should report back to the Board during the regular monthly Board of Directors meetings.

McKinleyville Senior Center Board Liaison: The primary purpose of the McKinleyville Senior Center Board Liaison is to provide a line of communication to the McKinleyville Senior Center (MSC) regarding Azalea Hall and any other topics pertinent to active agreements.

The MCSD Board President will appoint a Director to serve as the Board Liaison for the McKinleyville Senior Center annually. The appointed member should attend all MSC executive and regular board meetings. An alternate Director will be selected in the event the primary Director is unable to attend a meeting. The designated Board Member should report back to the Board during the regular monthly Board of Directors meetings to facilitate communications between MCSD and MSC. The MSC Board of Directors meet once a month on the third Wednesday from 11:00am – 12:30pm at the Senior Center.

Audit & Finance Committee: The primary purpose of the Audit & Finance Committee is to provide oversight of the financial reporting process, the audit process, the system of internal controls ~~and~~, review of loans or bonds or other financing mechanisms and their terms, compliance with financial and audit related laws and regulations, and other financial matters as assigned by the Board or the Board President. The Audit & Finance Committee will consider internal controls and review their effectiveness. The Committee assists the Board of Directors to fulfill public governance and ~~overseeing oversight~~.

The Audit & Finance Committee will be appointed by the Board President and include two Directors. The Committee should have one “financial expert” member who is knowledgeable and experienced in government accounting and auditing; Generally Accepted Accounting Principles for estimates, accruals, and reserves; and internal controls. If no member is qualified, the committee is permitted to engage an outside party for this purpose. To maintain the Committee’s independence and effectiveness, those with managerial responsibilities that fall within the scope of the audit should NOT serve as a member of the Audit & Finance Committee.

Specific Responsibilities of the Audit & Finance Committee include, but are not limited to:

- Submit Request for Proposals (RFP) to qualified audit firms every three years – soliciting bids, interviewing firms and making the recommendation to the Board of Directors when selecting the firm to be awarded the audit contract
- Review all significant GAAP or FASB rule changes and have a clear understanding of the effect of such changes on the financial condition of the ~~district~~ District and needed changes in financial procedures

- Review annual audit in detail – presented to the Board by the auditors and accepted by the Board of Directors based upon the recommendation of the Committee. Such review shall encompass the overall condition of the MCSD finances, all audit recommendations for changes. and management letters
- Discuss financial statements directly with management, with independent auditors in private and privately among Committee members while maintaining an appropriate degree of professional skepticism
- Identify future financial challenges with auditors and management
- Monitor controls designed to prevent and detect senior management override of other controls
- Review annual true cost set asides to insureensure that all cost centers of the District have a completed plan to amortize future costs, to recommend set asides for the Board of Directors, compliance with set asides and insureensure management has developed a schedule of repayment for borrowings of these funds that is consistent with District financial integrity
- Establish procedures for complaints regarding accounting, internal controls or auditing matters – such procedures should specifically provide for the confidential, anonymous reporting by employees of concerns regarding questionable accounting or auditing matters
- Review financing decision to fund Capital Improvement Projects undertaken by the District
- Review the terms and conditions of substantive finance mechanisms, including loans and bonds/certificates of participation, to be undertaken by the District
- Other financial matters as assigned by the Board President and/or the Board
- Report annually to the full Board and the public on how it satisfied its duties and met its responsibilities

The Audit & Finance Committee should meet on a regular basis and report to the Board during the regular monthly Board of Directors meetings. The report should address or include at a minimum, the activities of the Committee, significant findings brought to the attention of the Committee, any indications of suspected fraud, waste or abuse, significant internal control findings and activities of the internal audit function.

Employee Negotiations Committee: The primary purpose of the Employee Negotiations Committee is to allow open communication between staff and the Board of Directors regarding staff's benefit package.

The committee is comprised of two Directors and a staff nominated representative from each department. The MCSD Board President will appoint the Directors to serve for the Employee Negotiations Committee annually. The designated Board Members should report back to the Board during the regular monthly Board of Directors meetings as necessary. The committee meets on an "as needed" basis when the term of the previous negotiation is close to expiration. The committee members will be called upon to meet with the General Manager to review wage studies and other proposed policy changes to MCSD benefit and compensation package. Committee members should as background be familiar with wage

comparisons of other similar entities, retirement benefit amortizations and medical benefit programs.

McKinleyville Municipal Advisory Committee: The primary purpose of the McKinleyville Municipal Advisory Committee (MMAC) is to provide a consistent forum for the public to hear about and advise the Humboldt County Board of Supervisors on local community issues.

The MMAC is tasked with gathering input from the community and providing advice on matters which relate to county services which are or may be provided to the greater McKinleyville area by the County or other local government agencies. The advice to be provided by the MMAC includes but is not limited to advice on matters of public health, safety, welfare, public works, public financing, and proposed annexations that may affect the local area covered by the MMAC.

An additional responsibility of the MMAC is to review, comment and provide advisory recommendations to the Planning Commission and the Board of Supervisors on proposed zoning amendments, and General Plan petitions and amendments located within the McKinleyville planning area related to conformance with the McKinleyville community plan. The MMAC will also discuss and provide input on long-range planning issues.

As outlined above, these community issues impact the District. The MMAC conducts business without any budget and with a limited staff support from the County of Humboldt. In an effort to increase support and collaboration, MCSD may provide a small stipend of \$3,000 of in-kind services to MMAC for community meetings and other MMAC meeting related expenses. This stipend may be budgeted for during each fiscal year budget process and provides for in-kind contributions of supplies and District staff/office support. Additionally, MCSD provides meeting space support at the McKinleyville Middle School and letters of support for grants as appropriate and approved by the Board. This support is conditional upon MCSD reserving any and all existing and future legal rights conferred upon the District by local, state, and federal law, and in no way defers or apports those rights to the MMAC.

The MMAC is comprised of eight voting members who reside, own property, or conduct a business in the greater McKinleyville area. Six of the MMAC committee members are appointed by the County Board of Supervisors and one is a representative of MCSD appointed by the MCSD Board President annually to a term of one year. General Manager also serves as a voting member of the MMAC. An alternate Director will be selected in the event the primary Director is unable to attend a meeting. The designated Board Member should report back to the Board during the regular monthly Board of Directors meetings matters of relevance to the District. The MMAC meet once a month on the last Wednesday at 6:00pm at the McKinleyville Middle School, located at 2275 Central Ave, McKinleyville.

Additionally, the Board President, District General Manager, MMAC Chair, and the Humboldt County Fifth District Supervisor meets monthly. A joint meeting between the MMAC and MCSD Boards will take place annually.

Environmental Matters Committee: The primary purpose of the Environmental Matters Committee is to meet the needs of all environmental matters, from water to wastewater to land use. This committee will review local limits, groundwater sustainability and participate in the HBMWD Water Task Force as needed as well as any other task force, Ad Hoc committee, or review regarding any environmental matters. This committee meets on an “as needed” basis.

Attachments

Attachment A

This written procedure is provided to the Board of Directors as guidance in completing a 360 Degree Annual Performance Evaluation for the General Manager.

These evaluations should be conducted annually on the anniversary of the General Manager's hire date and use the standard MCSD GENERAL MANAGER EVALUATION Form attached as EXHIBIT 1, unless the Board of Directors determine it insufficient. At that time determine a more appropriate interval.

Simultaneously, the Board should request District Department Heads participate in an advisory evaluation by utilizing the GENERAL MANAGER 360 PERFORMANCE EVALUATION Form attached as EXHIBIT 2.

The process will begin with the Board requesting an item be placed on the agenda approximately one month prior to the anniversary date. This item should be titled "Initiate process for General Manager Performance Evaluation" and can be accomplished in opened session.

During an open public meeting, the selection of one board member to consolidate all five Board Member and three Department Head evaluations will be determined by the Board President. Once a member of the Board has been selected a schedule should be established and should include:

- Date to complete and return sealed evaluations to Board Secretary,
- Date the appointed consolidator will retrieve the evaluations, and
- A date for the closed session for the General Manager's performance evaluation.

All five Board Members will receive the evaluation forms from the Board Secretary at that meeting with an envelope to seal and return with the completed forms. The Board will fill out the evaluations and provide them to the Board Secretary at the District Office in the sealed envelope in accordance with the schedule.

After the meeting the Board Secretary will distribute the GENERAL MANAGER 360 PERFORMANCE EVALUATION form to Finance Director, Operations Director and Recreations Director and coordinate the completion in accordance with the Board's schedule, so that the evaluations are all completed and ready simultaneously.

The Board Member selected to consolidate the evaluations will be notified by the Board Secretary that the evaluations by department heads and other Board Members are completed and ready to pick up. The evaluations will be consolidated by averaging each section and combining any written comments so there is one evaluation from the Board and one evaluation from the Department Heads.

During a properly noticed public meeting the board will convene a closed session to review the consolidated evaluation with the General Manager for the purpose of discussing the General Manager's performance. See the example below for noticing.

"PUBLIC EMPLOYEE PERFORMANCE EVALUATION
(California Government Code § 54954.5 and 54957): Title:
General Manager— *(Name Inserted Here)*"

EXHIBIT 1



MCKINLEYVILLE COMMUNITY SERVICES DISTRICT
 Board of Directors' Evaluation Form - General Manager
 Performance Review Period (_____ through _____)

Date _____

Board Member: _____

A. BOARD/MANAGER RELATIONSHIP

5 - Outstanding 4 - Excellent 3 - Satisfactory 2 - Needs Improvement 1 - Unsatisfactory

	5	4	3	2	1
Provides sufficient staff reports and related agenda materials to allow for effective Board discussion/decision-making. Provides information to Board Members in a timely manner. Obtains and evaluates relevant information and implements or recommends appropriate solutions to problems.					
Displays a professional attitude/image that assures public confidence. Makes effort to be accessible and provides consistent and equal treatment to Board Members.					

B. COMMUNITY RELATIONS

5 - Outstanding 4 - Excellent 3 - Satisfactory 2 - Needs Improvement 1 - Unsatisfactory

	5	4	3	2	1
Represents the District well in presentations to civic groups, media and the public and provides a positive, professional image. Sought to develop cooperative working relationships with various outside governmental agencies and other outside groups.					
Promotes community involvement in the District as opportunity allows.					
Enhances community understanding of District's goals and objectives. Deals openly with conflict and District problems.					

C. LEADERSHIP

5 - Outstanding 4 - Excellent 3 - Satisfactory 2 - Needs Improvement 1 - Unsatisfactory

	5	4	3	2	1
Assumes leadership in establishing the immediate and long-range goals & objectives for the District.					
Demonstrates original thinking, ingenuity, and creativity by introducing new strategies or courses of action.					
Plans effectively and supports innovative problem-solving by involving others.					

D. COMMUNICATION

5 - Outstanding 4 - Excellent 3 - Satisfactory 2 - Needs Improvement 1 - Unsatisfactory

	5	4	3	2	1
Promotes and engages in two-way communication with Board Members.					
Is accessible to Board Members. Communicates new ideas, suggestions, and concerns to the Board.					

E. MANAGING FINANCIAL AND MATERIAL RESOURCES

5 - Outstanding 4 - Excellent 3 - Satisfactory 2 - Needs Improvement 1 - Unsatisfactory

	5	4	3	2	1
Identifies District revenue enhancements and cost saving to ensure the District accomplishes important short-term and long-term goals.					
Demonstrates original thinking, ingenuity, and creativity by introducing new financial strategies or courses of action.					
Plans, implements, and directs a comprehensive financial program for the District's long-range economic development.					
Has a general understanding of technical issues affecting the District.					

F. ORGANIZATION

5 - Outstanding 4 - Excellent 3 - Satisfactory 2 - Needs Improvement 1 - Unsatisfactory

	5	4	3	2	1
Develops procedures in response to needs. Implements practices and monitoring results in support of Board policy. Anticipates changes in various situations and the ability to achieve goals despite these changes. Meets schedules (whether set by the General Manager or by others). Sets priorities, understands systems, practices time management, planning, and is committed to quality work.					

G. OVERALL EVALUATION

5 - Outstanding 4 - Excellent 3 - Satisfactory 2 - Needs Improvement 1 - Unsatisfactory

	5	4	3	2	1

Remarks/Comments:

**GENERAL MANAGER
360 PERFORMANCE EVALUATION**

Rating categories:

I - Improvement needed for performance to meet expected standards
M - Performance fully meets expected standards
E - Performance consistently exceeds standards

PERFORMANCE FACTORS	<i>I</i>	<i>M</i>	<i>E</i>	COMMENTS
1. QUALITY OF WORK: Consider the extent to which completed work is accurate, neat, well-organized, thorough, and effective				
2. RELATIONSHIPS WITH PEOPLE: Consider the extent to which the GM recognizes the needs and desires of other people, treats other with respect and courtesy, and inspires their respect and confidence, etc.				
3. WORK HABITS: Consider the GM's effectiveness in organizing and using work tools and time, in caring for equipment and materials, in following good practices of vehicle and personal safety, etc.				
4. TAKING ACTION INDEPENDENTLY: Consider the extent to which the GM shows initiative in making work improvements, identifying and correcting errors, initiating work activities, etc.				
5. ANALYZING SITUATIONS AND MATERIALS: Consider the extent to which the GM applies consistently good judgment in analyzing work situations and materials, and in drawing sound conclusions.				
6. MEETING WORK COMMITMENTS: Consider the extent to which the GM completes work assignments, meets deadlines, follows established policies and procedures, etc.				

<p>7. TECHNICAL AND PRACTICAL KNOWLEDGE OF THE JOB: Extensive knowledge of technical elements in own program and related areas; willing to share technical knowledge; viewed as a knowledgeable resource; ability to effectively utilize a variety of resources to resolve administrative and/or program problems.</p>				
<p>8. SUPERVISING THE WORK OF OTHERS: Creates an environment in which employees are treated with respect. Employees possess a sense of ownership; satisfaction in the District's accomplishments; influence over how things are done, and an understanding of their personal importance to the MCSD. Provides appropriate control over staff activities. Provides timely performance appraisal of subordinate staff. Inspires continuous learning and development of staff. Recognizes and values the contributions of all members of a diverse work force.</p>				
<p>9. LEADERSHIP: Cooperates, inspires, motivates, persuades and guides others toward goal accomplishment; adapts leadership style to a variety of situations; models high standards of honesty, integrity, trust, openness and flexibility; makes sound decisions consistent with District objectives.</p>				
<p>10. FISCAL MANAGEMENT: Understands District costs, debt, cash flow, fixed assets and rate structures and is able to utilize these strategically; Analyzes budget forecasts for accuracy; maintains responsible District costs within Board approved budgets. Timely review and approval of bank reconciliations, journal entries, financial statements, invoices (AP) and payroll.</p>				
<p>11. COMMUNICATION: Proactively informing Board of Departmental and District issues and concerns; Timely collection of information and reports from Departments. Maintains confidentiality of communications.</p>				
<p>12. COMPLIANCE: Demonstrates the ability to maintain the District and all departments in compliance with laws, regulations and reporting requirements.</p>				

<p>13. CUSTOMER SERVICE: Shows interest in and understanding of the needs, expectations and circumstance of internal and external customers. Explores options and pursues solutions until customers are satisfied. Is responsive, pleasant, professional and easy to do business with. Looks at the organization and its services from the customer's point of view. Seeks and uses customer feedback to improve services. Meets or exceeds internal and external customer expectations.</p>				
<p>14. EMPLOYMENT SAFETY: Consider whether the employee maintains and ensures training, safety requirements and compliance for supervised employees (i.e. full time, part-time, seasonal, Cal-works, sub-contractors or visitors).</p>				
<p>15. POLICIES & PROCEDURES: Consider the extent to which the employee maintains compliance with All District Policies and Procedures. Ensures staff is aware of Human Resource and EEO Policies.</p>				
<p>16. IDP: Develops IDP with supervised employees and ensures employee completes all training requirements.</p>				

OTHER EVALUATOR COMMENTS:

SIGNATURE: _____ N/A _____

DATE: _____

GENERAL MANAGERS COMMENTS:

SIGNATURE: _____

DATE: _____

Attachment B.

McKinleyville Community Services District
Board of Directors Self-Evaluation Worksheet

In order to truly understand how the Board is doing as elected officials for the McKinleyville Community Services District, please answer each question while specifically thinking about you and your opinion on your own effectiveness as a Board member.

1. Please briefly describe your understanding the vision and mission of the McKinleyville Community Services District?
2. Over the last year, in what ways have you supported the vision and mission of MCSD?
3. In what ways do you think the Board or Staff could better supported the vision and mission of MCSD?
4. Do you feel you have a good working relationship with the other Board members? Explain.
5. Do you have any suggestions for improving the working relationship with the other Board members?
6. Do feel you have a good working relationship with the General Manager? Explain.
7. Do have any suggestions for improving the working relationship between the General Manager and the Board?
8. What are MCSD's major programs and services that you would like to know more about?
9. Do you follow trends and important developments in industries and services that MCSD provides? If yes, please give examples. If no, what would help you to do more in this area?
10. Do you understand MCSD's financial statements? What would help you with this?
11. Do you feel that the District and Board act knowledgeably and prudently when making recommendations about MCSD finances and financial policies in consideration of the District as a whole?
12. In what ways do you prepare for and participate at Board/Committee meetings as well as other MCSD events?

13. What skills do you possess that you would be willing to volunteer to further the MCSD vision and mission?
14. Do you complete assignments and responsibilities assigned to you in a responsible and timely manner? If no, what can assist you in this?
15. How often do you take advantage of opportunities to enhance the MCSD public image by periodically speaking to others about the work of the District?
16. Do you have additional ideas for programs or outreach to enhance MCSD's public image?
17. What are the potential challenges you see impacting the Board and/or District in the next 1-3 years? What can be done to limit or overcome these challenges?

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **INFORMATIONAL**

ITEM: E.7 **Review Information for the Draft Capital Improvement Plan for the Parks & General Fund, FY2022-23**

PRESENTED BY: **Colleen M. R. Trask, Finance Director**

TYPE OF ACTION: **None**

Recommendation:

Staff recommends that the Board review and discuss the Draft Capital Improvement Plan for the Parks and General Fund and take public comment.

Discussion:

The detailed draft of the Fiscal Year 2022-23 Capital Improvement Plan (CIP) for the Parks & General Fund is attached (**Attachment 1**), covering the next ten fiscal years. The majority of budgeted expenditures are anticipated to be covered by assessments and user fees. This allows the District to take a structured approach to future user fees as these projects are undertaken. Funding for certain projects depends on grants awarded. Smaller projects that do not meet the definition of Fixed Assets will be treated as regular expenditures and are anticipated to be paid from operating funds.

The attached Narrative (**Attachment 2**) provides further detail. The final summarized CIP will be brought back to the Board for review and approval with the complete Fiscal Year 2022-23 Budget in June 2022.

Alternatives:

Take Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Not applicable

Exhibits/Attachments:

- Attachment 1 - Draft Capital Improvement Plan for the Fiscal Years ending June 30, 2022 – 2031 for the Parks and General Fund
- Attachment 2 – Draft Capital Improvement Plan Narrative for Fiscal Year 2022-23

**McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2023 - 2032**

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
--	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

1. Hiller Park & Sports Complex Projects

Park landscaping & signage										
Playground Structure Replacement		50		25						
Concessions/RR Interior							9			
Roof Replacement-Concessions/RR										
Concessions/RR Exterior										
Roof Replacement-Hiller Park west RR							10			
Restroom Upgrade-Hiller Park West			30							
Parking Lot						8				
Totals:	0	50	30	25	0	8	19	0	0	0

2. Pierson Park Projects

Playground Structure Replacement			12		75					
Park Restrooms/Garage	90		10					15		
Gazebo Rehabilitation/Replacement				5			6			
Pavilion Rehabilitation/Replacement					8					
Landscaping	8			8						
Totals:	98	0	12	0	75	0	0	0	0	0

Attachment 1
McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2023 - 2032

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
--	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

3. Azalea Hall Projects										
Major Appliance Replacement	6	6	6	6	6	6	6	6		
Replace flooring	85				5					
Roof replacement								25		
Exterior Repairs/Replacement			25					80		
Parking lot resurfacing		16								
Wall/Window Covering replacement	15									
Kitchen equipment replacement	60	5								6
Replace tables & chairs		15					15			
P/A system and audio-visual	15									
Floor scrubber										
Totals:	181	42	31	6	11	6	21	111	0	6

Attachment 1
McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2023 - 2032

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
--	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

4. McKinleyville Activity Center Projects	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
Park landscaping & signage										
Flooring replacement				85						
Gymnasium Walls			15							
Roof replacement							100			
Siding repair/replacement			70							
Equipment rehabilitation/replacement				10						
Parking lot resurfacing				16						
Bleacher replacement		5								
Major Appliance replacement		5	32							
Interior fixtures		10								
Totals:	0	20	117	111	0	0	0	100	0	0

5. Other Park Projects & Equipment	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
Mower & landscaping equipment	16								18	
Light duty utility truck/van/car	8	11		11		12		12		17
Mobile Radio Upgrade										
Totals:	24	11	0	11	0	12	0	12	18	17

Attachment 1
McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2023 - 2032

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
--	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

6. Law Enforcement Facility Projects

Flooring			19							
Furnace replacement			6							
Roof replacement										
Siding replacement						21				
LEF/Library Parking sealing/paving/fencing			5	10						
Totals:	0	0	11	10	0	21	0	0	0	0

7. McKinleyville Library Projects

Carpet replacement	10									
Furnace replacement	6		6							
Fire Suppression system				20						
Roof & Siding replacement					21					
Totals:	16	0	6	20	21	0	0	0	0	0

Attachment 1
McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2023 - 2032

(All numbers in \$000s)

1 2 3 4 5 6 7 8 9 10

	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
--	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

8. Teen & Community Center	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
Flooring				14					40	
Interior rehabilitation/replacment				6						
Kitchen Equipment & Appliances										
Roof & Siding replacement										
Equipment rehabilitation/replacement										
Parking lot resurfacing										
Furnace & Water Heater						5				
Tables & chairs	5	5								
Totals:	5	5	0	20	0	5	0	0	40	0

9. Projects Contingent Upon Grant Funding	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
Playstructure replacement-Larissa Park					10					
Community Forest		20	30	50	40					
Hewitt Ranch Parking & Amenities Dev.		120								
Totals:	0	20	30	50	50	0	0	0	0	0

Attachment 1
McKinleyville Community Services District
General Fund (Parks & Recreation) Capital Improvement Project Budget
For the Fiscal Years Ending June 30, 2023 - 2032

(All numbers in \$000s)

	1	2	3	4	5	6	7	8	9	10
	June 30, 2023	June 30, 2024	June 30, 2025	June 30, 2026	June 30, 2027	June 30, 2028	June 30, 2029	June 30, 2030	June 30, 2031	June 30, 2032
10. Projects Funded by Quimby & Other Funds										
Hiller Sports Site - fence	32									
Pole Barn				25						
Skate park	400	500								
Hewitt Ranch improvements										
BMX Track and Park Project	1,166	1,166								
Granite (Mad River) Property										
Skate Park/ Washington property proj Totals:	1,598	1,666	0	25	0	0	0	0	0	0
Total Planned Capital Expenditures	1,922	1,814	237	278	157	52	40	223	58	23
Grant-Funded Capital Projects	1,873									

Attachment 2

DRAFT Capital Improvement Plan Parks and General Fund Fiscal Year 2022-23

General Fund capital asset purchases and projects are significantly dependent upon property tax revenues and assessments. The Measure B Maintenance Assessment District -- Renewal for Parks, Open Space, and Recreational Facilities was renewed in FY2012-13 for 20 years.

CAPITAL IMPROVEMENT PROGRAM PROJECT DISCUSSION

Utility Vehicles and Equipment

In 1998, the Board adopted a Fleet Replacement Plan to ensure that MCSD's aging fleet of service vehicles would be replaced in an approximately ten-year cycle. Where possible, the District has started to exchange some of the heavier utility vehicles with light compact trucks for savings in capital and operating costs. One light duty truck is scheduled to be replaced in fiscal year 2022-23. It is anticipated that the Parks & Recreation Department will purchase one of the surplus trucks from Operations to reduce the cost. One mower will also be replaced.

Facility Projects

\$6,000 has been budgeted from regular funds for replacement of the furnace in Azalea Hall. Replacement of the Hewitt Room floor, installation of a French-drain system around the building, replacement of the the range-oven, range-hood exhaust and fire suppression system (shown as Kitchen Equipment in Attachment 1), along with window coverings, and the PA system are all dependent on receiving \$177,952 in Prop 68 Grant funding. The \$32,000 Major Appliance purchase for the McKinleyville Activity Center is a replacement fire suppression system which is also part of the Prop 68 grant funding.

\$6,000 is budgeted from regular funds for the replacement of the furnace at the McKinleyville Library. A grant is being sought for the replacement of the Library flooring. Quimby funds might also be considered to support the completion of this project. Up to \$5,000 is set aside for the replacement of tables and chairs at the Teen Center.

Parks and Trails Projects

\$8,000 has been budgeted under Landscaping for the removal of a Monterey pine and the repair of that section of the retaining wall forming the roundabout in Pierson Park. A \$90,000 grant is being sought to bring the Pierson Park restrooms up to current ADA compliance.

Attachment 2

The Skate Park and the BMX Track & Park projects have grant budgets of \$400,000 and \$1,166,000 respectively. These projects are 100% grant-dependent and will not be undertaken unless the grant funding is received.

Small Equipment, Contingency and Other

Nothing has been set aside in the upcoming fiscal year for unanticipated capital emergency equipment repair or replacement of greater than \$5,000. Smaller and less expensive (more than \$500 but less than \$5,000) new equipment and emergency replacement of existing equipment cannot generally be anticipated. These are considered expenditures, rather than capital assets, and are included in the repairs/maintenance/supplies line of the Parks & General Fund Operating Budget.

Note on Attachment 2 – Parks & General Fund DRAFT Capital Improvement Plan

The Parks and General Fund Capital Improvement Program's planned capital expenditures are shown in thousands: 10 = \$10,000. The planning horizon for the Program is 10 years. It should be noted that all estimated replacement costs are in current year dollars since future inflation is unknown. Since the CIP is a dynamic plan that is updated annually, future costs will be regularly evaluated.

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McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **ACTION**

ITEM: E.8 **Consider Granting Authorization to the General Manager to work with Green Diamond Resource Company to Develop Grant Applications for Joint Fuel Break Projects at the Community Forest/Private Property Interface**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Roll Call**

Recommendation:

Staff recommends that the Board review the information provided, listen to Staff presentation, take Public comment, and authorize the General Manager to work with Green Diamond Resource Company to develop grant applications for the implementation of fuel break projects, and to sign grant applications and other necessary documents as required.

Discussion:

The State of California has recently opened grant funding opportunities for forest fire protection and fire prevention. The CAL FIRE Fire Prevention Grants provide funding for fire prevention projects and activities in and near fire threatened communities. Funded activities include hazardous fuels reduction, wildfire prevention planning, and wildfire prevention education with an emphasis on improving public health and safety while reducing greenhouse gas emissions. The Fire Prevention Grants Program funds three types of activities: hazardous fuels reduction, fire prevention planning, and fire prevention education.

CAL FIRE's Forest Health Program funds active restoration and reforestation activities aimed at providing for more resilient and sustained forests to ensure future existence of forests in California, while also mitigating climate change, protecting communities from fire risk, strengthening rural economies and improving California's water & air. Eligible activities include forest fuels reduction activities that focus on treating understory trees and brush with the goals of reducing fire hazards, improving tree growth, stabilizing carbon in retained trees, and increasing forest resilience.

The District has been talking to Green Diamond about teaming up on these grants with Green Diamond taking the lead and the District writing letters of support. As Green Diamond has been working on the grants and talking to the resource agencies, they have suggested that the grant applications would look stronger coming from the District, as opposed to Green Diamond, and in fact,

Green Diamond couldn't apply for the Fire Protection Grants as the applicant has to be a Public Agency. Neither of these programs require matching funds and Green Diamond is still willing to take the lead on putting together the applications and project descriptions. **Attachment 1** includes two maps that Green Diamond prepared to start to develop project descriptions. These provide an example of the type of projects that would be considered for the Community Forest property.

The fact that the District may have to take the lead on these grant applications just came to light on January 24th. After discussion with the Community Forest Board Committee, Directors Mayo and Orsini suggested that the Board approve a blanket authorization for the General Manager to sign documents as necessary. Any final grant applications would be brought back to the Board for their information. The requirement for any fund expenditures (other than Staff time) would be brought back to the Board for approval, although as mentioned, neither of these grants require matching funds.

Alternatives:

Staff analysis consists of the following potential alternative

- Take No Action

Fiscal Analysis:

Not applicable

Environmental Requirements:

Unclear at this time. Depending on the scope of work and the granting agency, CEQA or other environmental permits may or may not be required

Exhibits/Attachments:

- Attachment 1 – Sample Fuel Break Project Maps

**McKinleyville Fuelbreak
300 ft. Scenario
6 miles Point A to Point B**

Item E.8 Attachment 1

*Lindsay Creek Conservation Easement
(Green Diamond)*

Proposed Owner	Acres
MCSD	141.65
GD Retained	68.91
Total	210.57





-  MCSD Fuel Break
-  GD Fuel Break
-  Community Forest
-  GD Retained

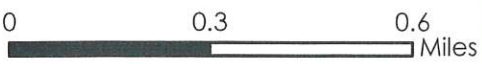


**McKinleyville Fuelbreak
150 ft. Scenario
6 miles Point A to Point B**

Lindsay Creek Conservation Easement
(Green Diamond)

Proposed Owner	Acres
MCSD	70.35
GD Retained	36.82
Total	107.17

-  MCSD Fuel Break
-  GD Fuel Break
-  Community Forest
-  GD Retained



McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.A **Support Services – Dec 2021-Jan 2022 Report**

PRESENTED BY: **Colleen M. R. Trask, Finance Director**

TYPE OF ACTION: **None**

FINANCIAL, AUDIT, & BUDGET INFORMATION

The District has \$1,373,249.22 to date in the Trust Account for the next Biosolids Disposal project.

Customer adjustments at December month-end total \$17,150.10, which represents 40.8% of the annual \$42,000 budget for this sub-item. (GL# 501/551-62120)

Total Board Travel as of Nov 30, 2021 stands at \$8,386.29 which is 47.9% of the approved \$17,500 budget for this item. (GL# 001/005/501/551 62090/62155-888)

Audit/Budget Update:

The first draft of the Parks/General Fund Capital Projects budget is included as an item for the February Board meeting. The first draft of the Water/ Wastewater Capital Projects budget will be presented in March for review and discussion by the Board. April and May will bring drafts of the Parks/General Fund and Water/ Wastewater operating budgets respectively, with the final budget brought to the Board for approval in June before the start of the new fiscal year.

Treasurer's Report Highlights:

Water Fund capacity fees collected through December totaled \$181,697.80. Wastewater Fund capacity fees of \$312,414.00 were collected through the end of December. No capital contributions have been received so far for FY2021-22. Capital Contributions and Capacity fees are included in the income vs. expenses graphs of the Treasurer's Report, but they are called out separately on the Budget to Actuals report.

Investments and Cash Flow

The Investment and Cash Flow report shows the balances and activity in each major cash account held by the District. The operating accounts are listed first, followed by each investment account (LAIF, Humboldt County Trust Accounts, the USDA Bond Sinking Fund account, and CalTRUST.) At the end of the report, the total cash and investments from the prior month is listed so users can see the change from month to month. The current month total is also broken down at the very bottom of the page. Cash and Cash Equivalents contains working capital and reserves designated by Board policy. Other legally required cash reserves for various loans are stated and accounted for separately.

OTHER UPDATES

December's successful bond issue is recorded in this month's treasurer's report. Per the rules of the Government Accounting Standards Board (GASB), the par value is recorded in the long-term liability line of the Balance Sheet. There was a premium on the bonds and that amount has been posted as revenue in the Water & Wastewater Funds with an explanatory note. Issuance expense, including both underwriting and bond insurance are listed and noted in the expense section of the Water & Wastewater Funds. The total cash (par amount plus premium less issuance expenses) is posted in Restricted Cash, since the funds are legally restricted to use solely for the capital projects listed in the Certificates of Participation (COPs).

McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.B **Operations Department – Dec. / January 2022 Report**

PRESENTED BY: **James Henry, Operations Director**

TYPE OF ACTION: **None**

Water Department:

Water Statistics:

The district pumped 39.3 million gallons of water in December.

Six water quality complaints were investigated and rectified.

Daily, weekly and monthly inspections of all water facilities were conducted.

Double Check Valve Testing:

Annual routine testing and retests were conducted in December along with the calibration of the testing equipment. Customers with failed DCV's were notified to make repairs and call the office to schedule a retest.

Average and Maximum Water Usage:

The maximum water usage day was 1.4 million gallons and the average usage per day was 1.3 million gallons.

Water Distribution Maintenance:

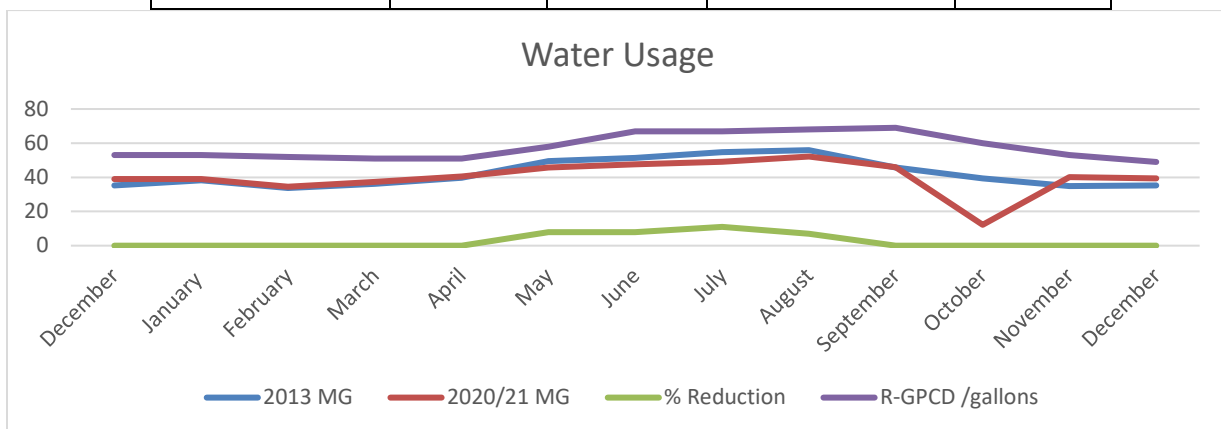
Weekly Bacteria Samples were collected on Schedules 3, 4, 5, and 6 which represent different locations in the water distribution system. The schedules are made up of a sample taken in each pressure zone. Annual Hydrant inspections were completed and all issues found were flagged to have a workorder generated for repairs. Staff has been out making the hydrant repairs that were identified during the annual inspections. Several meters were repaired due to tamper codes showing up during meter reading. A new water service was installed on Imeson as part of the subdivision upgrades. Staff has been working on valve exercising, which includes closing and opening the valves and filling out a report for each valve. A water service leak was repaired on Forson Road. The leak was caused by a bad crimp in the line from when the sewer main was installed.

Water Station Maintenance:

Monthly inspections and daily routines were conducted at the water stations. Any minor issues found are repaired during inspections, but if they require parts or extensive labor, the issue is documented on the monthly sheet, which will then generate a work order for repairs. The generator at McCluski Tanks sent a fail code due to not having adequate line voltage. Staff investigated the code and found that the connections to the automatic transfer switch needed to be retightened, which cleared the code.

As of July 2014, the District is required to submit a Public Water Monthly Monitoring Report to compare water usage to last year's usage in the same month. I will keep the Board updated each month using the Table below.

	2013 (MG)	2020/21 (MG)	% Reduction	R-GPCD
December	35.203	39.076	(-11)	53
January	38.241	38.974	(-2)	53
February	33.751	34.603	(-2)	52
March	36.244	37.375	(-3)	51
April	39.755	40.465	(-2)	51
May	49.407	45.752	8	58
June	51.337	47.654	8	67
July	54.757	49.099	11	67
August	55.908	52.171	7	68
September	45.702	45.874	(-1)	69
October	39.439	42.216	(-7)	60
November	34.879	40.116	(-15)	53
December	35.203	39.371	(-11)	49



R-GPCD = Residential Gallons Per Capita Day

New Construction Inspections:

Imeson Court: Avaral plans have been reviewed and commented. The water and sewer mains, along with laterals were installed. The fire hydrant was relocated along with moving an existing service. Midtown Court Tract: Plans were reviewed, and plan check fees have been paid. Washington Estates: Plans have been reviewed and will go back to the engineer for corrections and discussions.

Sewer Department:**WasteWater Statistics:**

27.9 million gallons of wastewater were collected and pumped to the WWMF. 29.8 million gallons of wastewater were treated and discharged to land disposal or reclamation in December.

Sewer Station Maintenance:

Monthly inspections and daily routines were conducted on all sewer stations. Several work orders were completed for Letz station. Pump 3 was pumping inefficiently, so staff opened the pumps, cleared the debris, checked clearance and shimmed. The pump was put back into service and is pumping efficiently. The surge tank at Letz was also showing a great deal of corrosion which led to staff removing it and replacing it with a new tank and plumbing.

Sewer Collection System:

Grease traps were inspected at required facilities. Customers that are out of compliance were notified to have their traps pumped and possibly shorten their pumping schedule. The sewer flow totalizers (Smart Covers) have been rotating through the collection system to collect wet weather data and have been monitored via web portal. Several manholes were flagged during the annual inspections that they were leaking and allowing infiltration into the sewer system. Staff has been entering manholes and repairing these leaks. When all leaks are completed, a cost savings will be provided for the savings from pumping additional ground water. A new sewer lateral was installed on Imeson as part of the subdivision upgrades.

Wastewater Management Facility:

Daily and weekly maintenance continues at the treatment plant to perform required service on the equipment. The daily and monthly spreadsheets were created for 2022. This includes daily process control, and testing data. The new recirculation valve actuator has been installed in house. Secondary pump motor 1 and 2 were swapped to troubleshoot if a repeating issue will follow the motor or point towards faulty wiring. The garages were emptied and cleaned.

Daily Irrigation and Observation of Reclamation Sites:

Discharge has been going to the land and river since November 1st. depending on river flow. Staff hung more "No Hunting" signs around the ranches to prevent hunters from trespassing and goose hunting.

Street Light Department:

There were no streetlight complaints in December.

Promote Staff Training and Advancement:

Weekly tailgate meetings and training associated with job requirements. Staff received training on the Power Hand Tool Safety, Basic Office Safety, Avoiding Slips Trip and Falls and Focusing Mentally to Avoid Distracted Work.

Special Notes:

Monthly river samples were completed.

Monthly Self-Monitoring Reports (DMR/SMR) were submitted.

Public Water Monthly Monitoring report was submitted.

Monthly Water Quality report was sent to the Dept. of Health.

Attended a Recycled Water grant meeting

Attended Micro-grid progress meetings

Attended Central Avenue mainline replacement meetings and provided data requested.

Reviewed the Central Ave. water and sewer scopes and provided comments to GHD.

Working with Synagro on Biosolids Basin dredging project.

Completion of several Target Solutions trainings to receive Cont. Education Credits.

Closing out 2021 spreadsheets for annual reports and creating 2022 spreadsheets.

GIS:**Plans and Programs**

- Completed UWMP edits and Errata sheet.
 - Uploaded edited data tables and completed Errata sheet to DWR portal.
 - Emailed copy of Errata sheet to California State Library.
- Annual review of the Hand and Portable Power Tools Safety Program
 - No changes required.
- Began Drafting Elevated Platforms and Aerial Devices Safety Procedures.

Maps Completed/General GIS

- Reset Manhole inspection map for 2022 inspections
 - Created maintenance list from 2022 inspections.
- Fischer Station maps for Fischer Station seismic retro fit grant
 - Locator Map, Site Map, Coastal Zone Map, National Wetlands Map, FEMA Firm Zones Map, Low Income Communities Map, Collection System Map.
 - Estimated number of connections per lift station
- Created Individual Damage Assessment Zone Maps for the MCSD EOP.

- Map showing Community Forest Access points, road ownership, and site conditions.
- Created Map of central Ave sewer for camera inspections
 - Review and download camera inspections from laptop

Misc. Work Completed

- Attended TAC meeting
- Operations document filing
- Posted documents onto website
- Doc Star search
- USA's

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McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.C **Parks & Recreation Director's Report for January 2022**

PRESENTED BY: **Lesley Frisbee, Parks & Recreation Director**

TYPE OF ACTION: **None**

TEEN & COMMUNITY CENTER-BOYS & GIRLS CLUB PARTNERSHIP:

Staff continues to meet with BGCR staff weekly. The Teen Club is open Monday- Friday 12:00pm-6:00pm. The Teen Club is running a wide variety of programs including a weekly cooking program, a cycling program, an art program, a community service program and several BGCA national programs such as Power Hour, SMART Girls, SMART Moves and Youth for Unity. The Club's average daily attendance remains at 15 teens per day.

PARK AND RECREATION COMMITTEE:

The Park and Recreation Committee (PARC) met on January 20, 2022. The notes from the meeting can be reviewed in **Attachment 1**.

COMMUNITY FOREST UPDATES:

Staff continues planning and preparing for the acquisition of a Community Forest and has been meeting regularly with Green Diamond Resource Co. staff and Trust for Public Lands staff. The Community Forest Committee met on January 27, 2022 and the notes from that meeting could not be included in the Board packet as board packet items had to be submitted by January 26th. Staff are currently focusing on public outreach and input gathering for the determination of access points and desired recreation opportunities. Staff will be working with HSU students in the Recreation Planning class to host a public input meeting on February 26th at Azalea Hall, as well as a virtual public input meeting on March 8th. A written and online survey will also be circulated in the community to gather input.

RECREATION PROGRAM UPDATES

Drop-in Pickleball is running on Friday evenings 6:30pm-8:30pm. Masks are required to play. Pickleball is operated entirely by volunteers.

The week of January 17th, we began hosting both an After School Basketball program and a Saturday Youth Basketball program. Enrollment for the Saturday program is almost at capacity. The After School program is more than 2/3 full in some divisions.

Also new in mid-January we started a Kung Fu class for adults on Tuesday and Thursday evenings 5:30pm-6:30pm and Tai Chi on Sunday mornings at the Activity Center. These classes have started well, hosting up to 15 students within the first few sessions.

PARK & FACILITY MAINTENANCE UPDATES:

Several open space zones received mowing, hedging and weeding maintenance and as part of the Open Space Maintenance Zone agreements. The SWAP program continues

providing labor on Saturdays. The Parks crew and NHES continue the routine schedule for maintenance on Central Ave. landscaping as well as Pierson Park landscape maintenance. Windows got cleaned and several restroom repairs at Hiller, the Activity Center and Azalea Hall were done. Staff continues to keep up with daily/weekly routine facility and vehicle maintenance. Monthly inspections were conducted on all facilities and Open Spaces. The sports fields at Hiller Sports Site are closed for the winter.

OTHER UPDATES:

- California Office of Grants and Local Services awarded MCSD the Statewide Park Development grant for the construction of the BMX Track and Park at the School Rd. and Washington Ave. property. Staff attended the mandatory Grant Administration workshop on January 13th and are now awaiting receipt of the final contract for encumbrance of funds.
- Staff submitted the Rural Recreation and Tourism Grant application for the Skate Park.
- Staff submitted the Per Capita Grant Application to acquire \$177,952 in funding to complete interior renovations of Azalea Hall to include replacing the flooring throughout, install new entrance doors, refurbish the walls to improve aesthetics, replace the HVAC system which is currently only partially functional and upgrade the PA system. The total project is estimated to cost \$180,000. We are still awaiting notification regarding this funding.
- Staff participated in volunteer service for the McKinleyville Chamber of Commerce, the McKinleyville Family Resource Center, and the Boys and Girls Club of the Redwoods
- Park and facility rentals continue to increase.
- Staff continues to provide support to other departments of the District; assisting with accounts payable, payroll, and facilitating professional development workshops.

ATTACHMENTS:

Attachment 1—PARC meeting notes 1-20-22

Thursday, January 20, 2022

6:30pm

Parks & Recreation Committee Meeting

NOTES

Members Present: Johnny Calkins, John Kulstad, Ben Winker, Charlie Caldwell, Laura Bridy, Phil Heidrick, Jane Fusek, Heidi Conzelmann, Scott Binder

Members Absent: Jeff Dunk

Guests: Devin Medrud, Rita Orlandini, Jim Knerl, Jennifer Ortega, Pat Kaspari

Meeting Notes:

Communications:

- None

Public Comment:

- None

Election of Officers

- Johnny Calkins nominated Laura Bridy for Chair. Laura did not object. No further nominations for Chair were submitted. Charlie Caldwell moved to elect Laura as Chair, John Kulstad seconded. Committee vote was unanimous, electing Laura Bridy as Chair.
- Ben Winker nominated Phil Heidrick for Vice-Chair. Phil did not object to the nomination after hearing details on the demands and expectations for the role. John Kulstad moved to elect Phil as Vice Chair, Charlie Caldwell seconded the nomination. The committee vote was unanimous, electing Phil Heidrick as vice-chair.

PARC Applicant

- Jennifer Ortega submitted an application for membership on the Committee in December. She has attended several meetings in the past year. John Kulstad, Ben Winker and Laura Bridy all spoke in support of recommending appointment of Jennifer to the Board of Directors. John Kulstad moved to recommend, Ben Winker seconded and the committee voted unanimously to recommend to the Board of Directors that Jennifer be appointed to the vacant regular voting member seat on the PARC.

Recreation Director Report:

- Recreation Program Updates
 - Drop-in Pickleball is running on Friday evenings 6:30pm-8:30pm. Masks are required to play.
 - Winter Breakout Day Camp in December was successful and served 25 elementary students per day December 20-22, 2021. The next Breakout Day Camp will be February 21-25, 2022.
 - Youth Basketball programs for 3rd through 6th grades began on January 15th. There are two programs running concurrently, an afterschool program and a Saturday program.
 - Two new Adult classes began this month, Tai Chi on Sundays 11:00-12:00 and Kung Fu on Tuesday and Thursdays 5:30-6:30pm. These are drop-in classes. \$10 per class or bulk classes for \$7.50 per class.
- Park & Facility Maintenance Updates

- Several open space zones received mowing, hedging and weeding maintenance and detention basins received clearing as part of the Open Space Maintenance Zone agreements. The Parks crew and NHES continue the routine schedule for maintenance on Central Ave. landscaping. Staff have been trimming trees in parks and along Central Ave. Hiller Sports Site continue to be mowed and gophers continue to be trapped. Staff are planning to host volunteer work days in February to fill in holes and distribute grass seed on the sports fields. A new ice machine was installed at Azalea Hall after the original ice machine became unrepairable. Staff continues to keep up with daily/weekly routine facility and vehicle maintenance. Monthly inspections were conducted on all facilities and Open Spaces.
- Community Forest Updates
 - Staff continue preparing for the acquisition of the Community Forest Property. Green Diamond Resource Co. would like to include any access easements in the property transfer title. Staff will be working with HSU Parks & Rec planning students this semester to host a variety of public input processes to gather community input on desired access locations and amenities as well as desired recreational uses to be developed.
 - Public input meetings/process are scheduled as follows:
 - Saturday, Feb. 26th 9:30am-12:30pm at Azalea Hall
 - Tuesday, March 8 6:00pm-7:30pm via Zoom
 - Online and hard copy survey distribution at mid/end of February
 - Invitation to meetings will be posted via all MCSD PSA outlets, social media and website.
- Hewitt Ranch Property Updates
 - No updates at this time.
- North Bank River Property Updates
 - No updates at this time.
- Other updates:
 - Staff submitted an application for the Prop 68 Per Capita funding for improvement renovations at Azalea Hall based on the departments Capital Maintenance and Inventory plan. The funding will be used to replace the flooring throughout the lobby, Hewitt Room and Kitchen, replace an aged HVAC system, replace the aged kitchen exhaust system, renovate the walls in the Hewitt room, and replace the front doors.
 - Staff submitted an application for the construction of the Skatepark through the Rural Recreation and Tourism grant program from the California Dept. of Parks and Recreation. The grant application deadline was January 20, 2022.
 - Staff are preparing the Spring/Summer Newsletter and Activity Guide which is scheduled to go out to rate payers February 15-16.
 - Staff is preparing a Draft CIP budget for fiscal year 22/23. The draft will be presented to the Board of Directors at the February 2nd Board meeting.
 - Staff continues to provide support to other departments of the District; assisting with accounts payable, payroll, and facilitating professional development workshops.

BMX Track and Park Project:

- Staff provided an update on current status of the grant award and the steps that will be followed once the grant contract is signed.
- Member of the public commented on the existing trees on the property and wondered how residents could go about speaking up to save a particular tree.

Intermodal Transportation Committee (Hum. County) Report:

- Ben Winker reported on the current work of RCAA and the county studying areas in most need of improved safety for alternative transportation such as bicycles and pedestrians.

Report on Actions of MCSD Board

- Staff informed the committee of actions taken at the December 1, 2021 and January 3, 2022 Board meetings.

AdHoc Committee Reports:

- Skate Park—Charlie Caldwell reviewed Humboldt Skatepark Collective's Quarterly report for the Mck. Skatepark
- Fischer Ranch Estuary project—Nothing new to report
- BMX— See notes on above
- Community Garden—no report

Agenda Items for next meeting:

- Community Forest
- Skatepark project/groundbreaking (maybe)

Adjournment:

- Adjourned: 7:24pm

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McKinleyville Community Services District

BOARD OF DIRECTORS

February 2, 2022

TYPE OF ITEM: **INFORMATION**

ITEM: F.3.D **General Manager’s Report for Feb. 2, 2022 Meeting**

PRESENTED BY: **Patrick Kaspari, General Manager**

TYPE OF ACTION: **Information Only**

A summary of activity for the month of January 2022

Cost Savings Related to District Activities – The following is a review of some of the recent cost savings opportunities District staff identified for the month:

• Use of NHE Services =	\$3,159
• CSW =	\$0
• SWAP =	\$4,320
• Volunteer Pickleball Labor =	\$188
• Install Recirc Prev. Actuator =	\$3,520
• Repair CL2 Analyzer at WWTF =	\$320
• Recoat/Repair Diesel Tank =	\$400
• Swap/Repair SE Pump Motors 1&2 =	\$1,920
• Prepare Fischer Hazard Mitigation Grant =	\$30,000
• <u>Switch to Mitel Phone vs AT&T =</u>	<u>\$5,000</u>
TOTAL COST SAVINGS FOR Dec =	\$48,827

Since the start of the District’s 2021/22 Fiscal Year, Staff was responsible for over \$115,839 in savings to the District and its Rate Payers.

District staff are recognized and commended for their continued efforts in looking for cost savings, the use of internal labor, and grant opportunities that result in real savings for the District, ratepayers, and the community.

COVID-19 – As reported at the December 2021 Board Meeting, the Governor’s water service lock forbearance ordinance expired on December 31st, and the District received a check for \$47,746.22 for water arrearages between March 4, 2020 and June 15, 2021 from the California Water and Wastewater Arrearage Payment Program administered by the State Water Resources Control Board (SWRCB). The District has applied the funds to delinquent customer’s accounts as credits. We have also sent letters to all these customers letting them know that we have applied this credit to their account. We have also reinstated the District’s lock policy and sent letters to customers who are still delinquent on their account, that they will be locked in March unless they make arrangements for payment. There were also six accounts that were

delinquent, who we've heard nothing from and phone is disconnected, etc. We have locked these customers for abandonment of service.

As previously reported, the Wastewater Arrearages Program also has sufficient funds to cover wastewater arrearages. The State plans on rolling out guidelines for that program in February. It will still only cover the period from March 4, 2020 to June 15, 2021. The District will submit an application to cover our unpaid wastewater accounts for this period. It is expected that our wastewater arrearages will be approximately \$26,000.

The District has also been purchasing the rapid antigen tests for COVID testing of Staff. We had a small wave of positive staff and exposures right after the holidays, but this seems to have worked its way through. The District has adopted CalOSHA's new guidelines for positive tests, generally consisting of 5 days of isolation, resolving symptoms, and a negative test before returning to work, and 5 more days of mask wearing when working indoors or in proximity to others.

At this Board Meeting (and for the foreseeable future) we are once again reconfirming the resolution to conform to the requirements of AB361 for remote meetings.

4.5 Gallon Water Tank Project – The District continues work on this Project with Kennedy Jenks (KJ) and their subconsultants. All Phase 1 documents have been completed and have been submitted to CalOES/FEMA. We have received questions from FEMA on the potential environmental impacts of the project so we know that the project as begun FEMA environmental review. Once FEMA adopts a Finding of No Significant Impact (FONSI) for their National Environmental Protection Act (NEPA) review, they will release Phase 2 funding for the project, which will allow us to finish the design and construction.

Meanwhile, the District is finalizing our own CEQA process at the February 2 Board Meeting. A Draft Initial Study and Mitigated Negative Declaration (IS/MND) has been circulated for Public Comment and uploaded to the State Clearing House site as well as our website. Public comment has been received and responded to and the IS/MND and Mitigation Monitoring and Reporting Program will be brought to the Board for adoption and project approval at the Feb. 2nd Board Meeting. We did meet State Fish & Wildlife Staff at the site to review the project, and they are happy with the mitigation measures we have suggested and had just one minor request to retain some of the California Blackberries in the revegetation plan.

As previously reported, on July 29th, a meeting was held with Doug Shaw and Janne Page of American Hospital Management Corp. (AHMC) along with Russ Gans, District Legal Counsel, Ryan Plotz of Mitchell Law firm, Michael Pulley of Points West Surveying, Operations Director Henry and GM Kaspari to discuss the land purchase for the tank. Mr. Shaw did sign the General Plan Conformance review application and that has been submitted to County Planning and was approved at the Planning Commission Meeting on November 4th, 2021. He also requested a right-of-way across the District's future property to allow access to the Hewitt Ranch property.

The District did grant pedestrian access across the acquired land to allow for future access to the park in our offer. We also granted a drainage easement across District property in the Purchase Agreement. The revised Purchase Agreement was forwarded to Mr. Shaw on August 18th and is for the purchase of approximately 6.5 acres for \$253,511. We continue to wait for a response from Mr. Shaw. Meanwhile, we are moving forward with eminent domain discussions with Michael Colantuono.

Points West Survey has completed a Draft of the Record of Survey for the property purchase as well as a Draft Grant Deed. These have been reviewed by Staff and Legal Counsel and forwarded on to Mr. Shaw for review. Points West also completed a Draft Quit Claim Deed to allow the District access to Hewitt Ranch from the west side. When the Hewitt Ranch property was deeded to the District, there was a restriction on crossing into the property with utilities/vehicles, etc. from any point other than the access at Bryan Road. We have had discussions with Mark Rynearson, who deeded the property to the District, and he is willing to give the District pedestrian access from the new tank site. We have prepared this Quit Claim Deed for his review to formalize that permission.

As reported over the last several months, the estimated construction cost for this project is significantly higher than the value estimated in the grant application. KJ's construction cost estimate came in at \$9.3M (\$10.3M including engineering and CM) or \$3.1M over the cost estimate submitted with the grant application. The grant was for a total of \$7.2M (\$5.4 Federal share and \$1.8M match). We have reached out to CalOES to see if there are additional grant funds available to cover the shortfall. We have been told there is additional funding, and the District has submitted a letter with the revised cost estimate and a revised Benefit Cost Analysis asking for an additional \$3.1M. If available, FEMA/CalOES would cover \$2.33M or 75% of the additional cost, and the District would have to match that with \$777,000 above our original match commitment of \$1.8M. There has been some additional back and forth with CalOES on the additional funding request, so the request is working its way through their system, but we have not received a definitive response yet.

The total District match for the \$10,331,280 project would be \$2,582,820, assuming CalOES/FEMA funds the additional request. \$4,132,000 was budget for the permitting, engineering, property purchase and initial construction costs in this Fiscal Year. The remaining construction cost will be budgeted for in the 2022/23 Fiscal Year. As detailed at the January 5, 2022 Board Meeting, \$2.5M in bonds will be issued to pay for the required District match.

Water and Sewer Mainline Master Plan Phase 3c – GHD has submitted the *Final Sanitary Sewer Main Line Replacement and Rehabilitation Master Plan*, January 2022 and the *Final Water Main Line Replacement and Rehabilitation Mater Plan* January 2022. These Reports detail which sewer and water mainline pipes should be replaced first, second, etc. District Staff reviewed the Reports and provided comments. The Board will hear a presentation of the Report findings at the February 2, 2022 Board Meeting.

As discussed at the December 2021 Board Meeting, the District has contracted with GHD for the first mainline replacement design for the replacement of the water and sewer mains on Central Avenue between Sutter and Hiller. Both the water and sewer lines in this section are asbestos cement (AC) dating from the early 1970's. The sewer lines in particular are degrading and in urgent need of replacement. Since we are replacing the sewer lines in this section, it would likely be most efficient and economical to replace the AC waterlines as well. We will complete the design and permitting in 2022 and bid the project at the end of 2022 for construction in 2023. \$2M in the water bond sales and \$2M in the wastewater bond sales will fund this project.

SRF Energy Efficiency WWMF Micro-grid Project – As the Board is aware, work has started on the installation of the microgrid at the Wastewater Management Facility (WWMF). The current schedule has the construction completed in March 2022, and the facility brought on-line in April 2022. However, the schedule has been delayed by the recent rains and it is anticipated that it will be pushed out past April 2022. However, the ballast blocks for the solar array are being poured and the solar grid and panels should be beginning to be installed around the time of the February Board Meeting.

TESLA Batteries – Tesla has generally completed the battery installations at our Ramey/North Bank Water Pump Station and Fischer Sewer Lift Station sites and the final commissioning is completed. We have received the Permission to Operate from PG&E for the North Bank/Ramey Pump Station and are waiting on the final PG&E inspection for the Fischer site.

Mad River Restoration Project – The grant funding for the final design and construction of the Mad River Restoration has been secured by CalTrout from NOAA, the Wildlife Conservation Board, USFWS and the State Coastal Conservancy in the amount of approximately \$1.53M. Permits have been finalized, including the Coastal Development Permit from the Coastal Commission. Meanwhile, CalTrout is moving forward on the final design and construction bid documents. It is expected that the work will go out to bid in February 2022 and be performed from August 15 through October 15, 2022. The District is also working with Chris Turner, a local restoration contractor and CalTrout to build river access point with the funds from the Habitat Conservation Grant the District obtained.

Sewer Undercrossing Project – GHD has completed and submitted the Phase 1 reports to CalOES and FEMA for this project. The 30% Basis of Design Report as well as the biological and cultural resource environmental reports were formally submitted the first part of February 2021. This completes the District's tasks agreed to under Phase 1 of the Hazard Mitigation Grant. FEMA now needs to complete their National Environmental Policy Act (NEPA) review and issue a Finding of No Significant Impact (FONSI) to release the Phase 2 funding of the grant to fund the final design and construction. We had updated the Benefit Cost Analysis (BCA) when we submitted the request for additional funding. We have heard back from CalOES that they have approved the updated BCA and submitted it with the final funding request to FEMA in

November 2021. We have also heard from CalOES that the NEPA process review has been started by FEMA, but we have yet to hear any schedule for completion.

The 30% Basis of Design Report also had an Opinion of Probably Construction Cost for the three crossing of \$5,650,000. This is \$3,513,000 more than the Hazard Mitigation Grant construction cost estimate. The overall estimated construction, engineering, and permitting costs is \$6,760,130 or \$3,512,800 more than the original grant cost estimate. District Staff completed a formal letter request and submitted it to CalOES staff to see if there is additional grant funding available in this Hazard Mitigation Grant disaster request. We have had some back and forth with CalOES on the request and have clarified some information, but we have not heard back yet if there are enough additional funding to cover the increased cost estimate. If there is available grant funding to cover a portion of this cost, at a minimum, the District's share would still approximately double from \$801,100 to \$1,690,033. As discussed at the January 2022 Board meeting, approximately \$1.7M in District match will be funded by the completed bond sale.

Pialorsi Ranch Property – GHD has begun working on the new recycled water grant to facilitate the irrigation design. They performed infiltration studies and soil assessment at the end of March. The driller is installed the monitoring wells in November and were out sampling them in December. The District has added the wells to their water level monitoring schedule.

Andy Titus, the current leaseholder for the Fischer and Pialorsi properties has been farming the upper areas of the Fischer & Pialorsi properties in January 2022. He has cut them and will seed them. He will likely plant corn on the lower fields after they dry out. Operations Director Henry continues to coordinate with Mr. Titus on working on both properties and it has been a good working relationship.

Reporting by Sheriff's office, County Public Work, County DHHS – A regular meeting has been scheduled with President Mayo, GM Kaspari, Supervisor Madrone, and Maya Conrad, the current President of the McKinleyville Municipal Advisory Committee (MMAC), to occur on the last Monday of every month to discuss various topics of concern to all three organizations and the community. This month the meeting was canceled due to conflicts.

Mr. Kaspari & Operations Director Henry also meet with John Ford, John Miller and Michelle Nielsen of Humboldt County Planning to discuss new State regulation that will impact development and densities in McKinleyville and Humboldt County as a whole. Staff agreed to continue to coordinate with expected development and capacities of MCSD infrastructure. County Planning will also likely give a presentation to the Board on these new State regulations at the March Board Meeting.

Grant Applications – The McCluski Tanks and the Mad River Crossing Hazard Mitigation grant applications were submitted to CalOES in March. We just heard in December that both projects

have been forwarded on by CalOES to FEMA for funding. We have not received the grant agreements yet, but it looks like both of those projects will be 75% grant funded.

Meanwhile the next HMG release was announced in November and an NOI was submitted for the upgrade of the Fischer Sewer Lift station. Operations Director Henry and the GM had a phone call with CalOES and their review contractor and we were informed that the NOI will be approved. The full application is due April 08, 2022 and District Staff is working on completing and submitting the application in-house. This should save the District approximately \$30,000 in fees.

Meetings –The General Manager attended numerous meetings as usual. The meetings in December included the Planning Commission Meeting to approved the Conditional Use Permit extension for the Mad River Restoration Project, a MMAC Public Meeting on the Town Center Project, several Microgrid construction meetings, the Kick-off Meeting for the Central Avenue Water & Sewer replacement project, several Mad River Restoration project design meetings, a Patrick Creek CSD Board Meeting, a grant administration workshop for the BMX grant from the State, several Rotary meetings including a presentation of the Community Forest to Mad River Rotary, a North Coast Resource Partnership Quarterly Meeting and a Technical Review Committee meeting, and the monthly meeting with Green Diamond and TPL on the Community Forest.

Attachments:

- Attachment 1 – WWMF Monthly Self-Monitoring Report

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PHONE: (707) 839-9003
FAX: (707) 839-5964

R.W.Q.C.B. NORTH COAST REGION
5550 SKYLANE BLVD., SUITE A
SANTA ROSA, CA 95403

January 15, 2022

RE: MONTHLY MONITORING REPORT

Dear Justin:

Enclosed is the Monthly Monitoring Report for December 2021 for McKinleyville Community Services District Wastewater Management Facilities WDID NO. 1B82084OHUM, operating under Order Number R1-2018-0032.

The normal discharge of effluent was 31 days going to 001, 002 and 004. The required monitoring and water quality constituents that were tested and reported was in compliance in December.

Effluent Limitations Parameters	Units	Average Monthly	Average Weekly	Avg. % Removal	Max Daily	Instant Max	Instant Min	Results
Monitoring Location EFF- 001								
BOD	mg/L	30	45	>85				Compliance
TSS	Mg/L	30	45	>85				Compliance
PH	s.u.					6.5	8.5	Compliance
Settleable Solids	ml/L	0.1			0.2			Compliance
Chlorine Total Residual	mg/L	0.1			0.2			Compliance
Carbon Tetrachloride	ug/L	.25			.75			Compliance
Ammonia Impact Ratio	mg/L	1.0			1.0			Compliance
Dichlorobromomethane	ug/L	.56			1.4			Compliance
Monitoring Location LND-001, REC-001								
Nitrate		10						Compliance
PH		6.0- 9.0	6.0 – 9.0					Compliance

Total Coliform Organisms MPN/100 ml. The Monthly Median not to exceed MPN of 23 and the daily maximum not to exceed MPN of 240. The reported results for the month of December are as follows. Median was <1.8 and a Maximum of 1.8. Four samples were collected in the month of December and was in compliance.

Monthly River Monitoring was conducted in December.

Started River Discharge on November 1st and had to return to land for the first week of December due to river cfs dropping.

Acute Toxicity Percent Survival. Minimum for any bioassay is 70% survival. Median for three or more consecutive bioassays at least 90% survival. Acute results were 100% and TST Pass for Rainbow trout.

"I CERTIFY UNDER PENALTY OF LAW THAT THIS DOCUMENT AND ALL ATTACHMENTS WERE PREPARED UNDER MY DIRECTION OR SUPERVISION IN ACCORDANCE WITH A SYSTEM DESIGNED TO ASSURE THAT QUALIFIED PERSONNEL PROPERLY GATHER AND EVALUATE THE INFORMATION SUBMITTED. BASED ON MY INQUIRY OF THE PERSON OR PERSONS WHO MANAGE THE SYSTEM, OR THOSE PERSONS DIRECTLY RESPONSIBLE FOR GATHERING THE INFORMATION, THE INFORMATION SUBMITTED, IS, TO THE BEST OF MY KNOWLEDGE AND BELIEF, TRUE, ACCURATE, AND COMPLETE. I AM AWARE THAT THERE ARE SIGNIFICANT PENALTIES FOR SUBMITTING FALSE INFORMATION, INCLUDING THE POSSIBILITY OF FINE AND IMPRISONMENT FOR KNOWING VIOLATIONS."

If you have any questions, please contact this office.

PATRICK KASPARI, GENERAL MANAGER

ENCLOSURES

FILE