



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

AGENDA

DATE: Tuesday, July 26, 2022

TIME: 5:00 p.m.

LOCATION: *In accordance with Assembly Bill 361 and District Resolution 2022-10, public meetings will be conducted both in person at 5055 Walnut Drive in Eureka, California, and telephonically through Zoom.*

The HCSD Boardroom is open to the public during open session segment(s) of the meeting. If you cannot attend in person and would like to speak on an agenda item including Public Participation, please join through the Zoom website (<https://zoom.us>) then clicking "Join A Meeting" and enter the following Meeting ID and prompts for passcode and audio. Access may also be achieved by telephone only by dialing 1-669-900-9128 followed by the Meeting ID and Passcode below:

Meeting ID: 886 8771 6566 Passcode: 745159

Zoom participation protocol:

- Please use the MUTE function when not speaking*
- Please use the "RAISE HAND" feature when wishing to be acknowledged for participation. Raise Hand feature is located in the lower right portion of the screen via the "REACTIONS" icon.*
- Please do not speak out of turn; wait for the Board President to call upon you to share.*

A. CALL TO ORDER AND ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. CONSENT CALENDAR

1. Approval of July 26, 2022 Agenda *Pgs 1-2*
2. Approval of Minutes of the Regular Meeting of July 12, 2022 *Pgs 3-5*

D. REPORTS

1. General Manager
 - a) GM Report *Pgs 7-8*
2. Engineering
 - a) Engineering Department Update *Pg 9*
3. Superintendent
 - a) May & June 2022 Construction Operations Report *Pg 11*

4. Finance Department

a) June 2022 Budget Statement

Pgs 13-22

5. Legal Counsel

6. Director Reports

7. Other

E. PUBLIC PARTICIPATION **

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

F. NON-AGENDA

G. NEW BUSINESS

1. Consideration of Adopting Resolution 2022-11 Amending the District's Conflict of Interest Code

Pgs 23-32

H. OLD BUSINESS

I. CLOSED SESSION

1. CONFERENCE WITH LEGAL COUNSEL – INITIATION OF LITIGATION
Pursuant to Gov. Code §54956.9(d)(4): One potential case

J. ADJOURNMENT

Next Res: 2022-12

Next Ord: 2022-02

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

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

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

The Board of Directors of the Humboldt Community Services District met in Regular Session at 5:00 p.m. on Tuesday, July 12, 2022, in person and via tele/video conference in accordance with AB 361 and HCSD Resolution 2022-07.

A. CALL TO ORDER AND ROLL CALL

Present upon roll call were Directors Benzonelli, Bongio, Gardiner, Hansen, and Matteoli. Staff in attendance: General Manager Williams (GM), Superintendent Latham, Finance Manager Montag (FM) and Assistant Engineer Adams (AE).

B. PLEDGE OF ALLEGIANCE

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

C. CONSENT CALENDAR

1. Approval of July 12, 2022 Agenda
2. Approval of Minutes of the Regular Meeting of June 28, 2022
3. Consideration of Resolution No. 2022-10 Making Findings Pursuant to Government Code Section 54953 as Amended by Assembly Bill 361, and authorizing the Continued Use of Virtual Meetings for another 30 days

Public Comment: None

DIRECTOR HANSEN MOVED, DIRECTOR MATTEOLI SECONDED, TO ACCEPT AND APPROVE THE JULY 12, 2022 CONSENT CALENDAR. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

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

D. REPORTS

1. General Manager

South Broadway Forcemain – The District received notification from CalOES that FEMA has funded \$2,275,000 representing 75% of the grant application for the South Broadway Forcemain Replacement and Resiliency Project consisting of 2.1 miles of forcemain from the sewer lift station to the City of Eureka’s Wastewater Treatment Plant. The current CIP includes funds for the District’s portion. Staff anticipates construction to begin the summer of 2023.

2. Engineering

- a) Engineering Department Update

DRAFT – MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
HUMBOLDT COMMUNITY SERVICES DISTRICT
July 12, 2022

District Office Building Exterior Repairs – Construction staff are scheduled to begin the project during July.

Hemlock Sewer Reversal – With the renewal of the City of Eureka Encroachment Permit, staff can continue to investigate the plausibility of rehabilitating the City's abandoned main for use as a gravity connection from North Cutten to the MSI.

FCC License Update and Renewal – Staff is now addressing the third of four licenses affirming elimination of wideband transmissions in 2013 and renewing the license for 10 years.

Building Permit Referrals and Underground Service Alert (USA) Tickets – From early May through June 2022, staff responded to 27 building permit referrals and over 400 requests.

3. Superintendent

a) May/June 2022 Construction Operations Report

Reviewed 8 Water Service Line Repairs/Replacements, 10 Water Main Repairs, 3 Water Meter Stops Replacements, potholed existing sewer infrastructure at the Sea Avenue SLS for planning purposes, and repaired the 14-inch sewer force main line near the South Broadway SLS. Concluded the Park Street Steel Water Main Line Replacement Project. Also performed vehicle/equipment maintenance, water meter reading, customer service orders, fill dirt hauling.

4. Finance Department

a) June 2022 Check Register

FM reviewed the report without question.

E. PUBLIC PARTICIPATION

None.

G. NEW BUSINESS

1. Consideration of Disclosure of Employee Reimbursements for Fiscal Year 2021/2022

DRAFT – MINUTES OF THE REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
HUMBOLDT COMMUNITY SERVICES DISTRICT
July 12, 2022

FM summarized the legalities of the annual disclosure for reimbursements to employees.

PUBLIC COMMENT: None

IT WAS THEN MOVED BY DIRECTOR MATTEOLI, SECONDED BY DIRECTOR HANSEN, TO ACCEPT THE 2021/2022 REIMBURSEMENTS DISCLOSURE. MOTION CARRIED UPON THE FOLLOWING ROLL CALL VOTE:

AYES: BENZONELLI, BONGIO, HANSEN, MATTEOLI
NOES: NONE
ABSENT: GARDINER (Web connection failed)

I. ADJOURNMENT

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

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

THE BOARD ADJOURNED ITS REGULAR MEETING OF JULY 12, 2022 AT 5:14 P.M.

Submitted, Board Secretary

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Humboldt Community Services District

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

MEMORANDUM

TO: Board of Directors
FROM: Terrence Williams, General Manager
DATE: July 22, 2022
SUBJECT: General Manager Report for July 26, 2022 Board Meeting

Rate Study

District staff met with the project team from NBS, the consultant performing the District's rate study. During the meeting we reviewed preliminary results from the financial model and discussed the assumptions and inputs used to arrive at those results. Many changes were requested and NBS will be updating the model to reflect those changes.

We also discussed the status of the City's rate study so that we can plan for and schedule our public sessions and because the District's rate study is dependent on the completion of the City's rate study. NBS has prepared preliminary results for the City and has reached out to request a meeting to discuss those results (similar to the meeting that District staff participated in). The City is slow to respond but NBS expects to have that meeting by mid-August.

District staff asked about the City's long term financial planning regarding wastewater treatment, disposal and discharge. To date, the City has not indicated to NBS, the intention to finance a new wastewater treatment plant or additional compliance projects regarding the 2016 Cease and Desist Order other than what is reported in their Capital Improvement Plan(s). NBS staff will be asking City management about their long-term plans to help inform the District's rate study and financial planning.

NBS will continue to collaborate with District staff to refine the financial model and develop the recommendations to the District regarding rate setting. We expect to have another update meeting with the NBS team once NBS has met with the City and has completed updates to the District's financial model.

South Broadway Forcemain

District staff met with a representative from Cal-OES regarding the District's grant funded South Broadway Forcemain project. The meeting was an introduction meeting for staff to engage with Cal-OES to ensure that the project is active and that District staff follow reporting, accounting and procurement procedures properly to avoid funding pitfalls and delays. The next steps in the process are to finalize engineering designs, obtain permits and go to bid for construction services. Cal-OES will be reviewing the District's procurement for engineering services to ensure that FEMA's policies are followed before we move forward with contracts to finalize the engineering designs.

General Manager's Report to the Board of Directors for
July 26, 2022 Board Meeting

Staffing

The District's maintenance department has been down a member since mid-May when a crew member separated from the District to go work in greener pastures. Through our solicitation process we were able to identify several qualified candidates to fill the vacancy. After interviewing the qualified candidates, District staff selected a dynamic, motivated individual and made an employment offer. The individual accepted the offer and is currently going through the pre-employment screening process that includes drug testing, physical fitness, and background checks. Once the pre-employment screening is complete, the individual will begin work for the District. I'm looking forward to introducing you to the newest member of the team.

Humboldt Community Services District

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Engineering Memorandum

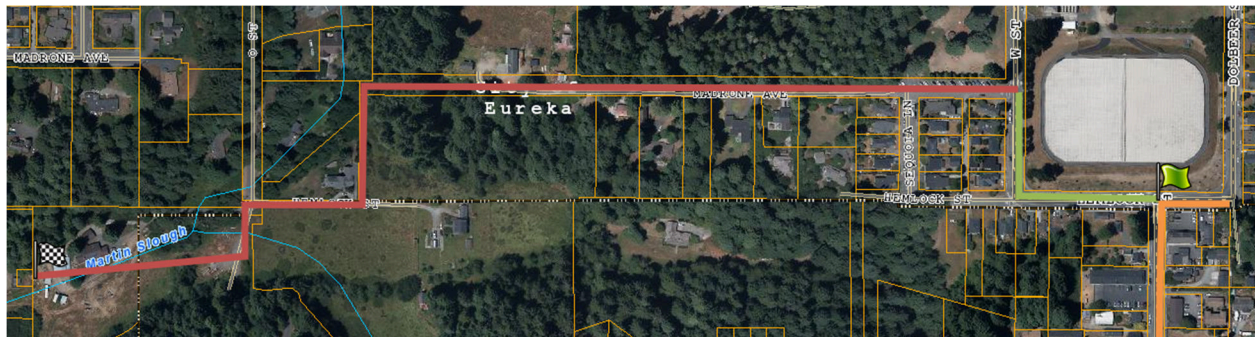
TO: Board of Directors
FROM: Benjamin Adams, Assistant Engineer
DATE: July 22, 2022
SUBJECT: Engineering Dept. Status Report for July 26, 2022 Board Meeting

Hemlock Sewer Reversal

Engineering staff are designing approximately 1000-feet of new gravity sewer main which will connect the existing Northern Cutten sewer system with the Martin Slough Interceptor (MSI) at the City of Eureka's O Street lift station. The new sewer must connect to existing sewer flow lines, maintain appropriate slope, and navigate active utilities within the existing rights of way.

Known utilities include a 6" City & District Emergency water intertie, two 8" City water mains, an 8" and 12" District water main, and PG&E Gas distribution main and services. Additionally, there are notes on the record drawings indicating approximate locations of City water mains which were abandoned in place decades ago.

The image below shows the anticipated plan for connecting the District's existing sewer collection system to the Martin Slough Interceptor at the City's O St. station. The green flag is where the District's existing sewer collection system (orange line) will connect to the new sewer main (green line). The new sewer main will connect to the City's abandoned force main represented by the red line, near the Sequoia Park. The City's O St. station at the left end of the red line, is represented by the checkered flag.



Engineering staff will combine this pipeline design with the information gathered from investigation work performed by Maintenance staff, to define the scope of work and project extents for the Hemlock Sewer Reversal project.

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Humboldt Community Services District

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BOARD MEMORANDUM

To: H.C.S.D. Board of Directors
From: Tim Latham, District Superintendent
Date: May 19, 2022
Subject: May/June 2022 Operations/Maintenance Report

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

Sewer related business included cleaning 12,826 feet of sewer main line and 840 feet of sewer lateral line in various areas throughout the District, filming 857 feet of sewer main line in the Myrtle town area, cleaning the wet wells at the Sequoia sewer lift station, and reviewing sewer filming reports. Crews also replaced the outer enclosure of the Perch Street sewer lift station's electrical control panel due to deterioration.

Other business included taking required water samples within the water distribution system as well as at the Spruce Point and South Bay wells, responding to power outages in the Rosewood and King Salmon areas, preparations for multiple upcoming Capital Improvement Projects, preparations for responding to any issues which may arise from the City of Eureka's Elk River Estuary Enhancement Project currently in progress, assisting the Construction Department with traffic control and conducting interviews for an opening within the Operations/Maintenance Department.

On May 16th, 2022, crews responded to a sewer overflow at the Bailey sewer lift station. Crews assessed the situation, made the necessary repairs, cleaned up the affected area and returned the station to normal operations. All of the required notifications were made.

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance	Note
OPERATING REVENUE							
Metered Water Sales	5,200,000	472,484	5,321,460	5,200,000	121,460	2.3	
Water Charges - Pass Through	-	-	17,150	-	17,150	-	
Sewer Service Charges	5,015,000	434,144	5,222,976	5,015,000	207,976	4.1	
Sewer Service Charges - Pass Through	1,447,800	130,391	1,524,292	1,447,800	76,492	5.3	
Water & Sewer Construction Fees	32,000	6,883	41,307	32,000	9,307	29.1	
Account Fees	140,000	1,945	98,857	140,000	(41,143)	(29.4)	1
Reimbursable Maintenance Fees	1,000	-	761	1,000	(239)	(23.9)	2
Miscellaneous	2,000	137	11,591	2,000	9,591	479.6	2
TOTAL OPERATING REVENUE	11,837,800	1,045,984	12,238,396	11,837,800	400,595	3.4	
NON-OPERATING REVENUE							
Capital Connection Fees	180,000	7,221	131,506	180,000	(48,494)	(26.9)	2
Interest/General	42,000	-	-	42,000	(42,000)	(100.0)	2
Discounts Earned	2,000	94	2,113	2,000	113	5.6	
Sales:Fixed Assets/Scrap Metal	15,700	-	652	15,700	(15,048)	(95.8)	2
Bad Debt Recovery	10,000	251	3,613	10,000	(6,388)	(63.9)	
Property Taxes & Assessments	490,000	-	-	490,000	(490,000)	(100.0)	2
Insurance Rebate	20,000	-	7,207	20,000	(12,793)	(64.0)	
Other Non-Operating Revenue	6,500	-	-	6,500	(6,500)	(100.0)	
TOTAL NON-OPERATING REVENUE	766,200	7,567	145,090	766,200	(621,110)	(81.1)	2
TOTAL DISTRICT REVENUE	12,604,000	1,053,550	12,383,485	12,604,000	(220,515)	(1.7)	
OPERATING EXPENSES							
Wages Direct	1,510,000	118,641	1,437,803	1,510,000	72,197	4.8	
Benefits: PERS	460,000	37,690	450,934	460,000	9,066	2.0	
Group Ins	1,210,000	87,861	1,065,461	1,210,000	144,539	11.9	
Workers Comp Ins	23,000	-	19,526	23,000	3,474	15.1	
FICA/Medicare	117,000	9,152	110,533	117,000	6,467	5.5	
Misc Benefits	600	40	480	600	120	20.0	
Total Wages and Benefits	3,320,600	253,385	3,084,737	3,320,600	235,863	7.1	
Less: wages & ben charged to Capital Proj.	(166,000)	(21,008)	(195,054)	(166,000)	29,054	(17.5)	
Total Operating Wages and benefits	3,154,600	232,377	2,889,683	3,154,600	264,917		
Water Purchase HBMWD	1,075,000	88,468	1,068,005	1,075,000	6,995	0.7	
Water Purchase Eureka	810,000	71,938	779,801	810,000	30,199	3.7	
Sewage Treatment Operations & Maint.	1,465,000	122,104	1,465,248	1,465,000	(248)	(0.0)	
Water/Sewer Analysis	20,000	772	8,388	20,000	11,612	58.1	
Supplies/ Construction	134,000	14,526	180,428	134,000	(46,428)	(34.6)	3
Supplies/ Office-Administration	19,000	603	12,717	19,000	6,283	33.1	
Supplies/ Engineering	2,500	132	629	2,500	1,871	74.9	
Supplies/ Maintenance	97,500	6,558	99,710	97,500	(2,210)	(2.3)	3
Invoicing	52,476	4,652	61,836	52,476	(9,360)	(17.8)	4
Temporary Labor	25,600	2,769	23,965	25,600	1,635	6.4	
Repairs & Maintenance/Trucks	55,000	696	51,543	55,000	3,457	6.3	
Equipment Rental	5,000	-	-	5,000	5,000	100.0	
Building & Grounds Maintenance	32,000	1,811	32,921	32,000	(921)	(2.9)	
Electrical Power	295,800	26,921	288,069	295,800	7,731	2.6	
Street Lights	65,000	2,220	60,816	65,000	4,184	6.4	
Telephone	19,000	848	12,463	19,000	6,537	34.4	
Postage	3,000	345	342	3,000	2,658	88.6	
Freight	500	-	106	500	394	78.7	
Chemicals	12,000	690	8,204	12,000	3,796	31.6	
Liability Insurance	65,000	-	58,474	65,000	6,526	10.0	

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance	Note
Legal	30,000	943	4,406	30,000	25,595	85.3	
Accounting	15,000	648	4,114	15,000	10,887	72.6	
Engineering	1,000	-	526	1,000	474	47.4	8
Other Professional Services	38,000	-	27,641	38,000	10,359	27.3	
Bank Service Charges	35,000	2,072	25,853	35,000	9,147	26.1	4
Transportation	60,000	7,830	64,944	60,000	(4,944)	(8.2)	
Office Equip. Maintenance	14,000	376	2,883	14,000	11,117	79.4	
Computer Software Maintenance	45,000	141	31,645	45,000	13,355	29.7	
Memberships & Subscriptions	22,300	-	23,660	22,300	(1,360)	(6.1)	5
Bad Debts & Minimum Balance Writeoff	200,000	-	72	200,000	199,928	100.0	
Conference & Continuing Ed	20,000	1,262	3,077	20,000	16,923	84.6	
Certifications	5,400	120	2,032	5,400	3,368	62.4	
State/County & LAFCO Fees and Charges	50,000	2,685	33,617	50,000	16,383	32.8	
Hydraulic Water Model Maintenance	6,000	-	-	6,000	6,000	100.0	
Human Resources	20,000	412	7,883	20,000	12,117	60.6	
Miscellaneous	9,000	289	10,245	9,000	(1,245)	(13.8)	6
Director's Fees	16,000	1,300	11,600	16,000	4,400	27.5	
TOTAL OPERATING EXPENSES	7,994,676	596,506	7,357,544	7,994,676	637,132	8.0	
LONG TERM DEBT PAYMENTS							
Safe Drinking Water Bond	177,429	88,715	177,429	177,429	(0)	(0.0)	7
2012 CIP & Refi.	227,100	-	227,100	227,100	-	-	7
Davis-Grunsky Loan	5,912	279	6,051	5,912	(139)	(2.3)	7
VacCon Truck Loan	117,441	-	117,441	117,441	0	0.0	7
2014 Wastewater Revenue Bonds	487,575	-	487,574	487,575	1	0.0	7
TOTAL LONG TERM DEBT PAYMENTS	1,015,457	88,993	1,015,595	1,015,457	(138)	(0.0)	7
CAPITALIZED EXPENDITURES							
Vehicles, Rolling Stock & Equipment	58,000	-	1,943	58,000	56,057	96.7	
Building, Yard & Paving Improvements	170,000	52,292	74,423	170,000	95,577	56.2	
Capital Improvements Water	1,260,000	73,120	986,349	1,260,000	273,651	21.7	
Capital Improvements Sewer	275,000	38,844	151,964	275,000	123,036	44.7	
Engineering & Studies	100,000	700	13,888	100,000	86,112	86.1	8
District Design Standards	-	418	1,690	-	(1,690)	-	
TOTAL CAPITAL EXPENDITURES	1,863,000	165,374	1,230,257	1,863,000	632,743	34.0	
OTHER							
City of Eureka Projects: Treatment Plant	1,336,000	-	572,308	1,336,000	763,692	57.2	
TOTAL City of Eureka Projects	1,336,000	-	572,308	1,336,000	763,692	57.2	
Interfund Transfers In	-	-	-	-	-	-	
Interfund Transfers Out	-	-	-	-	-	-	
BUDGET SURPLUS (DEFICIT)	394,867	202,677	2,207,782	394,867	1,812,915	(459.1)	

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to Date	Y.T.D. Variance Actual to Budget	%
						Variance
OPERATING REVENUE & EXPENSES						
TOTAL OPERATING REVENUE	11,837,800	1,045,984	12,238,396	11,837,800	400,595	3.4
TOTAL OPERATING EXPENSES	(7,994,676)	(596,506)	(7,357,544)	(7,994,676)	637,132	8.0
NET SURPLUS/(DEFICIT) FROM OPERATIONS	3,843,124	449,478	4,880,852	3,843,124	1,037,728	27.0
NON-OPERATING REVENUE & EXPENSES						
TOTAL NON-OPERATING REVENUE	766,200	7,567	145,090	766,200	(621,110)	(81.1)
TOTAL LONG TERM DEBT SERVICE	(1,015,457)	(88,993)	(1,015,595)	(1,015,457)	(138)	(0.0)
SURPLUS/(DEFICIT) BEFORE CAPITAL EXPENDITURES	3,593,867	368,051	4,010,347	3,593,867	416,755	11.6
HCSD CAPITAL IMPROVEMENT EXPENDITURES	(1,863,000)	(165,374)	(1,230,257)	(1,863,000)	632,743	34.0
CITY of EUREKA PROJECT REIMBURSEMENT	(1,336,000)	-	(572,308)	(1,336,000)	763,692	57.2
NEW DEBT ISSUE						
NET INTERFUND TRANSFERS IN/OUT		-	-			
BUDGET SURPLUS (DEFICIT)	<u>394,867</u>	<u>202,677</u>	<u>2,207,782</u>	<u>394,867</u>	<u>1,812,915</u>	<u>(459.1)</u>

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
OPERATING REVENUE						
Metered Water Sales	5,200,000	472,484	5,321,460	5,200,000	121,460	2.3
Water Pass Through	-	-	17,150	-	17,150	-
Water Construction Fees	20,000	3,883	33,607	20,000	13,607	68.0
Account Fees	79,800	1,109	56,349	79,800	(23,452)	(29.4)
Inspection Fees	-	-	-	-	-	-
Reimbursable Maintenance Fees	800	-	761	800	(39)	(4.8)
Miscellaneous	1,000	78	6,607	1,000	5,607	560.7
TOTAL OPERATING REVENUE	5,301,600	477,554	5,435,935	5,301,600	134,335	2.5
NON-OPERATING REVENUE						
Water Capital Connection Fees	90,000	4,263	70,975	90,000	(19,025)	(21.1)
Interest/General	32,966	-	-	32,966	(32,966)	(100.0)
Discounts Earned	1,280	54	1,204	1,280	(76)	(5.9)
Sales:Fixed Assets/Scrap Metal	8,844	-	371	8,844	(8,473)	(95.8)
Bad Debt Recovery	5,700	143	2,059	5,700	(3,641)	(63.9)
FW/MR Assessment	140,000	-	-	140,000	(140,000)	(100.0)
Other Non-Operating Revenue	2,200	-	-	2,200	(2,200)	(100.0)
TOTAL NON-OPERATING REVENUE	280,990	4,460	74,610	280,990	(206,380)	(73.4)
TOTAL DISTRICT REVENUE	5,582,590	482,014	5,510,544	5,582,590	(72,046)	(1.3)
OPERATING EXPENSES						
Wages Direct	709,700	49,850	683,771	709,700	25,929	3.7
Wages & Benefits: Allocated	593,250	45,665	552,293	593,250	40,957	6.9
Benefits: PERS	165,600	7,304	99,098	165,600	66,502	40.2
Group Ins	375,100	24,302	340,336	375,100	34,764	9.3
Workers Comp Ins	12,420	-	9,731	12,420	2,689	21.7
FICA/Medicare	54,990	3,803	52,135	54,990	2,855	5.2
Misc Benefits	-	-	-	-	-	-
Total Wages and Benefits	1,911,060	130,924	1,737,364	1,911,060	173,696	9.1
Less: wages & ben charged to Capital Proj.	(122,840)	(1,898)	(141,161)	(122,840)	18,321	(14.9)
Total Operating Wages and benefits	1,788,220	129,026	1,596,203	1,788,220	192,017	10.7
Water Purchase HBMWD	1,075,000	88,468	1,068,005	1,075,000	6,995	0.7
Water Purchase Eureka	810,000	71,938	779,801	810,000	30,199	3.7
Water Analysis	15,000	772	8,388	15,000	6,612	44.1
Supplies/ Construction	99,160	12,940	142,148	99,160	(42,988)	(43.4)
Supplies/Office-Administration	5,700	344	4,226	5,700	1,474	25.9
Supplies/ Engineering	1,425	75	309	1,425	1,116	78.3
Supplies/ Maintenance	48,750	3,444	35,941	48,750	12,809	26.3
Temporary Labor	11,544	564	12,646	11,544	(1,102)	(9.5)
Repairs & Maintenance/Trucks	30,800	397	27,912	30,800	2,888	9.4
Equipment Rental	3,700	-	-	3,700	3,700	100.0
Building & Grounds Maintenance	1,920	278	4,064	1,920	(2,144)	(111.7)
Electrical Power	162,690	16,661	174,402	162,690	(11,712)	(7.2)
Telephone	6,080	-	-	6,080	6,080	100.0
Postage	1,290	189	187	1,290	1,103	85.5
Freight	285	-	25	285	260	91.1
Chemicals	12,000	690	8,204	12,000	3,796	31.6
Engineering	390	-	526	390	(136)	(34.8)
Other Professional Services	7,600	-	-	7,600	7,600	100.0
Transportation	34,200	4,463	37,018	34,200	(2,818)	(8.2)
Office Equip. Maintenance	2,100	60	570	2,100	1,530	72.9
Computer Software Maintenance	21,600	-	16,378	21,600	5,222	24.2
Memberships & Subscriptions	1,338	-	1,567	1,338	(229)	(17.1)
Bad Debts & Minimum Balance Writeoff	114,000	-	41	114,000	113,959	100.0
Conference & Continuing Ed	7,000	601	1,401	7,000	5,599	80.0
Certifications	1,620	120	982	1,620	638	39.4
State/County & LAFCO Fees and Charges	17,000	1,531	26,532	17,000	(9,532)	(56.1)
Hydraulic Water Model Maintenance	6,000	-	-	6,000	6,000	100.0

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	%
Human Resources	7,800	-	459	7,800	7,341	94.1
Miscellaneous	1,980	-	114	1,980	1,866	94.2
General & Admin Expense Allocation	217,981	11,530	171,434	217,981	46,547	21.4
TOTAL OPERATING EXPENSES	4,514,173	344,089	4,119,482	4,514,173	394,691	8.7
LONG TERM DEBT PAYMENTS						
Safe Drinking Water Bond	177,429	88,715	177,429	177,429	(0)	(0.0)
2012 CIP & Refi.	49,500	-	24,750	49,500	24,750	50.0
Davis-Grunsky Loan	5,912	279	6,051	5,912	(139)	(2.3)
TOTAL LONG TERM DEBT PAYMENTS	232,841	88,993	208,230	232,841	24,611	10.6
CAPITALIZED EXPENDITURES						
Vehicles/Rolling Stock/Capital Equipment	-	-	-	-	-	-
Building & Yard Improvements	-	-	-	-	-	-
Capital Improvements Water	1,260,000	71,769	984,998	1,260,000	275,002	21.8
Engineering & Studies	-	-	255	-	(255)	-
TOTAL CAPITAL EXPENDITURES	1,260,000	71,769	985,253	1,260,000	274,747	21.8
INTERFUND TRANSFERS IN	-	-	-	-	-	
BUDGET SURPLUS (DEFICIT)	(424,424)	(22,837)	197,579	(424,424)	622,003	146.6

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
OPERATING REVENUE						
Sewer Service Charges	5,015,000	434,144	5,222,976	5,015,000	207,976	4.1
Sewer Service Charges - Pass Through	1,447,800	130,391	1,524,292	1,447,800	76,492	5.3
Sewer Construction Fees	12,000	3,000	7,700	12,000	(4,300)	(35.8)
Account Fees	60,200	836	42,509	60,200	(17,692)	(29.4)
Inspection Fees	-	-	-	-	-	-
Reimbursable Maintenance Fees	200	-	-	200	(200)	(100.0)
Miscellaneous	1,000	59	4,984	1,000	3,984	398.4
TOTAL OPERATING REVENUE	6,536,200	568,430	6,802,461	6,536,200	266,261	4.1
NON-OPERATING REVENUE						
Sewer Capital Connection Fees	90,000	2,958	60,531	90,000	(29,469)	(32.7)
Interest/General	9,034	-	-	9,034	(9,034)	(100.0)
Discounts Earned	720	41	909	720	189	26.2
Sales:Fixed Assets/Scrap Metal	6,856	-	280	6,856	(6,576)	(95.9)
Bad Debt Recovery	4,300	108	1,553	4,300	(2,747)	(63.9)
Other Non-Operating Revenue	4,300	-	-	4,300	(4,300)	(100.0)
TOTAL NON-OPERATING REVENUE	115,210	3,107	63,273	115,210	(51,937)	(45.1)
TOTAL DISTRICT REVENUE	6,651,410	571,537	6,865,734	6,651,410	214,324	3.2
OPERATING EXPENSES						
Wages Direct	437,900	36,739	430,835	437,900	7,065	1.6
Wages & Benefits: Allocated	593,250	45,665	552,293	593,250	40,957	6.9
Benefits: PERS	105,800	5,401	62,984	105,800	42,816	40.5
Group Ins	229,900	15,888	222,137	229,900	7,763	3.4
Workers Comp Ins	7,590	-	7,328	7,590	262	3.5
FICA/Medicare	35,100	2,803	32,844	35,100	2,256	6.4
Misc Benefits	-	-	-	-	-	-
Total Wages and Benefits	1,409,540	106,496	1,308,420	1,409,540	101,120	7.2
Less: wages & ben charged to Capital Proj.	(43,160)	(3,145)	(14,991)	(43,160)	(28,169)	65.3
Total Operating Wages and benefits	1,366,380	103,351	1,293,428	1,366,380	72,952	5.3
Sewage Treatment: Operating & Maint.	1,465,000	122,104	1,465,248	1,465,000	(248)	(0.0)
Sewer Analysis	5,000	-	-	5,000	5,000	100.0
Supplies/ Construction	34,840	1,586	38,280	34,840	(3,440)	(9.9)
Supplies/ Office-Administration	5,700	259	3,188	5,700	2,512	44.1
Supplies/ Engineering	1,075	57	270	1,075	805	74.9
Supplies/ Maintenance	48,750	3,114	63,769	48,750	(15,019)	(30.8)
Temporary Labor	4,056	426	9,540	4,056	(5,484)	(135.2)
Repairs & Maintenance/Trucks	24,200	299	23,631	24,200	569	2.4
Equipment Rental	1,300	-	-	1,300	1,300	100.0
Building & Grounds Maintenance	1,600	210	3,066	1,600	(1,466)	(91.6)
Electrical Power	70,992	5,052	55,339	70,992	15,653	22.0
Telephone	3,040	-	-	3,040	3,040	100.0
Postage	960	143	141	960	819	85.3
Freight	215	-	19	215	196	91.1
Legal	-	-	-	-	-	-
Engineering	100	-	-	100	100	100.0
Other Professional Services	7,600	-	1,485	7,600	6,115	80.5
Transportation	25,800	3,367	27,926	25,800	(2,126)	(8.2)
Office Equip. Maintenance	1,540	45	430	1,540	1,110	72.1

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
Computer Software Maintenance	16,200	-	11,091	16,200	5,109	31.5
Memberships & Subscriptions	892	-	1,182	892	(290)	(32.6)
Bad Debts & Minimum Balance Writeoff	86,000	-	31	86,000	85,969	100.0
Conference & Continuing Ed	8,800	-	427	8,800	8,373	95.1
Certifications	1,242	-	135	1,242	1,107	89.1
State/County & LAFCO Fees and Charges	9,000	1,155	6,701	9,000	2,299	25.5
Human Resources	5,800	-	346	5,800	5,454	94.0
Miscellaneous	1,440	-	85	1,440	1,355	94.1
General & Admin Expense Allocation	217,981	11,530	171,434	217,981	46,547	21.4
TOTAL OPERATING EXPENSES	3,415,503	252,697	3,177,194	3,415,503	238,309	7.0
LONG TERM DEBT PAYMENTS						
2014 Wastewater Revenue Bonds	487,575	-	487,574	487,575	1	0.0
2012 CIP & Refi.	177,600	-	88,800	177,600	88,800	50.0
VacCon Truck Loan	117,441	-	117,441	117,441	0	0.0
Debt Service: Allocated	-	-	-	-	-	-
TOTAL LONG TERM DEBT PAYMENTS	782,616	-	693,814	782,616	88,802	11.3
CAPITALIZED EXPENDITURES						
Vehicles/Rolling Stock/Capital Equipment	-	-	350	-	(350)	-
Building, Yard & Paving Improvements	-	-	-	-	-	-
Capital Improvements Sewer	275,000	38,844	151,964	275,000	123,036	44.7
Engineering & Studies	-	-	863	-	(863)	-
TOTAL CAPITAL EXPENDITURES	275,000	38,844	153,177	275,000	121,823	44.3
OTHER						
City of Eureka Projects:						
Treatment Plant	1,336,000	-	572,308	1,336,000	763,692	57.2
Martin Slough	-	-	-	-	-	-
TOTAL OTHER	1,336,000	-	572,308	1,336,000	763,692	57.2
BUDGET SURPLUS (DEFICIT)	842,291	279,995	2,269,241	842,291	1,426,950	(169.4)

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
OPERATING REVENUE						
Interest (will be allocated to w/s @ y/e)	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
TOTAL OPERATING REVENUE	-	-	-	-	-	-
NON-OPERATING REVENUE						
Property Taxes	350,000	-	-	350,000	(350,000)	(100.0)
Insurance Rebate	20,000	-	7,207	20,000	(12,793)	(64.0)
Miscellaneous Income	-	-	-	-	-	-
TOTAL NON-OPERATING REVENUE	370,000	-	7,207	370,000	(362,793)	(98.1)
TOTAL DISTRICT REVENUE	370,000	-	7,207	370,000	(362,793)	(98.1)
OPERATING EXPENSES						
Wages Direct	362,400	32,052	323,197	362,400	39,203	10.8
Benefits: PERS	188,600	24,986	288,852	188,600	(100,252)	(53.2)
Group Ins	605,000	47,671	502,989	605,000	102,011	16.9
Workers Comp Ins	2,990	-	2,468	2,990	522	17.5
FICA/Medicare	26,910	2,547	25,554	26,910	1,356	5.0
Misc Benefits	600	40	480	600	120	20.0
Total Wages and Benefits	1,186,500	107,295	1,143,540	1,186,500	42,960	3.6
Less: wages & ben charged to Capital Proj.	-	(15,965)	(38,902)	-	38,902	-
Less: Allocated to Water and Sewer Funds	(1,186,500)	(91,331)	(1,104,587)	(1,186,500)	(81,913)	6.9
Total Unallocated Wages and Benefits	-	-	52	-	(52)	-
Supplies/ Construction	-	-	-	-	-	-
Supplies/ Administration	6,400	-	5,303	6,400	1,097	17.1
Supplies/ Engineering	-	-	50	-	(50)	-
Supplies/ Maintenance	-	-	-	-	-	-
Invoicing	52,476	4,652	61,836	52,476	(9,360)	(17.8)
Web Payment Portal	-	-	-	-	-	-
Temporary Labor	10,000	1,779	1,779	10,000	8,221	82.2
Repairs & Maintenance/Trucks	-	-	-	-	-	-
Equipment Rental	-	-	-	-	-	-
Building & Grounds Maintenance	28,480	1,323	25,791	28,480	2,689	9.4
Electrical Power	62,118	5,208	58,329	62,118	3,789	6.1
Street Lights	65,000	2,220	60,816	65,000	4,184	6.4
Telephone	9,880	848	12,463	9,880	(2,583)	(26.1)
Postage	750	13	13	750	737	98.2
Freight	-	-	62	-	(62)	-
Liability Insurance	65,000	-	58,474	65,000	6,526	10.0
Legal Services	30,000	943	4,406	30,000	25,595	85.3
Accounting	15,000	648	4,114	15,000	10,887	72.6
Engineering	510	-	-	510	510	100.0
Other Professional Services	22,800	-	26,156	22,800	(3,356)	(14.7)
Bank Service Charges	35,000	2,072	25,853	35,000	9,147	26.1
Transportation	-	-	-	-	-	-
Office Equip. Maintenance	10,360	271	1,883	10,360	8,477	81.8
Computer Software Maintenance	7,200	141	4,176	7,200	3,024	42.0
Memberships & Subscriptions	20,070	-	20,910	20,070	(840)	(4.2)
Bad Debts & Minimum Balance Writeoff	-	-	-	-	-	-
Conference & Continuing Ed	4,200	661	1,249	4,200	2,951	70.3
Certifications	2,538	-	915	2,538	1,623	63.9

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

June 2022

	Budgeted 2021-22	Current Month-to-Date	Actual Year-to-Date	Budgeted Year-to-Date	Y.T.D. Variance Actual to Budget	% Variance
State/County & LAFCO Fees and Charges	24,000	-	384	24,000	23,616	98.4
Elections Expense	-	-	-	-	-	-
Human Resources	6,400	412	7,078	6,400	(678)	(10.6)
Miscellaneous	5,580	289	10,045	5,580	(4,465)	(80.0)
Director's Fees	16,000	1,300	11,600	16,000	4,400	27.5
General & Admin Expense Allocation	(434,762)	(23,059)	(342,868)	(434,762)	(91,894)	21.1
TOTAL OPERATING EXPENSES	65,000	(280)	60,868	65,000	4,132	6.4
LONG TERM DEBT PAYMENTS						
2014 PGE Energy Efficiency Loan	-	-	-	-	-	-
2012 CIP & Refi	-	-	113,550	-	(113,550)	-
Less: Allocated to Water & Sewer Funds	-	-	-	-	-	-
TOTAL LONG TERM DEBT PAYMENTS	-	-	113,550	-	(113,550)	-
CAPITALIZED EXPENDITURES						
Vehicles/Rolling Stock/Capital Equipment	58,000	-	1,593	58,000	56,407	97.3
Building, Yard & Paving Improvements	170,000	52,292	74,423	170,000	95,577	56.2
Engineering & Studies	100,000	700	12,770	100,000	87,230	87.2
District Design Standards	-	418	1,690	-	(1,690)	-
TOTAL CAPITAL EXPENDITURES	328,000	53,410	90,476	328,000	237,524	
INTERFUND TRANSFER OUT		-	-	-		
BUDGET SURPLUS (DEFICIT)	(23,000)	(53,130)	(257,687)	(23,000)	(234,687)	1,020.4

Humboldt Community Services District

Notes June 2022

Note 1 - Account Fees

Under the California State Water and Wastewater arrearage program, the district was required to remove associated account late fees.

Note 2 - Non Operating and Miscellaneous Revenue

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

Note 3 - Supplies - Construction and Supplies - Maintenance

Supplies for construction and maintenance were higher than expected primarily due to two unexpected necessary expenditures: Hot asphalt paving was an unplanned construction expense due to a large water main break on Lucia Ave, and the Pine Hill pump was an unplanned maintenance expense due to pump failure.

Note 4 - Invoicing and Bank fees

Invoicing costs have increased in the current fiscal year due to an increase in postage coupled with implementation of a new online payment system. These increases have been offset by reductions in bank fees associated with the new online payment system.

Note 5 - Memberships & Subscriptions

Annual dues to ACWA paid in October. Very little additional expenses expected to Memberships & Dues for remainder of FY.

Note 6 - Miscellainious

Primary source of miscellainious expense overage is from repairs after recent vandalism

Note 7 - Loan Payments

Loan payments occur periodically throughout the year. Payments for the full year will match budgeted amount for the full year.

Note 8 - Engineering

Engineering Expense - a/c 6810 - Operating Expense	Jun 2022	YTD
Water Fund		
Compaction Testing		
SHN Consulting Engineers	-	526
Total posted to 6810	-	526
Engineering Costs charged to other CIPs:		
S Broadway FM	-	863
Rate Study	700	12,770
Eitzen Annexation	-	255
Grand Total posted to 9040	700	13,888

Humboldt Community Services District

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

AGENDA REPORT

For HCSD Board of Directors Regular Meeting of: July 26, 2022

AGENDA ITEM: G.1 (New Business)

TITLE: Consideration of Adopting Resolution 2022-11 Amending the District's Conflict of Interest Code

PRESENTED BY: Terrence Williams, General Manager

Recommendation:

Motion, and second, to Adopt Resolution 2022-11 Amending the District's Conflict of Interest Code. Roll-call vote.

Summary:

The District last modified its code in August 2016 upon the creation of the Community Services Manager. Now that the District has eliminated the Community Services Manager position and added an Engineer (District, Associate, Assistant) position, it is appropriate to amend Appendix B identifying employees required to comply.

District Legal Counsel Plotz reviewed the attached resolution and draft version of the District's Conflict of Interest Code to ensure District compliance. Changes to Appendix B are reflected by "strikeout" of old text, and "underscore" of new text. Pursuant to Government Code §82011 the Humboldt County Board of Supervisors is the code reviewing body for the District's Conflict of Interest Code. The latest date for submission to the Office of Elections is September 6, 2022. Government Code §87303 provides that the reviewing body has 90 days from submission to approve the proposed amendment and those amendments are not effective until such approval is made by the Supervisors.

Fiscal Impact:

None

RESOLUTION NO. 2022-11

**A RESOLUTION OF THE
HUMBOLDT COMMUNITY SERVICES DISTRICT BOARD OF DIRECTORS
AMENDING THE CONFLICT OF INTEREST CODE**

WHEREAS, the Political Reform Act, Government Code sections 81000 et seq. requires each state or local government agency to adopt, promulgate and keep current a local Conflict of Interest Code; and

WHEREAS, the Humboldt Community Services District's local Conflict of Interest Code was adopted on April 10, 1980, and last amended on August 9, 2016; and

WHEREAS, the Conflict of Interest Code needs to be amended to reflect changes in designated personnel;

NOW, THEREFORE, BE IT RESOLVED, that the Humboldt Community Services District Conflict of Interest Code be modified as follows:

1. Appendix B in which officials and employees are designated and disclosure categories are set forth, are hereby modified and incorporated by reference and constitute the Conflict of Interest Code of the Humboldt Community Services District as attached hereto.
2. This Resolution supersedes all previous Conflict of Interest Codes.
3. Pursuant to Government Code Section 87303, that this Resolution be forwarded to the Humboldt County Board of Supervisors for its approval and be deemed adopted and promulgated by Humboldt Community Services District on such approval.

PASSED, APPROVED, AND ADOPTED this ____ day of _____, 2022 upon the following roll call vote:

AYES:

NOES:

ABSENT:

Alan Bongio, Board President

ATTEST:

Brenda K. Franklin, Secretary

CONFLICT OF INTEREST CODE FOR THE HUMBOLDT COMMUNITY SERVICES DISTRICT

Section 1. Introduction.

In compliance with the Political Reform Act of 1974, California Government Code Section 81000, et seq., and specifically with Section 87300 et seq., the Humboldt Community Services District hereby adopts this Conflict of Interest Code, which shall be applicable to all designated employees of the agency. The requirements of this code are in addition to other requirements of the Act such as the general prohibition against conflicts of interest contained in Government Code Section 87100, and to any other state or local laws pertaining to conflicts of interest.

Section 2. Incorporation of California Fair Political Practices Regulation 18730

This Conflict of Interest Code incorporates by reference those portions of California Fair Political Practices Commission regulation No. 18730 that apply to local entities, officials and employees and any future amendments to those regulations. To the extent that other provisions of this Conflict of Interest Code are inconsistent with California statutes or CA FPPC Regulation 18730, the provisions of the State statute or regulation will control.

Section 3. Definition of Terms.

The definitions contained in the Political Reform Act of 1974, the regulations of the Fair Political Practices Commission (2 Cal. Adm. Code Sections 18100 et seq.), and any amendments to the Actor regulations, are incorporated by reference into this Conflict of Interest Code.

Section 4. Designated Employees.

The persons holding positions listed in Appendix A are designated employees. It has been determined that these officers and employees make or participate in the making of decisions which may have a foreseeable material effect on financial interests.

Section 5. Disclosure Statements.

A designated employee shall be assigned one or more of the disclosure categories set forth in Appendix B. It has been determined that the financial interests set forth in a designated employee's disclosure category are the types of financial interests which he or she foreseeably can affect materially through the conduct of his or her office. Each designated employee shall file statements of economic interests disclosing his or her financial interests as required by the applicable disclosure category.

Section 6. Place of Filing.

All designated employees required to submit a statement of economic interests shall file the original with the Board President who shall be the filing officer for all designated employees other than the Board of Directors.

Upon receipt of the statement of economic interests of the Board of Directors, the agency shall make and retain a copy and forward the originals of these statements to the Humboldt County Board of Supervisors who shall be the filing officer within five days of the filing deadline or five days of receipt in the case of statements filed late.

Section 7. Time of Filing.

(a) Initial Statements. All designated persons holding office and employees employed by the agency on the effective date of this Code shall file statements within thirty days after the effective date of this Code.

(b) Candidate Statements. All candidates for election to office shall file statements within 5 days after the final date for filing nomination petitions. This subsection shall not apply to candidates who have filed disclosure statement with the agency within the previous 12 months.

(c) Annual Statements. All designated employees shall file statements no later than March 31.

(d) Leaving Office Statements. All persons who leave designated positions shall file statements within thirty days after leaving office.

Section 8. Contents of Statements.

(a) Contents of Initial Statements. Initial statements shall disclose any reportable investments and interests in real property and management positions held on the effective date of the Code.

(b) Candidate Statements. Candidate statements shall disclose any reportable investments and interests in real property held on the date of filing the nomination petitions.

(c) Assuming Office Statements. Assuming office statements shall disclose any reportable investments and interests in real property and management positions held on the date of assuming office.

(d) Contents of Annual Statements. Annual statements shall disclose any reportable investments, interests in real property, and income and management positions held or received during the previous calendar year provided, however, that the period covered by an employee's first annual statement shall begin on the effective date of the Code or the date of assuming office whichever is later.

(e) Contents of Leaving Office Statements. Leaving office statements shall disclose reportable investments, interests in real property, and income and management positions held or received during the period between the closing date of the last statement filed and the date of leaving office.

Section 9. Manner of Reporting.

Disclosure statements shall be made on forms supplied by Humboldt Community Services District, and shall contain the following information:

(a) Contents of Investment and Real Property Reports. When an investment or interest in real property is required to be reported, the statement shall contain the following:

(1) A statement of the nature of the investment or interest:

(2) The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged;

(3) The address or other precise location of the real property;

(4) A statement whether the fair market value of the investment or interest in real property exceeds one thousand dollars (\$1,000), exceeds ten thousand dollars (\$10,000), exceeds one hundred thousand dollars (\$100,000), or exceeds one million dollars (\$1,000,000).

(b) Contents of Personal Income Reports. When personal income is required to be reported, the statement shall contain:

(1) The name and address of each source of income aggregating five hundred dollars (\$500) or more in value, or fifty dollars (\$50) or more in value if the income was a gift, and a general description of the business activity, if any, of each source.

(2) A statement whether the aggregate value of income from each source was at least five hundred dollars (\$500) but did not exceed one thousand dollars (\$1,000), or greater than one thousand dollars (\$1,000), greater than ten thousand dollars (\$10,000), or greater than one hundred thousand dollars (\$100,000).

(3) A description of the consideration, if any, for which the income was received;

(4) In the case of a gift, the name and address of the donor, a description of the gift, the amount or value of the gift, and the date on which the gift was received.

(c) Contents of Business Entity Income Reports. When income of a business entity, including income of a sole proprietorship, is required to be reported, the statement shall contain:

(1) The name, address, and a general description of the business activity of the business entity;

(2) In the case of a business entity which provides legal or brokerage services, the name of every person who paid fees to the business entity if the filer's pro rata share of fees from such person was equal to or greater than one thousand dollars (\$1,000);

(3) In the case of a business entity not covered by paragraph (2), the name of every person from whom the business entity received payments if the filer's pro rata share of gross receipts from such person was equal to or greater than ten thousand dollars (\$10,000).

(d) Contents of Management Position Reports. When management positions are required to be reported, a designated employee shall list the name and address of each business entity in which he or she is a director, officer, partner, trustee, employee, or in which he or she holds any position of management, a description of the business activity in which the business entity is engaged, and the designated employee's position with the business entity.

(e) Acquisition of Disposal During Reporting Period. In the case of an annual or leaving office statement, if an investment or interest in real property was partially or wholly acquired or disposed of during the period covered by the statement, the statement shall contain the date of acquisition or disposal.

Section 10. Disqualification.

Designated employees must disqualify themselves from making, participating in the making or using their official positions to influence the making of any governmental decision which will foreseeably have a material financial effect, distinguishable from its effect on the public generally, on:

(a) Any business entity in which the designated employee has a direct or indirect investment worth more than two thousand dollars (\$2,000);

(b) Any real property in which the designated employee has a direct or indirect fair market value interest worth more than two thousand dollars (\$2,000);

(c) Any source of income, other than loans by a commercial lending institution in the regular course of business, aggregating two hundred fifty dollars (\$250) or more in value received by or promised to the designated employee within twelve months prior to the time when the decision is made; or

(d) Any business entity in which the designated employee is a director, officer, partner, trustee, employee, or holds any position of management.

No designated employee shall be prevented from making or participating in the making of any decision to the extent his or her participation is legally required for the decision to be made.

(The fact that a designated employee's vote is needed to break a tie does not make his or her participation legally required for purposes of this section.)

Section 11. Manner of Disqualification.

A designated employee required to disqualify himself or herself shall notify his or her supervisor in writing. This notice shall be forwarded to the Board President, who shall record

the employee's disqualification. Upon receipt of such statement, the supervisor shall reassign the matter to another employee.

In the case of a designated employee who is a board member or commissioner, notice of disqualification shall be given at the meeting during which consideration of the decision takes place and shall be made part of the official record of the board or commission.

APPENDIX A

CONFLICT OF INTEREST CODE FO THE HUMBOLDT COMMUNITY SERVICES DISTRICT

The Political Reform Act, Government Code Section 81000, et. seq. requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation, 2 California Code of Regulations, Section 18730, which contains the terms of a standard conflict of interest code. It can be incorporated by reference and may be amended by the Fair Political Practices Commission after public notice and hearings to conform to the amendments to the Political Reform Act. Therefore, the terms of 2 California Code of Regulations, Section 18730 and any amendments to it duly adopted y the Fair Political Practices Commission are hereby incorporated by reference and, along with the attached Appendix in which Board members and employees are designated and disclosure categories are set forth, constitute the conflict of interest code of the Humboldt Community Services District.

Designated employees shall file statements of economic interests with the agency who will make the statements available for public inspection and reproduction (Government Code Section 81008). Upon receipt of statements of the designated employees, the agency shall make and retain a copy and forward the original of these statements to the Humboldt County Elections Division, County Clerk's Office. Statements of all other designated employees will be retained by the agency.

APPENDIX B

Designated Positions	Disclosure Categories
Members of the Board of Directors	All
General Manager	All
Finance Manager/ Treasurer	All
Superintendent	All
Community Services Manager <u>Engineer</u> <u>(District, Associate, Assistant)</u>	All
Legal Counsel	All
Consultants*	All

*With respect to consultants, the Board of Directors may determine in writing that a particular consultant is hired to perform a range of duties that is limited in scope and thus is not required to comply with the disclosure requirements describe in these categories. Such determination shall include a description of the consultant’s duties, and based on that description, a statement of the extent of disclosure requirements, if any. Such determination shall be forwarded to the Humboldt County Board of Supervisors. Nothing herein excuses any such consultant from any other provision of the Conflict of Interest Code.

Comments: Delete the Community Services Manager, add Engineer classification.

APPENDIX C

General Provisions

When a designated employee is required to disclose investments, sources of income and business positions, he need only disclose investments and positions in business entities and sources of income (other than gifts) which do business in the jurisdiction, plan to do business in the jurisdiction or have done business in the jurisdiction within the past two years. In addition to other activities, a business entity is doing business within the jurisdiction if it own real property within the jurisdiction. Gifts must be disclosed without regard to the location of the donor. When a designated employee is required to disclose interests in real property, he need only disclose real property which is located in whole or in part within or not more than two miles outside the boundaries of the jurisdiction or within two miles of any land owned or used by the Humboldt Community Services District.

Designated employees shall disclose their financial interests pursuant to the appropriate disclosure categories indicated in Appendix A.

Disclosure Categories

Category 1: All investments and sources of income (including loans and gifts).

Category 2: All interest in real property.

Category 3: All business positions.