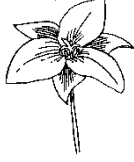


WESTHAVEN COMMUNITY SERVICES DISTRICT

P.O. Box 2015 (446 B 6th Ave. Westhaven) Trinidad CA 95570 (707) 677-0798 wcsd@suddenlinkmail.com



REGULAR MONTHLY BOARD MEETING AGENDA

The regular meeting of the Board of Directors of the Westhaven Community Services District will be held

Wednesday August 17, 2022 at 6:30 p.m. Due to the coronavirus pandemic, until further notice, this and upcoming WCSD Board meetings will be held virtually using ZOOM.

How to Submit Public Comment:

Members of the public may provide public comment before and during the meeting by sending email comments to the WCSD Manager at prosenblatt.wcsd@suddenlinkmail.com Such email comments must identify the agenda item number in the subject line of the email. The comments will be read into the record, with a maximum allowance of three minutes (approximately 500 words) per individual comment, subject to the Board President's discretion. If a comment is received after an agenda item is heard, but before the close of the meeting, the comment will be included as a part of the written record of the meeting but will not be read into the record during the meeting.

Topic: Westhaven CSD monthly board meeting

Time: Aug 17, 2022 06:30 PM Pacific Time (US and Canada)

Join Zoom Meeting

<https://us02web.zoom.us/j/85733336100?pwd=dzZUOXlqY1JpOG5nTms2a09pemNEdz09>

Meeting ID: 857 3333 6100

Passcode: 195570

One tap mobile

+16694449171,,85733336100#,,,,*195570# US +16699009128,,85733336100#,,,,*195570# US (San Jose)

1. CALL TO ORDER

2. PUBLIC COMMENT

Materials related to an item on this Agenda, including materials submitted to the Board after distribution of the Board Packets, are available for public inspection in the WCSD Office at 446 B Sixth Avenue.

Members of the public are invited to comment on any matter within the authority of the WCSD.

Comments may also be offered during the discussion of any item on the agenda.

Board discussion of matters not appearing on the published agenda is prohibited by law.

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

4. RESOLUTION 2022.11 REGARDING AB361 REMOTE MEETING

4.1 Resolution 2022.11 Regarding AB 361 Remote Meeting Via Zoom

5. AMEND / APPROVE MINUTES

5.1 July 20, 2022 - Regular meeting minutes. **Discussion/Approval**

6. FINANCIAL REPORTS, DISCUSSIONS AND APPROVALS

6.1 Directors' Report – monthly billing and collections — **Discussion**

6.2 Water consumption and Sales – **Discussion**

6.3 Income / Expense Report- **Discussion of report format**

6.4 Finance Officer's Recommendations – **Discussion**

6.5 Treasurer's Report and Recommendations – **Discussion**

6.6 July/August warrants – **Discussion/Approval**

7. MANAGER'S REPORT

7.1 Water one known leak this month **Discussion**

8. UPDATE ON GRANT FUNDING AND RELATED ACTIVITES

- 8.1 DWR Small Community Drought Grant work proceeding. **Discussion/Approval**
- 8.2 Update on activities related to well drilling. **Discussion/Approval**
- 8.3 Discussion of the potential financial risk WCSD is facing with multiple grant projects.

9. TECHNICAL ASSISTANCE GRANT FROM DEPT OF FINANCIAL ASSISTANCE

- 9.1 Update on progress of technical assistance grant for Water Plant from DFA. **Discussion**

10. NORTH COAST RESOURCE PARTNERSHIP TECHNICAL ASSISTANCE GRANT TWO CREEKS CAPP

- 10.1 Update on Technical assistance grant for writing the Conceptual Area Protection Plan (CAPP) for the Two Creek watershed to work with Mark Andre and BBW **Discussion/Approval**

11. INTERIM EMERGENCY INTERTIE AGREEMENT

- 11.1 Explanation of the payment process and potential risk factors. **Discussion/Approval**
- 11.2 Interim emergency intertie agreement between the City of Trinidad and Westhaven CSD **Discussion/Approval**

12. ORDINANCE 2022.1 ESTABLISHING REGULATIONS FOR CROSS CONNECTION CONTROL

- 12.1 Ordinance 2022.1 Establishing Regulations for Cross Connection Control. **Discussion/Approval**

13. CALIFORNIA'S NEW SHUT OFF PROTOCOLS

- 13.1 Review WCSD Ordinance 2022-12 Resolution 2022-12 Billing and Collection Procedures Replaces 2013-6 **Discussion/Approval**
- 13.2 Senate Bill No. 998 Chapter 891 regarding shutoff protocols for water utilities. **Discussion**

14. REVIEW CONFLICT OF INTEREST CODE

- 14.1 RESOLUTION 06-7 A RESOLUTION FOR THE WCSD ADOPTING A CONFLICT OF INTEREST CODE PURSUANT TO THE POLITICAL REFORM ACT OF 1974 – Review and determine if revisions are necessary because of changes in State law or District Circumstances. **Discussion/Approval**

15. LETTER OF ENGAGEMENT FOR WCSD AUDIT FOR FISCAL YEARS 21-22 & 20-21

- 15.1 Letter of Engagement of The Pun Group to perform WCSD Audit for years ended June 20, 2022 and June 30, 2021. **Discussion/Approval**

15. RETURN TO IN PERSON MEETINGS

- 15.1 Return to in person meetings **Discussion/Approval**

16. DISCUSSION OF PHILOSOPHICAL, POLITICAL AND META ISSUE ASPECTS OF THE DISTRICT'S EXISTENCE AND OPERATION

- 16.1 Discussion of philosophical, political and meta issue aspects of the District's existence and operation **Discussion**

17. ITEMS FROM MEMBERS OF THE BOARD FOR FUTURE MEETINGS

18. ADJOURN

Regular Meetings of the Board occur on the 3rd Wednesday of the month at 6:30 Pm. The next Regular Meeting will be **September 21, 2022** and will be held via zoom
This agenda is posted pursuant to the provisions of the Government Code commencing at Section 54950.
Posting locations are: 1) WCSD Office; 2) Westhaven Fire Hall and online at the Westhaven CSD website @ westhavencsd.org

The Westhaven CSD will make reasonable effort to accommodate the participation of persons with disabilities.
If you require such accommodation, contact the WCSD office at 677-0798 at least 48 hours prior to the meeting.

WESTHAVEN COMMUNITY SERVICES DISTRICT
RESOLUTION 2022-12

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE WESTHAVEN COMMUNITY SERVICES DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY AB 361 PASSED 9-20-2021 AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF THE LEGISLATIVE BODIES OF THE WESTHAVEN COMMUNITY SERVICES DISTRICT FOR THE PERIOD AUGUST 18, 2022 to SEPTEMBER 21, 2022 PURSUANT TO BROWN ACT PROVISIONS.

WHEREAS, the Westhaven Community Services District is committed to preserving and nurturing public access and participation in meetings of the Board of Directors; and

WHEREAS, all meetings of the Westhaven Community Services District's legislative bodies are open and public, as required by the Ralph M. Brown Act (Cal. Gov. Code 54950 – 54963), so that any member of the public may attend, participate, and watch the District's legislative bodies conduct their business; and

WHEREAS, the Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions; and

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558; and

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the jurisdictions that are within the District's boundaries, caused by natural, technological, or human-caused disasters; and

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, such conditions now exist in the District, specifically 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

WHEREAS, the Board of Directors does hereby find that the Covid 19 pandemic, and, social distancing orders has caused, and will continue to cause, conditions of peril to the safety of persons within the District that are likely to be beyond the control of services, personnel, equipment, and facilities of the District, and desires to proclaim a local emergency and ratify the proclamation of state of emergency by the Governor of the State of California and

WHEREAS, as a consequence of the local emergency, the Board of Directors does hereby find that the legislative bodies of the Westhaven Community Services District shall conduct their meetings without compliance with paragraph (3) of subdivision (b) of Government Code section 54953, as authorized by subdivision (e) of section 54953, and that such legislative bodies shall comply with the requirements to provide the public with access to the meetings as prescribed in paragraph (2) of subdivision (e) of section 54953; and

WHEREAS Meeting agendas are posted at the district office and Fire Hall bulletin boards and online via the districts website www.westhavencsd.org and are open to all via Zoom. .

NOW, THEREFORE, THE BOARD OF DIRECTORS OF WESTHAVEN COMMUNITY SERVICES DISTRICT DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Proclamation of Local Emergency. The Board hereby proclaims that a local emergency now exists throughout the District, and meeting in person pose a high potential of health risk.

Section 3. Ratification of Governor's Proclamation of a State of Emergency. The Board hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of 9-17-2021

Section 4. Remote Teleconference Meetings. The staff and General Manager and legislative bodies of the Westhaven Community Services District are hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including, conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of the Brown Act.

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the 21st of September, 2022 or such time the Board of Directors adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the legislative bodies of the Westhaven Community Services District may continue to teleconference without compliance with paragraph (3) of subdivision (b) of section 54953.

PASSED, APPROVED AND ADOPTED by the Board of Directors of the Westhaven Community Services District, this **17th day of August, 2022**, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

William Verick, President
Westhaven Community Services District

ATTEST:

Roxanne Levang, Secretary
Westhaven Community Services District

WESTHAVEN COMMUNITY SERVICES DISTRICT
Regular Meeting Minutes
July 20, 2022

1. CALL TO ORDER

Board President Verick called the meeting to order at 6:33 PM. In attendance were:

Board Members: Verick, Cline, Swisher & Llanos

Absent: Hankin

Staff: Rosenblatt, Whitlow-Hewett & Levang

Guests: Elaine Weinreb

2. PUBLIC COMMENT

None at this time

3. AMEND / APPROVE ORDER OF AGENDA ITEMS

Verick moved to approve the order of agenda items. Seconded by Swisher; all approved.

4. RESOLUTION 2022-10 REGARDING AB361 REMOTE MEETING**4.1 Resolution 2022-10 Regarding AB 361 Remote Meeting Via Zoom**

Verick moved to approve Resolution 2022-10 Remote Meeting. Seconded by Cline; all approved.

5. AMEND / APPROVE MINUTES**5.1 June 15, 2022 regular meeting minutes**

Amend June 15th meeting as follows:

Page 1, item 2, Public Comment, 3rd sentence change "~~surveying East Westhaven Drive down to 6th & 5th Avenues and Kalstrom~~" to read "*surveying from the east side of Westhaven Drive down 6th Avenue to Kahlstrom and 7th Avenues.*"

Page 2, item 8.2, 5th line from the bottom of the page, change "~~are good at letting you change the scope of the project so can cover the well drilling~~", to read "*may allow a change of scope to complete the project.*"

Page 3, item 14.1, 2nd line from the bottom of the page, change ~~the place~~ to *occupancy*. Last line at bottom of page change, ~~tries to evict us to~~ *begin eviction proceedings*.

Page 4, item 17.1, last sentence change "~~changes on~~" to read "*changes, to be added to*".

Verick moved to approve June 15, 2022 regular meeting minutes as amended. Seconded by Llanos; all approved.

5.2 June 29, 2022 special meeting minutes.

Cline had a couple changes in the amounts listed. Levang said she already made the changes on the original document.

Verick moved to approve June 29, 2022 special meeting minutes with identified corrections. Seconded by Cline; all approved.

6. FINANCIAL REPORTS, DISCUSSION AND APPROVALS**6.1 Director's Report-monthly billings and collections - discussion**

Board packets contained Directors report. Total June, 2022 water sales were \$24,619.30, and total receivables were \$25,808.78. No discussion

6.2 Water Consumption and Sales - Board packets contained Water Consumption and Billings-Commodity Charges Only report. June, 2022 gallons billed 627,530; average gallon per day

per meter readings 94; per person 43, average monthly charge per accounts \$49.63 total monthly charges \$10,026; monthly deviation from budget \$1,465. Llanos simplified the monthly report making it more user friendly. Llanos gave an overview of the changes, the group liked the changes. Rosenblatt thanked Llanos for his work.

6.3 Income & Expense Report – discussion

Board packets contained an Income & Expense report for June, 2022. Total income \$20,919, total expense \$25,665, with a net operating income of -\$4,746. Levang suggested changes to the Income & Expense report making it less confusing. Levang explained that she is removing the bottom portion, Capital/Other Expenses, because those amounts are automatically deducted from the monthly total income and adding that portion on the bottom is confusing.

6.4 Finance Officer's Recommendations – No recommendations

6.5 Treasurer's Report and Recommendations – discussion

Board packets contained a copy of the June, 2022. Treasurer's report. Account balances were as follows: Capital Reserves \$231,123.74; Operating Reserves \$52,293.24; DWR Reserve CD \$28,902.56; DWR Loan Savings \$8,826.68; Checking Account as of 7/15/2022 \$6,630.84. The board questioned the low balance in the checking account. Levang explained that the annual payment for the 2022-2023 Property/Liability insurance was paid and a large check to GR Sundberg, most of which is reimbursable from grants. Levang has not sent in the \$60,000 transfer request from the capital reserve into the checking account to cover capital grant expenses.

6.6 June/July Warrants

Verick moved to approve warrants #'s7077 through 7115, one Federal payroll tax deposit and one State payroll tax deposit, totaling \$45,615.52. Seconded by Cline; all approved.

7. MANAGER'S REPORT

7.1 Water Loss increased from 7.5 GPM in May to 8.3 GPM in June for 38.7% of total production of 1,023,540 gallons. There were two known system leaks.

Board packets contained a summary table of 13 months water loss history. June 2022 water loss is at 38.7%, average water loss in the last 13 months is 25.3%. Rosenblatt reported that the leaks are in the old poly pipe. He is collecting statistics, making a case for a grant proposal to replace those waterlines.

8. UPDATE ON GRANT FUNDING AND RELATED ACTIVITIES

8.1 DWR Small Community Drought Grant

8.2 Update on activities related to well drilling.

Rosenblatt reported that he is waiting to receive a proposal from the second well driller. He has been working on the permit renewal, or emergency permit, for the waterline project. The surveyors will be here August 1 surveying Westhaven Drive and 6th Avenue. The well drilling permits are active and we can start drilling at any time. We still need permits for the pump house. The waterlines will be a separate permit. The biologist is doing wetland study for the waterline on 6th Avenue. The board reviewed a map showing the waterlines that were replaced and the waterlines that Rosenblatt is proposing to be replaced. Rosenblatt gave a big thank you to Llanos for his time and skill developing the map. Rosenblatt said the State is aware of the problem of inflation making the projected expenses too low to finish projects and they are looking for solutions. There is good potential for more grant funds being offered. The strategy is to get as much of the project done that we have current funds for and applying for a new grant to finish the project.

9. TECHNICAL ASSISTANCE GRANT FROM DEPT OF FINANCIAL ASSISTANCE

9.1 Update on progress of technical assistance grant for the Water Plant from DFA. Rosenblatt said that they are wrapping up loose ends and PACE is almost to the point that he can submit an application for a construction grant. 90% of the design for the new treatment plant has been completed. He has been waiting 7 months for the additional funding. There has been discussion of skipping the additional funds and going straight to the grant application for the construction funding.

10. NORTH COAST RESOURCE PARTNERSHIP TECHNICAL ASSISTANCE GRANT TWO CREEKS, CAPP

10.1 Update on technical assistance grant for writing the Conceptual Area Protection Plan (CAPP) for the Two Creek watershed, working with Mark Andre and BBW.

Rosenblatt reported the draft is almost ready for his review, and then he will bring to the board for their review. They are figuring out how the public engagement piece will be implemented. They have been reviewing maps of the watersheds. A \$5,000 grant has been submitted for two days of staff time to remove ivy.

11. INTERIM EMERGENCY INTERTIE AGREEMENT

11.1 Interim emergency intertie agreement between the City of Trinidad and Westhaven CSD. An overview was discussed on the billing process and timeline of the grant. The City of Trinidad will be administering the grant. WCSD will invoice, per the grant requirements, and send to Trinidad to include with their reporting/invoicing and submission. A check will go to Trinidad and they will cut a check to WCSD. There was a discussion of time lines for payment and cash flow. WCSD has requested an advance payment. We can receive 25% of the funding amount in an advance payment to assist with cash flow issues.

The board reviewed the Intertie Agreement and discussed areas where they would like to have further discussion with the City of Trinidad and revisions to the agreement. Issues discussed were the definition of "emergency", how to activate the intertie for non-emergencies, potability of the water, and confirmation that the entity receiving water treats the water. The discussion moved on to the concern that with inflation whether or not there is enough funding to complete the project and how the District will address those issues. There were too many questions for the board to approve anything at this meeting. Verick proposed giving authority to the committee to meet with the City of Trinidad and negotiate an agreement on behalf of the district. Negotiate revisions to the agreement and bring back to the board at the August meeting.

12. ORDINANCE 2022-1 ESTABLISHING REGULATIONS FOR CROSS CONNECTION CONTROL

12.1 Ordinance 2022.1 Establishing Regulations for Cross Connection Control. The board did the first reading of the Ordinance. Rosenblatt recorded the edits from the board.

Verick moved to approve Ordinance 2022-1 as amended. Seconded by Swisher; all approved.

13. CALIFORNIA'S NEW SHUT OFF PROTOCOLS

13.1 Review WCSD Ordinance 2021-3 Adopting a Water Conservation Program and Water Supply Emergency Ordinance

13.2 Resolution 2015-5 Implementing Water Conservation Measures as mandated by the State Water Resources Control Board

Table until next meeting

14. GOVERNORS DROUGHT ORDER N-7-22 AND SB 552

14.1 Governor's drought order N-7-22

14.2 DWR SB 552 Notification

Rosenblatt said he wanted the board to be aware of the Governors Drought Order and DWR SB 552 Notification. Rosenblatt read from the SB 522 Table 1 bench marks. There was brief discussion. Verick said it was good to hear how on top of things the District is.

15. RETURN TO IN-PERSON MEETINGS

15.1 return to in-person meetings – discussion

Verick moved to continue meeting via Zoom. Seconded by Cline; all approved.

16. DISCUSSION OF PHILOSOPHICAL, POLITICAL AND META ISSUE ASPECTS OF THE DISTRICT'S EXISTENCE AND OPERATION.

16.1 Discussion of philosophical, political and meta issue aspects of the district's existence and operation.

Verick stated that we basically had discussion in the context of the Intertie conversation.

17. ITEMS FROM MEMBERS OF THE BOARD FOR FUTURE MEETINGS

Discussion of potential financial risk WCSD is facing with multiple grant funded projects

18. ADJOURN

Verick adjourned the meeting at 8:53 PM.

Respectfully Submitted,

Roxanne Levang
WCSD Secretary

Directors Report

Westhaven CSD

Water Pumped This Month	675,000 Gallons
Water Sold This Month	567,100 Gallons
Water Loss	107,900 Gallons
Water Loss (%)	15.99 %

	Amount (\$)	# Of Accounts
Total Water	23,547.99	232
Total Late Charge	104.00	49
Total Adjustments	106.85	3
Total Current Charges	23,758.84	232
Amount Past Due 1-30 Days	4,964.62	53
Amount Past Due 31-60 Days	1,733.43	18
Amount Past Due Over 60 Days	4,105.38	12
Amount Of Overpayments/Prepayments	-6,536.92	45
Total Receivables	28,025.35	232

Total Receipts On Account	21,542.27	178
Net Change in Memberships	0.00	0
Amount of All Memberships	0.00	

Turned Off Accounts (Amount Owed)	0.00	13
Collection Accounts (Amount Owed)	0.00	13
Number Of Unread (Turned On) Meters		

Average Usage For Active Meters	2,413	235
Average Water Charge For Active Meters	101.50	232

Usage Groups	Gallons	# Of Accounts	Usage Gallons	% Of Usage	% Of Sales
Over 50,000		0	0	0.00	0.00
40,001-50,000		0	0	0.00	0.00
30,001-40,000		0	0	0.00	0.00
20,001-30,000		0	0	0.00	0.00
10,001-20,000		3	43,680	7.70	3.75
8,001-10,000		4	34,560	6.09	3.43
6,001-8,000		6	43,090	7.60	4.61
4,001-6,000		27	129,100	22.77	15.95
2,001-4,000		82	226,610	39.96	37.14
1-2,000		86	90,060	15.88	28.53
Zero Usage		27	0	0.00	6.59
Total Meters		235	567,100	100.00	100.00

WATER CONSUMPTION AND BILLINGS - COMMODITY CHARGES ONLY

ITEM 6.2

Annual adjustments to the commodity rates involve estimation of anticipated water use.

This report tracks billings as compared to budgeted averages based on all meters showing any use.

It is not weighted to anticipate seasonal variations in water use.

Adjustments for reported customer leaks have not been included in the monthly totals.

July 2022

USAGE							CHARGES			
GPD = Gallons per day							Avg persons per household: 2.20			
2022-23	DAYS BILLED	GALLONS BILLED	ACTIVE METERS	GPD BILLED	GPD per METER	GPD per PERSON	TOTAL MONTHLY CHARGES	AVG CHARGE PER ACCOUNT	DEVIATION FROM BUDGET	CUMMULATIVE DEVIATION
JUNE	33	627,530	202	19,016	94	43	\$ 10,026	\$ 49.63	\$ 1,465	\$ 1,465
JULY	28	567,100	205	20,254	99	45	\$ 9,056	\$ 44.18	\$ 496	\$ 1,960
AUG				-	-	-		-	-	\$ -
SEPT				-	-	-		-	-	\$ -
OCT				-	-	-		-	-	\$ -
NOV				-	-	-		-	-	\$ -
DEC				-	-	-		-	-	\$ -
JAN				-	-	-		-	-	\$ -
FEB				-	-	-		-	-	\$ -
MAR				-	-	-		-	-	\$ -
APR				-	-	-		-	-	\$ -
MAY				-	-	-		-	-	\$ -
Monthly AVG	30.5	597,315	204	19,635	96	44	\$ 9,541	\$ 46.90	\$ 980	
Total		1,194,630 (gal)					\$ 19,082		\$ 1,960	\$ 1,960
Leak Adjustment		16,201 (gal)					\$ 194			
Cummulative Leak Adjustment		16,201					\$ 194			
Net		1,178,429 (After Leak Adjustments)					\$ 18,888			\$ 1,766.06

BUDGETED ANNUAL COMMODITY INCOME: \$ 102,729
 BUDGETED COMMODITY PER MONTH: \$8,561
 BUDGETED COMMODITY PER PERSON PERMONTH: \$ 41.96

SOLD TO DATE

2022-2023 1,194,630 = 85%
 2021-2022 1,405,260 OF 21-22

TOTAL BILLINGS TO DATE

2022-2023 \$19,082 = 89%
 2021-2022 \$21,383 OF 21-22

2021-2022										
JUNE	28	793,200	205	28,329	138	63	\$ 12,069	\$ 59	\$ 3,508	\$ 3,508
JULY	28	612,060	206	21,859	106	48	\$ 9,314	\$ 45	\$ 754	\$ 4,262
AUG	34	773,350	209	22,746	109	49	\$ 11,702	\$ 56	\$ 3,142	\$ 7,404
SEPT	28	586,540	205	20,948	102	46	\$ 8,874	\$ 43	\$ 313	\$ 7,717
OCT	29	519,020	207	17,897	86	39	\$ 7,846	\$ 38	\$ (714)	\$ 7,003
NOV	33	536,010	207	16,243	78	36	\$ 8,161	\$ 39	\$ (399)	\$ 6,603
DEC	29	446,110	199	15,383	77	35	\$ 6,719	\$ 34	\$ (1,842)	\$ 4,761
JAN	30	529,770	203	17,659	87	40	\$ 8,065	\$ 40	\$ (496)	\$ 4,266
FEB	32	519,060	201	16,221	81	37	\$ 7,866	\$ 39	\$ (694)	\$ 3,571
MAR	30	533,550	201	17,785	88	40	\$ 8,118	\$ 40	\$ (442)	\$ 3,129
APR	27	454,630	200	16,838	84	38	\$ 6,917	\$ 35	\$ (1,643)	\$ 1,486
MAY	30	517,260	200	17,242	86	39	\$ 7,872	\$ 39	\$ (689)	\$ 797

**Westhaven Community Services District
FY 2020-2021 Income / Expense Report
as of July 2022**

ITEM 6.3

Annual		<u>OPERATING BUDGET</u>			<u>CURRENT</u>			<u>CUMULATIVE</u>		
<u>Budget</u>	<u>Income</u>	July 2022	Monthly Budget	Over/Under	July 2022 thru July 2022	Jul '22 thru June 2023 Budget	Over/Under	% of Budget		
249,859	Water Sales	19,619	20,822	-1,203	19,619	20,822	-1,203	94.2%		
<u>3,282</u>	Water Services	<u>354</u>	<u>274</u>	<u>81</u>	<u>354</u>	<u>274</u>	<u>81</u>	129.4%		
<u>253,141</u>	Total Income	<u>19,973</u>	<u>21,095</u>	<u>-1,122</u>	<u>19,973</u>	<u>21,095</u>	<u>-1,122</u>	94.7%		
	<u>Expense</u>									
1,086	Source of Supply	164	91	74	164	91	74	181.2%		
11,536	Pumping	1,016	961	55	1,016	961	55	105.7%		
49,270	Water Treatment	2,949	4,106	-1,157	2,949	4,106	-1,157	71.8%		
13,725	Transmission & Distribution	718	1,144	-426	718	1,144	-426	62.8%		
11,329	Customer Accounts	437	944	-507	437	944	-507	46.3%		
156,195	Administrative & General	14,651	13,016	1,635	14,651	13,016	1,635	112.6%		
<u>10,000</u>	Operating Reserves Contrib.	<u>0</u>	<u>833</u>	<u>-833</u>	<u>0</u>	<u>833</u>	<u>-833</u>	0.0%		
253,141	Total Expense	<u>19,935</u>	<u>21,095</u>	<u>-1,160</u>	<u>19,935</u>	<u>21,095</u>	<u>-1,160</u>	94.5%		
	Net Operating Income	38	0		38					

WESTHAVEN COMMUNITY SERVICES DISTRICT
Treasurer's Report
July 2022

ITEM # 6.5

<u>BALANCE</u>	<u>CURRENT RATE</u>	<u>TYPE LOCATION</u>	<u>F/Y BUDGETED CONTRIBUTION</u>	<u>F/Y CONTRIBUTIONS YET TO BE MADE</u>	<u>F/Y DEPOSITS TO DATE</u>	<u>F/Y WITHDRAWALS TO DATE</u>
\$231,123.74	1.69800	Capital Reserves Hum Co Fund 2600		\$ 20,000		
					Note: The last qrtly report we have received from the County was for quarter ended 9/30/2020	
\$52,391.14	0.24000	Operating Reserve LAIF # 16-12-005		\$ 10,000	\$97.90	7/15/22 Interest
\$28,902.26	0.50000	DWR CD Reserve CD Umpqua 2368	Held in reserve for the term of the loan - until 2024			
\$11,026.98	0.03000	DWR Loan Savings Saving Umpqua 0648	Accumulates for Semi-Annual payments of \$13,200.95 to Dept of Water Resources		Automatic Monthly deposit from checking of \$2200.23 (annual total \$26,402.76)	
\$11,656.56		Checking Account Umpqua 5013				Checking Balance as of 8/12/2022

contribution (from Financial Procedures Manual) **Reserve contributions historically made at end of fiscal year.**

Reserve Funds (From Financial Procedures Manual)

2022/2023 Regular Operating Budget \$243,151. X 25% = \$60,785.25

INTERIM MEMORANDUM OF AGREEMENT

Between City of Trinidad

and

Westhaven Community Services District

**For the Design, California Environmental Quality Act Compliance,
Permitting, Construction and Operation of the Trinidad – Westhaven
Emergency Intertie Project**

This Interim Memorandum of Understanding For the Design, California Environmental Quality Act Compliance, Permitting, Construction and Operation of the Trinidad-Westhaven Emergency Intertie Project (this “MOA” or “Agreement”), is made and entered on this ____ day of _____, 2022, by and between the City of Trinidad (hereinafter “City”) and the Westhaven Community Services District (hereinafter “District”). Collectively, the City and District shall be referred to as ‘Parties’.

RECITALS

A. WHEREAS, situations may arise due to pipeline failures or other emergencies where one of the potable water systems for the District or City may require a short-term supply of water from the other system; and

B. WHEREAS, City and District wish to work cooperatively for the benefit of the citizens of the City and District in case of emergencies; and

C. WHEREAS, when the City and District have excess water production capacity, City is willing to sell water to District and District is willing to sell water to City during emergency situations under the terms and conditions described herein; and

D. WHEREAS, both the City and the District recognize the need to construct and maintain an interconnection pipeline to effectuate the mutual provision and acceptance of excess water production capacity when necessary for the protection of public health and safety and/or to respond to emergency events.

E. WHEREAS, the Department of Water Resources has awarded to the City funding to construct the emergency intertie through a Multi Benefit Drought Relief

Program Grant (“MBDRP Grant”) funding in the amount of \$1,856,600.00 to plan and construct the Project 1 Trinidad-Westhaven Emergency Intertie under Grant Agreement No. 4600014620 (the “Emergency Intertie Project”), which is attached hereto as **Exhibit A** and incorporated herein by reference (the “Grant Agreement”).

NOW THEREFORE, based on the foregoing recitals of fact the City and District mutually agree as follows:

AGREEMENT

1. For the term stated in Section 18 of this MOA, below, City may accept potable water from District and District may accept potable water from City through a pipeline, more particularly described below, connecting the distribution systems of the parties which are located on/near Westhaven Drive, Trinidad, California.

2. The costs for the Emergency Intertie Project include two categories (a) costs to plan and construct the intertie facility; (b) ongoing operation and maintenance costs.

3. The financial responsibilities of each party to this MOA for the Emergency Intertie Project shall be as provided in **Exhibit B** to this MOA, attached hereto and incorporated by reference herein, which exhibit details the cost apportionment and respective payment obligations of the City and District, respectively. Planning and construction costs for the Emergency Intertie Project include, without limitation, costs for easement acquisition, preparation of engineering and design documents, environmental documents, permitting costs, and costs of construction and closeout, all of which are more particularly described in the estimate recited in **Exhibit B1**, entitled “Construction Budget”, attached hereto and incorporated herein by reference. In the event that costs exceed the budgeted funds for the construction contract provided through the MBDRP Grant, the parties will reduce scope of project while still accomplishing objectives and/or seek additional funding. If there is still a funding shortfall, the additional funds required to complete construction (construction contract only) shall be apportioned between the City and District according to their respective most recent relative annual water sales. **Thus, for example, if City annual water sales revenue were twice that of District, then the sharing of cost overruns would be 66.66% City: 33.33% District**

Each party agrees to split 50%-50% the operation and maintenance costs of the emergency intertie system. Operations and Maintenance (O & M) financial responsibilities will include all expenses for ongoing operation and maintenance of the Emergency Intertie Project following completion of the construction phase, which are

more particularly described in the estimate recited in **Exhibit B.2**, entitled “Operations & Maintenance Budget and Apportionment”, which is attached hereto and incorporated by reference. Each party will maintain records of O & M activities and costs incurred and make payments as described in PAYMENTS 17 below.

4. City may accept potable water from District and District may accept potable water from City which is of sufficient quality to meet the standards for potable water for municipal water prescribed by the California Department of Health Services.

5. During an emergency situation (as defined below) and subject to the conditions described herein, City agrees to provide to District, and District agrees to provide to City available quantities of potable water as determined by the supplying water operator. The intertie system capacity is designed for one hundred (100) gallons per minute. Operators may increase the pumping rate in the short term if warranted.

6. The quantity of water delivered to either system shall be determined by the supplying operator and could include production and storage water but the supplier’s tanks shall always maintain at least half their storage capacity at all times.

7. The emergency intertie would be activated only under conditions of a water emergency: when a water system failure or an active fire emergency cause either the City or the District to have insufficient water available for human consumption, sanitation, or fire protection. At least the following events could trigger activation of the emergency intertie: (a) a large unanticipated system leak results in less than adequate volume to supply customer demand; (b) a short-term treatment plant or equipment failure disrupts ability to deliver potable water that meets drinking water standards; (c) a short-term failure or leakage of storage tanks reduces source capacity below system demand.

The emergency intertie is not intended to be used to routinely augment anticipated chronic late summer/early fall low flow production in either water system. Emergency conditions shall not include supplementing water volume during periods of high demand if the system is in a normal operational mode or during scheduled repairs or maintenance unless mutually agreed to in writing through an amendment to this agreement.

8. Emergency notification:

- a. Each party will designate a Subcommittee with a minimum of three members with the power to authorize a declaration of emergency and to respond to operators in the event of activation of emergency intertie.

- b. The operators, or their designee, are empowered to activate the emergency intertie with coordination of both operators and will then notify their respective Subcommittee within 24 hours to inform them of the activation and nature of the emergency. Within 48 hours operators will update their respective Subcommittee and prepare for a longer-term emergency if warranted.
- c. If the emergency lasts more than 72 hours the Subcommittees will meet and, if judged appropriate, declare a Water Emergency for ongoing use of the emergency intertie.
- d. Once a water emergency is declared, the operators and their subcommittees shall meet every 48 hours to review the emergency status until the subcommittees declare the water emergency is over.

Declaration of a water emergency should cause each Party to implement customer notification of emergency and water conservation measures. **For the District, emergency conservation measures are specified in Section 6 of WCSD Ordinance 2014-02 (“Adopting a water conservation program and water supply emergency ordinance”); for the City, emergency conservations measures that must be adopted are specified in Stage 4, “Severe Water Storage Emergency” from the Trinidad Water Storage Contingency Plan adopted 10 August 2021.** 9. Neither City nor District shall be required to accept potable water made available by the other party to this MOA.

10. Both City and District shall jointly review, comment on and approve, in their respective discretion, the draft design of the pump station and interconnection pipeline to be constructed pursuant to this MOA, and in accordance with the Grant Agreement. The specific roles and responsibilities of the City and the District with respect to the grant project, pump station and interconnection pipeline/valve maintenance are described in **Exhibit C**, which is attached hereto and incorporated by reference.

11. Each party agrees to address known leaks in a timely fashion, and maintain their respective systems in good working order so that emergency conditions are not prolonged unnecessarily.

RESPONSIBILITIES OF CITY

12. The City shall be responsible for administering the MBDRP Grant as Grantee, responsible for grant administration, agreement management, invoicing and reporting. The City shall serve as a cooperating agency and with the City’s engineers and planner shall review and concur with District project work products and design

specification as specified in the **Exhibit C.2**, City Project Responsibilities, which is attached hereto and incorporated by reference.

RESPONSIBILITIES OF DISTRICT

13. The District shall be the implementing agency (sub-grantee) for planning and construction of the pipeline, pump station, valves, and metering devices and be responsible for completion of the scope of work for construction of the pipeline and pump station project in accord with the terms and conditions of the Grant Agreement. As the Implementing Agency the District will be responsible for the delivery of the Project and the day-to-day activities of the Project. District responsibilities include project management, contract management, invoicing, reporting, design, engineering, environmental, permitting, construction administration and closeout.

14. The District shall work collaboratively with City and City's consultants, DWR Grant Manager and Division of Drinking Water staff in decision-making and securing approvals; and shall provide work products to City for review and concurrence prior to finalizing design specifications as specified in **Exhibit C.1**, WCSD Project Responsibilities, which is attached hereto and incorporated by reference.

11. The District shall construct, test, and place the interconnection pipeline and pump station into operation and shall afford City an opportunity to witness and comment upon the testing.

PAYMENT

15. Cost of water delivered shall be the same for both Parties and shall be determined as the lower of either Party's current commodity rate for water at the time water is delivered.

16. If an emergency is fire related there would be no cost for the water supplied.

17. Payment for potable water purchase under this MOA shall be made within 30 days as billed by the providing party following an emergency water delivery. Each party shall bill the other only for the volume of water delivered. There will be no charge for water used by either party to periodically flush the line and hydrants and periodic operation of the pump for maintenance purposes. An accounting of water delivered, billings issued, and payments made shall be maintained by each party hereto and each party's accounting shall be subject to audit by the other party. Annually, the parties will

review the O & M costs incurred to determine if payment is due by the party incurring lesser costs to the party incurring greater costs.

TERM

18. The term of this MOA shall be for a period of forty (40) years beginning on the date first written above, which is the expected functional life of the improvements. This MOA may be extended upon the mutual written consent of the City and District.

LICENSE FOR ENTRY ON CITY PROPERTY BY DISTRICT

19. For the term of this MOA, and subject to all terms and conditions herein, CITY agrees to afford access and permit the District to enter the following portions of City real property to the extent reasonably necessary for the purposes of the construction, maintenance, and operation of a pump station: City owned real property identified by Assessor's Parcel Number [to be identified] and more particularly described in **Exhibit D**, attached hereto and incorporated herein by reference.

OWNERSHIP OF PUMP STATION AND INTERCONNECTION PIPELINE

20. The City and the District will mutually maintain ownership of the pump station and interconnection pipeline improvements through the term of this MOA. At the conclusion of the term of this MOA, the District shall have the option to remove the pump station from the property of City or offer to sell the pump station to the City at fair market value. In the event City terminates this Agreement at any time prior to expiration of the full term (i.e., prior to expiration of the 40 year term), the District shall have the right to determine whether to remove the pump station from the City's real property recited in Section 16 (above), or allow it to remain. In the event District terminates this Agreement at any time prior to expiration of the full term (i.e., prior to expiration of the 40 year term), the City shall have the right to determine whether District is to remove the pump station from the City's real property or whether the pump station shall remain in its location, in which case it shall thereafter constitute the City's improvement and the City shall have no obligation to compensate the District for allowing the pump to remain.

INDEMNIFICATION

21. Each party shall indemnify, defend (with legal counsel acceptable to the indemnified party) and hold the other harmless against all actions, claims, demands, and

liabilities and against all losses, damages, costs, expenses, and attorney's fees, arising directly or indirectly out of an actual or alleged injury to a person or property in the same proportion that its own acts and/or omissions are attributed to said claim, demand, liability, loss, damage, cost, expenses, and/or attorney's fees.

ASSIGNMENT

22. Except for an assignment to a successor operator or agency as stated in this Section 19, neither party shall assign any interest in this MOA and shall not transfer any interest in the same without the prior written consent of the other party hereto, except that claims for money due or to become due either party may be assigned to a bank, a trust company, or other financial institution without such approval. Written notice of any such transfer shall be furnished promptly to the other party. Any attempt at assignment of rights under this MOA except for those specifically consented to by both parties or as stated above shall be void. Notwithstanding the foregoing, in the event all of the assets constituting the water purveyance system of either the City or the District are transferred to a successor agency or water supply operator, this MOA shall continue and transfer to the successor or assign.

MODIFICATION

23. This MOA may only be modified by a written amendment thereto, executed by both parties. Parties will meet periodically to review and revise the protocols developed in the agreement.

MEDIATION, ATTORNEY'S FEES AND COSTS

24. If any dispute develops between the City and the District related to this MOA, the parties agree to submit the dispute to mediation prior to proceeding with any litigation. If any action at law or in equity is necessary to enforce or interpret the terms of this MOA, the prevailing party shall be entitled to recover reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled. The parties acknowledge that this MOA was mutually drafted by the City and the District, and neither shall be deemed the drafter for purposes of contract interpretation in the event of a dispute.

JURISDICTION AND VENUE

25. This MOA shall be construed in accordance with the laws of the State of California and the parties hereto agree that venue of any action or proceeding regarding

this MOA or performance thereof shall be in the Humboldt County Superior Court for the State of California.

NOTICES

26. All notices that are required to be given by one party to the other under this MOA shall be in writing and shall be deemed to have been given if delivered personally or enclosed in a properly addressed envelope and deposited with the United States Post Office for delivery by registered or certified mail addressed to the parties at the following addresses, unless such addresses are changed by notice, in writing, to the other party.

City of Trinidad
409 Trinity Street
P.O. Box 390
Trinidad, CA 95570

Westhaven Community Services District
446 6th Avenue
Trinidad, CA 95570

IN WITNESS HEREOF, this MOA is duly executed in Humboldt County, California on the day and year first written above.

City of Trinidad

Westhaven Community Services District

Mayor

Board Chair

Exhibit B.1

Project 1 - Emergency Intertie Construction Project (Grant Budget)		Distribution	
BUDGET CATEGORY	Grant Agmt Budget	WCSD	City
(a) Project Administration	65,000		
WCSD Project Admin - invoices, reports, agency coordination, contract management, project completion report (and accountability report if advance payment is requested)	25,000	25,000	
City Project Administration - agency coordination, contract management, submittals	40,000		40,000
(c) Planning / Design / Engineering / Environmental Documentation	215,000		
WCSD Consultant - Planning, Encroachment Permit, California Coastal Commission & CEQA	80,000	80,000	
WCSD Engineer- Project Design	95,000	95,000	
WCSD Project Monitoring Plan	10,000	10,000	
City Engineer Consult, Review & Concurrence	27,000		27,000
City Planner Consult, Review & Concurrence	3,000		3,000
(d) Construction / Implementation	1,576,600		
WCSD - Construction	1,189,600	1,189,600	
WCSD - Construction Administration & Closeout	357,000	357,000	
City Engineer Consult, Review & Concurrence	28,000		28,000
City Planner Consult, Review & Concurrence	2,000		2,000
TOTAL GRANT BUDGET	1,856,600	1,756,600	100,000
Cost overruns to be shared proportionally according to most current annual water sales.			
FY 21-22 City water sales	318,925		
FY 21-22 WCSD water sales	218,459		
Construction contract cost overruns during FY 22-23	537,384	40.65%	59.35%
Construction contract cost overruns during FY 23-24 based on FY 22-23 annual water sales			

Exhibit B.2

Intertie Facility Operations & Maintenance Cost Apportionment		Distribution	
BUDGET CATEGORY	Frequency	Estimated Costs	City
Flush Hydrants	yearly		50%
Exercise valves	yearly		50%
Test & calibrate meters	yearly		50%
Repairs	as needed		50%
Pipeline Replacement - depreciation Schedule	end of useful life		50%
Pump Operation - power & diesel costs	yearly		50%
Pump Maintenance contract	yearly		50%
Pump Repairs	as needed		50%
Pump Replacement	end of useful life		50%

WCSD RESOLUTION 2022-12

(Resolution 2013-6 revised)

ESTABLISHING BILLING AND COLLECTION PROCEDURES FOR WATER SERVICE AND PROCEDURES FOR DISCONNECTION AND SUSPENSION OF WATER SERVICE

WHEREAS, WCSD Ordinances Establishing General Water Use Regulations stipulate that billing dates, due dates, disconnection dates, service charges and procedures for collection of past due bills and termination of service shall be established by Resolution of the Board

NOW, THEREFORE BE IT RESOLVED, the Board of Directors of the Westhaven Community Services District (the District) hereby establishes the following procedures for billing and collection of payments.

DEFINITIONS

- Amortized means decreased by incremental payments of a scheduled amount over a scheduled period of time.
- Disconnected means turned off, normally by locking the meter supply valve in the off position. Disconnected water services shall continue to accrue liability for the standard monthly Base Rate charges and standard late charges.
- Suspended means rendered unavailable after being disconnected, normally by removal of the meter and locking the meter supply valve in the off position. Suspended water services shall continue to accrue liability for the standard monthly Base Rate charges and standard late charges.

BILLING

1. The billing period for regular water service shall be monthly.
2. Monthly billing shall be comprised of the base rate for the month in which bills are due plus the commodity rate for metered consumption during the previous monthly period.
3. Meters shall be read during the last 7 days of the month.
4. Bills shall be mailed before the end of the month.
5. Bills shall be past due after the 24th day of the following month.
6. After the due date a 1.0% service charge shall be added to past due balances. (California Government Code 61115 C)

COLLECTION OF PAST DUE AMOUNTS AND DISCONNECTION OF SERVICE

1. At the regular billing time, customers with a 60 day (two billing periods) past due balance greater than the current Base Rate shall have a notice of disconnection included with their bills.
2. The deadline for payment to avoid disconnection shall be the 18th day of the month or the first business day following the 18th day. Payment of the past due balance before the deadline shall be sufficient to avoid disconnection.
3. After the deadline, the minimum payment to avoid disconnection shall be the current month's bill plus an amortized portion of the past due amount. The amortized portion shall be based upon a negotiated monthly schedule over a minimum period of 12 months and beginning with the first month the account became past due.
4. At least 7 days (excluding weekends and legal holidays) prior to disconnection, the customer shall be given notice of the pending disconnection by contact with an adult person residing at the premises to be disconnected. Contact shall be by telephone, in person or by written notice posted in a conspicuous location at the premises.
5. Every notice of disconnection of service pursuant to section 1. above shall include the following information pursuant to California Government Code section 116908:
 - (i) The customer's name and address.
 - (ii) The amount of the delinquency.
 - (iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
 - (iv) A description of the process to apply for an extension of time to pay the delinquent charges.
 - (v) A description of the procedure to petition for bill review and appeal.
 - (vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges,
6. If payment or arrangement for payment of the minimum amount due specified in the notice of disconnection is not made by the time specified in the notice of disconnection, the service shall be disconnected by being locked off and re-connected only after payment of the minimum amount due plus the reconnection charge (maximum of \$50 if reconnected on a weekday; maximum of \$150 if reconnected on a holiday or weekend) set by Resolution of the Board.
7. A customer wishing to pay the minimum amount due at the time that a district employee is in the process of disconnecting the service must also pay the reconnection charge to avoid disconnection.
8. No disconnection of service shall be effected without compliance with the above conditions, and any service wrongfully disconnected shall be restored without charge for the restoration of service. This restoration of service shall be the limit of the District's liability for wrongful disconnection.
9. No service shall, by reason of delinquency in payment, be disconnected on any Saturday, Sunday, legal holiday, or at any time during which the business office of the district is not open to the public.
10. EXCEPTION: If a customer has a 60 day outstanding balance exceeding the current Base Rate and has not paid outstanding bills by the 18th day following receipt of notice of delinquency, water service shall not be discontinued if ALL of the following conditions are met:
 - A. The customer, or a tenant of the customer, submits to the urban and community water system the certification of a primary care

- provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.
- B. The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.
 - C. The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of California Government Code section 116906, with respect to all delinquent charges.

SUSPENSION OF WATER SERVICE CONNECTION

If the minimum amount due on the account plus the reconnection charge has not been paid in full at the end of thirty (30) calendar days from the date a service has been disconnected for non-payment, a certified letter shall be sent to the customer of record and/or property owner of record stating that if after another ninety (90) calendar days the bill and applicable charges have not been paid the water service connection will be declared suspended by the District, at which time a second certified letter will be sent informing the customer of record and/or property owner of the suspension.

A suspended water service connection may be reinstated by application for reconnection of suspended water service and payment of all applicable and accrued District charges, including the most recently calculated System Capacity Charge.

PASSED, APPROVED, and ADOPTED this Seventeenth Day of August, 2022 by the following roll call vote: AYES:

NOES:

ABSTAIN:

ABSENT:

Bill Verick, President
Westhaven Community Services District

ATTEST:

Roxanne, Lavang, Secretary
Westhaven Community Services District

Senate Bill No. 998

CHAPTER 891

An act to add Chapter 6 (commencing with Section 116900) to Part 12 of Division 104 of the Health and Safety Code, relating to water.

[Approved by Governor September 28, 2018. Filed with Secretary of State September 28, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SB 998, Dodd. Discontinuation of residential water service: urban and community water systems.

Existing law, the California Safe Drinking Water Act, requires the State Water Resources Control Board to administer provisions relating to the regulation of drinking water to protect public health. Existing law declares it to be the established policy of the state that every human being has the right to safe, clean, affordable, and accessible water adequate for human consumption, cooking, and sanitary purposes.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including water corporations. Existing law requires certain notice to be given before a water corporation, public utility district, municipal utility district, or a municipally owned or operated public utility furnishing water may terminate residential service for nonpayment of a delinquent account, as prescribed.

This bill would require an urban and community water system, defined as a public water system that supplies water to more than 200 service connections, to have a written policy on discontinuation of water service to certain types of residences for nonpayment available in prescribed languages. The bill would require the policy to include certain components, be available on the system's Internet Web site, and be provided to customers in writing, upon request. The bill would provide for enforcement of these provisions, including making a violation of these provisions punishable by a civil penalty issued by the board in an amount not to exceed \$1,000 for each day in which the violation occurs, and would require the enforcement moneys collected by the board to be deposited in the Safe Drinking Water Account. The bill would prohibit an urban and community water system from discontinuing residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. The bill would require an urban and community water system to contact the customer named on the account and provide the customer with the urban and community water system's policy on discontinuation of residential service for nonpayment no less than 7 business days before discontinuation of residential service, as prescribed.

This bill would prohibit residential service from being discontinued under specified circumstances. The bill would require an urban and community

water system that discontinues residential service to provide the customer with information on how to restore service. The bill would require an urban and community water system to waive interest charges on delinquent bills for, and would limit the amount of a reconnection of service fee imposed on, a residential customer who demonstrates, as prescribed, to the urban and community water system household income below 200% of the federal poverty line. The bill would require an urban and community water system that furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit structure, mobilehome park, or permanent residential structure in a labor camp, and that the owner, manager, or operator of the dwelling, structure, or park is the customer of record, to make every good faith effort to inform the residential occupants by written notice that service will be terminated and that the residential occupants have the right to become customers, as specified. The bill would require an urban and community water system to report the number of annual discontinuations of residential service for inability to pay on its Internet Web site and to the board, and the bill would require the board to post on its Internet Web site the information reported. The bill would require an urban water supplier, as defined, or an urban and community water system regulated by the commission, to comply with the bill's provisions on and after February 1, 2020, and any other urban and community water system to comply with the bill's provisions on and after April 1, 2020. The bill would provide that the provisions of the bill are in addition to the provisions in existing law duplicative of the bill and that where the provisions are inconsistent, the provisions described in the bill apply.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares as follows:

(a) All Californians have the right to safe, accessible, and affordable water as declared by Section 106.3 of the Water Code.

(b) It is the intent of the Legislature to minimize the number of Californians who lose access to water service due to inability to pay.

(c) Water service discontinuations threaten human health and well-being, and have disproportionate impact on infants, children, the elderly, low-income families, communities of color, people for whom English is a second language, physically disabled persons, and persons with life-threatening medical conditions.

(d) When there is a delinquent bill, all Californians, regardless of whether they pay a water bill directly, should be treated fairly, and fair treatment includes the ability to contest a bill, seek alternative payment schedules, and demonstrate medical need and severe economic hardship.

(e) The loss of water service causes tremendous hardship and undue stress, including increased health risks to vulnerable populations.

(f) It is the intent of the Legislature that this act provide additional procedural protections and expand upon the procedural safeguards contained

in the Public Utilities Code and Government Code as of January 1, 2018, relating to utility service disconnections.

SEC. 2. Chapter 6 (commencing with Section 116900) is added to Part 12 of Division 104 of the Health and Safety Code, to read:

CHAPTER 6. DISCONTINUATION OF RESIDENTIAL WATER SERVICE

116900. This chapter shall be known, and may be cited, as the Water Shutoff Protection Act.

116902. For the purposes of this chapter, the following definitions apply:

- (a) "Board" means the State Water Resources Control Board.
- (b) "Public water system" has the same meaning as defined in Section 116275.
- (c) "Residential service" means water service to a residential connection that includes single-family residences, multifamily residences, mobilehomes, including, but not limited to, mobilehomes in mobilehome parks, or farmworker housing.

(d) "Urban and community water system" means a public water system that supplies water to more than 200 service connections.

(e) "Urban water supplier" has the same meaning as defined in Section 10617 of the Water Code.

116904. (a) An urban water supplier not regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020.

(b) An urban and community water system regulated by the Public Utilities Commission shall comply with this chapter on and after February 1, 2020. The urban and community water system regulated by the Public Utilities Commission shall file advice letters with the commission to conform with this chapter.

(c) An urban and community water system not described in subdivision (a) or (b) shall comply with this chapter on and after April 1, 2020.

116906. (a) An urban and community water system shall have a written policy on discontinuation of residential service for nonpayment available in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by at least 10 percent of the people residing in its service area. The policy shall include all of the following:

- (1) A plan for deferred or reduced payments.
- (2) Alternative payment schedules.
- (3) A formal mechanism for a customer to contest or appeal a bill.
- (4) A telephone number for a customer to contact to discuss options for averting discontinuation of residential service for nonpayment.

(b) The policy shall be available on the urban and community water system's Internet Web site, if an Internet Web site exists. If an Internet Web site does not exist, the urban and community water system shall provide the policy to customers in writing, upon request.

(c) (1) The board may enforce the requirements of this section pursuant to Sections 116577, 116650, and 116655. The provisions of Section 116585

and Article 10 (commencing with Section 116700) of Chapter 4 apply to enforcement undertaken for a violation of this section.

(2) All moneys collected pursuant to this subdivision shall be deposited in the Safe Drinking Water Account established pursuant to Section 116590.

116908. (a) (1) (A) An urban and community water system shall not discontinue residential service for nonpayment until a payment by a customer has been delinquent for at least 60 days. No less than seven business days before discontinuation of residential service for nonpayment, an urban and community water system shall contact the customer named on the account by telephone or written notice.

(B) When the urban and community water system contacts the customer named on the account by telephone pursuant to subparagraph (A), it shall offer to provide in writing to the customer the urban and community water system's policy on discontinuation of residential service for nonpayment. An urban and community water system shall offer to discuss options to avert discontinuation of residential service for nonpayment, including, but not limited to, alternative payment schedules, deferred payments, minimum payments, procedures for requesting amortization of the unpaid balance, and petition for bill review and appeal.

(C) When the urban and community water system contacts the customer named on the account by written notice pursuant to subparagraph (A), the written notice of payment delinquency and impending discontinuation shall be mailed to the customer of the residence to which the residential service is provided. If the customer's address is not the address of the property to which residential service is provided, the notice also shall be sent to the address of the property to which residential service is provided, addressed to "Occupant." The notice shall include, but is not limited to, all of the following information in a clear and legible format:

- (i) The customer's name and address.
- (ii) The amount of the delinquency.
- (iii) The date by which payment or arrangement for payment is required in order to avoid discontinuation of residential service.
- (iv) A description of the process to apply for an extension of time to pay the delinquent charges.
- (v) A description of the procedure to petition for bill review and appeal.
- (vi) A description of the procedure by which the customer may request a deferred, reduced, or alternative payment schedule, including an amortization of the delinquent residential service charges, consistent with the written policies provided pursuant to subdivision (a) of Section 116906.

(2) If the urban and community water system is unable to make contact with the customer or an adult occupying the residence by telephone, and written notice is returned through the mail as undeliverable, the urban and community water system shall make a good faith effort to visit the residence and leave, or make other arrangements for placement in a conspicuous place of, a notice of imminent discontinuation of residential service for nonpayment and the urban and community water system's policy for discontinuation of residential service for nonpayment.

(b) If an adult at the residence appeals the water bill to the urban and community water system or any other administrative or legal body to which such an appeal may be lawfully taken, the urban and community water system shall not discontinue residential service while the appeal is pending.

116910. (a) An urban and community water system shall not discontinue residential service for nonpayment if all of the following conditions are met:

(1) The customer, or a tenant of the customer, submits to the urban and community water system the certification of a primary care provider, as that term is defined in subparagraph (A) of paragraph (1) of subdivision (b) of Section 14088 of the Welfare and Institutions Code, that discontinuation of residential service will be life threatening to, or pose a serious threat to the health and safety of, a resident of the premises where residential service is provided.

(2) The customer demonstrates that he or she is financially unable to pay for residential service within the urban and community water system's normal billing cycle. The customer shall be deemed financially unable to pay for residential service within the urban and community water system's normal billing cycle if any member of the customer's household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

(3) The customer is willing to enter into an amortization agreement, alternative payment schedule, or a plan for deferred or reduced payment, consistent with the written policies provided pursuant to subdivision (a) of Section 116906, with respect to all delinquent charges.

(b) (1) If the conditions listed in subdivision (a) are met, the urban and community water system shall offer the customer one or more of the following options:

(A) Amortization of the unpaid balance.

(B) Participation in an alternative payment schedule.

(C) A partial or full reduction of the unpaid balance financed without additional charges to other ratepayers.

(D) Temporary deferral of payment.

(2) The urban and community water system may choose which of the payment options described in paragraph (1) the customer undertakes and may set the parameters of that payment option. Ordinarily, the repayment option offered should result in repayment of any remaining outstanding balance within 12 months. An urban and community water system may grant a longer repayment period if it finds the longer period is necessary to avoid undue hardship to the customer based on the circumstances of the individual case.

(3) Residential service may be discontinued no sooner than 5 business days after the urban and community water system posts a final notice of intent to disconnect service in a prominent and conspicuous location at the property under either of the following circumstances:

(A) The customer fails to comply with an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges for 60 days or more.

(B) While undertaking an amortization agreement, an alternative payment schedule, or a deferral or reduction in payment plan for delinquent charges, the customer does not pay his or her current residential service charges for 60 days or more.

116912. An urban and community water system that discontinues residential service for nonpayment shall provide the customer with information on how to restore residential service.

116914. (a) For a residential customer who demonstrates to an urban and community water system household income below 200 percent of the federal poverty line, the urban and community water system shall do both of the following:

(1) Set a reconnection of service fee for reconnection during normal operating hours at fifty dollars (\$50), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021. For the reconnection of residential service during nonoperational hours, an urban and community water system shall set a reconnection of service fee at one hundred fifty dollars (\$150), but not to exceed the actual cost of reconnection if it is less. Reconnection fees shall be subject to an annual adjustment for changes in the Consumer Price Index beginning January 1, 2021.

(2) Waive interest charges on delinquent bills once every 12 months.

(b) An urban and community water system shall deem a residential customer to have a household income below 200 percent of the federal poverty line if any member of the household is a current recipient of CalWORKs, CalFresh, general assistance, Medi-Cal, Supplemental Security Income/State Supplementary Payment Program, or California Special Supplemental Nutrition Program for Women, Infants, and Children, or the customer declares that the household's annual income is less than 200 percent of the federal poverty level.

116916. (a) This section applies if there is a landlord-tenant relationship between the residential occupants and the owner, manager, or operator of the dwelling.

(b) If an urban and community water system furnishes individually metered residential service to residential occupants of a detached single-family dwelling, a multiunit residential structure, mobilehome park, or permanent residential structure in a labor camp as defined in Section 17008, and the owner, manager, or operator of the dwelling, structure, or park is the customer of record, the urban and community water system shall make every good faith effort to inform the residential occupants, by means of written notice, when the account is in arrears that service will be terminated at least 10 days prior to the termination. The written notice shall further inform the residential occupants that they have the right to become

customers, to whom the service will then be billed, without being required to pay any amount which may be due on the delinquent account.

(c) The urban and community water system is not required to make service available to the residential occupants unless each residential occupant agrees to the terms and conditions of service and meets the requirements of law and the urban and community water system's rules and tariffs. However, if one or more of the residential occupants are willing and able to assume responsibility for the subsequent charges to the account to the satisfaction of the urban and community water system, or if there is a physical means legally available to the urban and community water system of selectively terminating service to those residential occupants who have not met the requirements of the urban and community water system's rules and tariffs, the urban and community water system shall make service available to those residential occupants who have met those requirements.

(d) If prior service for a period of time is a condition for establishing credit with the urban and community water system, residence and proof of prompt payment of rent or other credit obligation acceptable to the urban and community water system for that period of time is a satisfactory equivalent.

(e) Any residential occupant who becomes a customer of the urban and community water system pursuant to this section whose periodic payments, such as rental payments, include charges for residential water service, where those charges are not separately stated, may deduct from the periodic payment each payment period all reasonable charges paid to the urban and community water system for those services during the preceding payment period.

(f) In the case of a detached single-family dwelling, the urban and community water system may do any of the following:

(1) Give notice of termination at least seven days prior to the proposed termination.

(2) In order for the amount due on the delinquent account to be waived, require an occupant who becomes a customer to verify that the delinquent account customer of record is or was the landlord, manager, or agent of the dwelling. Verification may include, but is not limited to, a lease or rental agreement, rent receipts, a government document indicating that the occupant is renting the property, or information disclosed pursuant to Section 1962 of the Civil Code.

116918. An urban and community water system shall report the number of annual discontinuations of residential service for inability to pay on the urban and community water system's Internet Web site, if an Internet Web site exists, and to the board. The board shall post on its Internet Web site the information reported.

116920. (a) The Attorney General, at the request of the board or upon his or her own motion, may bring an action in state court to restrain by temporary or permanent injunction the use of any method, act, or practice declared in this chapter to be unlawful.

(b) For an urban and community water system regulated by the Public Utilities Commission, the commission may bring an action in state court to restrain by temporary or permanent injunction the use by an urban and community water system regulated by the commission of any method, act, or practice declared in this chapter to be unlawful.

116922. All written notices required under this chapter shall be provided in English, the languages listed in Section 1632 of the Civil Code, and any other language spoken by 10 percent or more of the customers in the urban and community water system's service area.

116924. Where provisions of existing law are duplicative of this chapter, compliance with one shall be deemed compliance with the other. Where those provisions are inconsistent, the provisions of this chapter shall apply. Nothing in this chapter shall be construed to limit or restrict the procedural safeguards against the disconnection of residential water service existing as of December 31, 2018.

116926. This chapter does not apply to the termination of a service connection by an urban and community water system due to an unauthorized action of a customer.

WCSD RESOLUTION 06-7
(Amending Resolution 92-5)

A RESOLUTION FOR THE WESTHAVEN COMMUNITY SERVICES DISTRICT
ADOPTING A CONFLICT OF INTEREST CODE
PURSUANT TO THE POLITICAL REFORM ACT OF 1974

BE IT RESOLVED, the Westhaven Community Services District hereby adopts the attached Conflict of Interest Code, including appendices A and B;

PASSED, APPROVED and ADOPTED at a regular meeting of the Board of Directors of the Westhaven Community Services District on the nineteenth day of July 2006, by the following roll call vote:

AYES: Blake, McKay, Nichols, Smith

NOES: None

ABSTAIN: None

ABSENT None

Courtney Blake, President
Westhaven Community Services District

ATTEST:

Annette C. Leshner, Secretary
Westhaven Community Services District

APPENDIX A

<u>Designated Positions</u>	<u>Disclosure Categories</u>
Members of the Board of Directors	All
Treasurer	All
General Manager	All
Secretary	All
Finance Officer	All

APPENDIX B

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 owns 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 Westhaven 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 interests in real property.
- Category 3: All business positions.



COUNTY OF HUMBOLDT
Office of Elections & Voter Registration

2426 6th Street
Eureka, CA 95501-0788
707-445-7481
Fax 707-445-7204

TO: Westhaven Community Services District
PO Box 2015
Trinidad, CA 95570

FROM: Christina Strevey, Administrative Analyst

DATE: June 26, 2022

SUBJECT: 2022 Biennial Notice for Conflict-of-Interest Code

RESPONSE DEADLINE: SEPTEMBER 6, 2022

The Political Reform Act requires local government agencies to review their conflict-of-interest code every two years and determine if revisions to the code are necessary. Any necessary revisions must be reviewed and approved by the Humboldt County Board of Supervisors. The Office of Elections assists in this process by receiving districts' materials and presenting proposed revisions to Board of Supervisors for approval. **Districts must complete and forward a completed 2022 Local Agency Biennial Notice form to the Office of Elections no later than September 6, 2022.** Please feel free to contact the Humboldt County Office of Elections at 707-445-7481 with questions.

Required Components for Conflict-of-Interest Code

A local government agency's Conflict-of-Interest Code must contain three components: (1) terms of the code; (2) designated positions, and (3) disclosure categories. Each component is briefly defined below. Additional information about required components can be found at the Fair Political Practices Commission (FPPC) website: <http://www.fppc.ca.gov/>.

1. Incorporation (Terms of the Code): Terms of the Code include provisions that govern local government agencies' decisions, such as how financial interests are reported and where financial statements are held. The FPPC recommends that agencies incorporate FPPC Regulation 18730 by reference because these terms can be quite complex and Regulation 18730 contains all of these provisions. Regulation 18730 can be found on the FPPC's website at <http://www.fppc.ca.gov/>.
2. List of Designated Positions: A Conflict-of-Interest Code must list all positions that participate in the decision-making process where financial interests may exist, such as voting, negotiating contracts, or making recommendations on district-related matters.
3. Disclosure categories. Disclosure categories describe different types of financial interests based on job descriptions. Higher-level district positions that have a broader range of job duties will have increased disclosure requirements than district positions with limited job duties.

When Conflict-of-Interest Code Revisions are Necessary

Step 1: District board reviews its Conflict-of-Interest Code and determines revisions **are** necessary because of changes in state law or district circumstances (see **Attachment pg. 1:** Should You Amend Your Agency's Conflict of Interest Code?).

Step 2: District board drafts proposed revisions to its Conflict-of-Interest Code (see **Attachment pg. 2:** Conflict-of-Interest Code Changes). Contact the Office of Elections for additional information about how the changes should be presented for review.

Step 3: District board completes biennial notice form.

Step 4: District board returns biennial notice form and proposed code revisions to the Office of Elections.

NOTE: Revisions to a district's Conflict-of-Interest Code do not go into effect until they have been approved by the Humboldt County Board of Supervisors.

When Conflict-of-Interest Code Revisions are NOT Necessary

Step 1: District board reviews its Conflict-of-Interest Code and determines no changes are necessary (see **Attachment pg. 1:** Should You Amend Your Agency's Conflict of Interest Code?).

Step 2: District board completes biennial notice form

Step 3: District board returns biennial notice form to the Office of Elections.

Attachments

2022 Local Agency Biennial Notice

Attachment pg. 1: Should You Amend Your Agency's Conflict of Interest Code?
pg. 2: Conflict-of-Interest Code Changes



CALIFORNIA Fair Political Practices Commission

Should you Amend Your Agency's Conflict of Interest Code?

A local agency's conflict of interest code must reflect the current structure of the organization and properly identify officials and employees who should be filing Statements of Economic Interests (Form 700). A code tells public officials, governmental employees, and consultants what financial interests must disclose on the Form 700. It helps provide transparency in local government as required under the Political Reform Act.

Biennial Review of Conflict of Interest Codes

To ensure conflict of interest codes remain current and accurate, each local agency is required to review its code at least every even-numbered year. The agency should receive a Biennial Notice as a reminder of this obligation from its code reviewing body.

The Local Agency Biennial Notice is not forwarded to the FPPC.

The County Board of Supervisors is the code reviewing body for county agencies and the code reviewing body for city agencies is the City Council.

When determining whether to amend, an agency should carefully review its current conflict of interest code and consider the following:

- Is the current code more than five years old?
- Have there been any substantial changes to the agency's organizational structure since the current code was adopted?
- Have any positions been eliminated or renamed since the current code was adopted?
- Have any new positions been added since the current code was adopted?
- Have there been any substantial changes in duties or responsibilities for any positions since the current code was adopted?

The resources on the FPPC website provide guidance to local agencies about amending codes. The information is categorized based on the jurisdiction of the agency. If you answered yes to any of the above questions, your agency's conflict of interest code will likely need to be amended. Each district must complete the enclosed Biennial Notice and return it to their reviewing body. The code reviewing body will provide further instructions on the code amendment and approval process.

Statutory Authority

Government Code Sections 87302, 87302.6, 87303, 87306, 87306.5, 87307, 87309, 87310, 87311, and 87314.

CONFLICT-OF-INTEREST CODE CHANGES

MATERIALS NEEDED FROM AGENCY MAKING A CHANGE

- Send the Elections Office the entire code showing amendments in ~~strikeout~~ (of old text) and underscore (of new text) format
- In a transmittal letter, discuss areas of change and manner of resolution. Please include
 - Written explanation of all changes
 - Duty statements of newly-designated positions
 - Organization chart of agency
 - Declaration of agency CEO or Board President
 - Minutes of a recent meeting (to show who is involved in decisions)
 - A list of all boards and commissions within the agency, if applicable

STRIKEOUT/UNDERScore AND WRITTEN EXPLANATION EXAMPLE

- A. ~~Outreach Services~~ Community Services
- | | |
|--|---|
| 1. Community Services Director | 2 |
| 2. <u>Community Services Manager</u> | 3 |
| 2. Community Services Assistant Manager | 3 |
| 3. Cultural Services Manager | 4 |
| 4. Senior Recreation Supervisor | 4 |

Comments:

Outreach Services become Community Services.

The Community Services Assistant Manager was reclassified to Community Services Manager.

2022 Local Agency Biennial Notice

Name of Agency: Westhaven Community Services
Mailing Address: P.O. 2015, Trinidad, CA 95570 District
Contact Person: Paul Rosenblatt Phone No. 707-677-0798
Email: wcsd@suddenlinkmail.com Alternate Email: prosenblatt.wcsd@suddenlinkmail.com

Accurate disclosure is essential to monitor whether officials have conflicts of interest and to help ensure public trust in government. The biennial review examines current programs to ensure that the agency's code includes disclosure by those agency officials who make or participate in making governmental decisions.

This agency has reviewed its conflict of interest code and has determined that (check one BOX):

An amendment is required. The following amendments are necessary:

(Check all that apply.)

- Include new positions
- Revise disclosure categories
- Revise the titles of existing positions
- Delete titles of positions that have been abolished and/or positions that no longer make or participate in making governmental decisions
- Other (describe) _____

The code is currently under review by the code reviewing body.

No amendment is required. (If your code is over five years old, amendments may be necessary.)

Verification (to be completed if no amendment is required)

This agency's code accurately designates all positions that make or participate in the making of governmental decisions. The disclosure assigned to those positions accurately requires that all investments, business positions, interests in real property, and sources of income that may foreseeably be affected materially by the decisions made by those holding designated positions are reported. The code includes all other provisions required by Government Code Section 87302.

Signature of Chief Executive Officer

Date

All agencies must complete and return this notice regardless of how recently your code was approved or amended. Please return this notice no later than **October 3, 2022**, or by the date specified by your agency, if earlier, to:

Humboldt County Office of Elections
Attn: Christina Strevey
2426 6th Street, Eureka, CA 95501

PLEASE DO NOT RETURN THIS FORM TO THE FPPC.



August 8, 2022

Westhaven Community Services District
446 6th Ave,
Trinidad, CA 95570

RE: Engagement of The Pun Group, LLP (the “Firm”)

We are pleased to confirm our understanding of the services we are to provide the Westhaven Community Services District (the “District”) for the years ended June 30, 2022 and June 30, 2021.

Audit Scope and Objectives

We will audit the statement of net position of the District as of June 30, 2022 and June 30, 2021 and the statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, including the related notes to the financial statements.

Accounting standards generally accepted in the United States of America provide for certain Required Supplementary Information (the “RSI”), such as Management’s Discussion and Analysis (“MD&A”), to supplement the District’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the District’s RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management’s Discussion and Analysis

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor’s report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP; and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

Westhaven Community Services District

Engagement Letter

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Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

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Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Nonattest Services

We will also prepare the financial statements of the District in conformity with accounting principles generally accepted in the United States of America based on information provided by you.

We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for the financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Westhaven Community Services District

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Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

Assistance by Your Personnel

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

Access to Working Papers

The audit documentation for this engagement is the property of The Pun Group, LLP and constitutes confidential information. However, subject to applicable laws and regulations, and appropriate individuals will be made available upon request and in a timely manner to the Cognizant or Oversight Agency for Audit or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of the Firm personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of seven years after the report release or for any additional period requested by the Cognizant or Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

The Firm is required to undergo a "peer review" every three years. During the course of a Peer Review engagement, selected working papers and financial reports, on a sample basis, will be inspected by an outside party on a confidential basis. Consequently, the accounting and/or auditing work we performed for you may be selected. Your signing this letter represents your acknowledgement and permission to allow such access should your engagement be selected for review. As a result of our prior or future services to you, we may be required or requested to provide information or documents to you or a third-party in connection with a legal or administrative proceeding (including a grand jury investigation) in which we are not a party. If this occurs, our efforts in complying with such request or demands will be deemed a part of this engagement and we shall be entitled to compensation for our time and reimbursement for our reasonable out-of-pocket expenditures (including legal fees) in complying with such request or demand. This is not intended, however, to relieve us of our duty to observe the confidentiality requirements of our profession.

Westhaven Community Services District

Engagement Letter

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Timing

Kenneth H. Pun is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. We expect to begin our audit on approximately July 18, 2022 and to issue our reports no later than November 15, 2022.

Fees

Our fee for these services will be \$15,000 for the years ended June 30, 2022 and June 30, 2021. Our fees are based on certain assumptions, including the required assistance described above. To the extent that certain circumstances included but not limited to those listed in Appendix A, arise during the engagement, our fee estimate may be significantly affected and additional fees may be necessary. We will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Additional services provided beyond the described scope of services will be billed separately.

Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination.

Independence

Professional standards require that a firm and its members maintain independence throughout the duration of the professional relationship with a client. In order to preserve the integrity of our relationship, no offer of employment shall be discussed with any the Firm's professionals assigned to the audit, during the one-year period prior to the commencement of the year end audit. Should such an offer of employment be made, or employment commences during the indicated time period, we will consider this an indication that our independence has been compromised. As such, we may be required to recall our auditors' report due to our lack of independence. In the event additional work is required to satisfy independence requirements, such work will be billed at our standard hourly rates.

Reporting

We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

Report Distribution and Other

We will provide copies of our reports to the District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

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Other Services

We are always available to meet with you and/or other management personnel at various times throughout the year to discuss current business, operational, accounting and auditing matters affecting your District. Whenever you feel such meetings are desirable please let us know; we are prepared to provide services to assist you in any of these areas.

Termination

We acknowledge the District's right to terminate our services at any time, and the District acknowledges our right to resign at any time (including instances where in our judgment, our independence has been impaired or we can no longer rely on the integrity of management), subject in either case to our right to payment for all direct and indirect charges incurred through the date of termination or resignation or thereafter as circumstances and this agreement may require, plus applicable interest, costs, fees and attorneys' fees.

Dispute Resolution Procedure, Waiver of Jury Trial, Jurisdiction and Venue for All Disputes, and Governing Law

We appreciate the opportunity to serve as the District's auditor and anticipate a productive, harmonious relationship. If the District becomes dissatisfied for any reason with the services we have performed or the fees charged, we encourage the District to bring that to our attention immediately. Most such problems should be remedied by communication and discussion. However, a dispute could arise between us, regarding the construction or application of this agreement and/or the performance of any services under this agreement, which cannot be resolved by discussion. The District and the Firm believe that such accountant-client disputes are more satisfactorily resolved through confidential, binding arbitration than by litigation in court. Therefore, the District and the Firm choose confidential binding arbitration to resolve such disputes. It is understood and agreed that choosing binding arbitration waives a trial by jury.

The place of the confidential binding arbitration will be JAMS in Orange County, California. Arbitration proceedings may be commenced by either the District or the Firm, by giving all other interested parties written notice; and the proceedings shall be governed by the California Arbitration Act (Code Civ. Proc., § 1281 et seq.), except as is otherwise specified herein. The arbitrator must decide all disputes in accordance with the California Arbitration Act, and the applicable rules of JAMS (except to the extent such rules conflict with this arbitration agreement). The arbitrator shall have the power to decide all matters, including legal questions raised by pleading or summary judgment motions. That decision shall be in accordance with California law; and the California Evidence Code shall govern all proceedings before the arbitrator. The arbitrator's award shall be final and binding, and a judgment upon the award may be entered and enforced by any court of competent jurisdiction.

By entering into this arbitration agreement, the District and the Firm expressly waive the right to commence an action in court, except with respect to provisional remedies; and waive the right to trial by jury.

The District and the Firm each agree to submit to the jurisdiction of any state or federal court in Orange County, California, in any action or proceeding arising out of or relating to the enforcement of the arbitration provisions of this agreement, or for any other purpose. The District and the Firm agree not to bring any action or proceeding of any kind in any other court. The District and the Firm waive any defense of inconvenient forum to the maintenance of any action or proceeding in Orange County, California.

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Agreement

It is hereby understood and agreed that this engagement is being undertaken solely for the benefit of the District and that no other person or entity shall be authorized to enforce the terms of this engagement.

If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know.

Very truly yours,

The Pun Group LLP



Kenneth H. Pun, CPA, CGMA
Engagement Partner

RESPONSE:

This letter correctly sets forth the understanding of the Westhaven Community Services District.

By: _____

Title: _____

Date: _____

APPENDIX A

Westhaven Community Services District Circumstances Affecting Timing and Fee Estimate

Circumstances may arise during the engagement that may significantly affect the targeted completion dates and our fee estimate. As a result, additional fees may be necessary. Such circumstances include but are not limited to the following:

1. Changes to the timing of the engagement at your request. Changes to the timing of the engagement usually require reassignment of personnel used by The Pun Group LLP (the "Firm") in the performance of services hereunder. However, because it is often difficult to reassign individuals to other engagements, the Firm may incur significant unanticipated costs.
2. All requested schedules are not (a) provided by the accounting personnel on the date requested, (b) completed in a format acceptable to the Firm (c) mathematically correct, or (d) in agreement with the appropriate underlying records (e.g., general ledger accounts). The Firm will provide the accounting personnel with a separate listing of required schedules and deadlines.
3. Weaknesses in the internal control structure.
4. Significant new issues or unforeseen circumstances as follows:
 - a. New accounting issues that require an unusual amount of time to resolve.
 - b. Changes or transactions that occur prior to the issuance of our report.
 - c. Changes in the District's accounting personnel, their responsibilities, or their availability.
 - d. Changes in auditing requirements set by regulators.
5. Significant delays in the accounting personnel's assistance in the engagement or delays by them in reconciling variances as requested by the Firm. All invoices, contracts and other documents which we will identify for the District are not located by the accounting personnel or made ready for our easy access.
6. A significant level of proposed audit adjustments is identified during our audit.
7. Changes in audit scope caused by events that are beyond our control.
8. Untimely payment of our invoices as they are rendered.