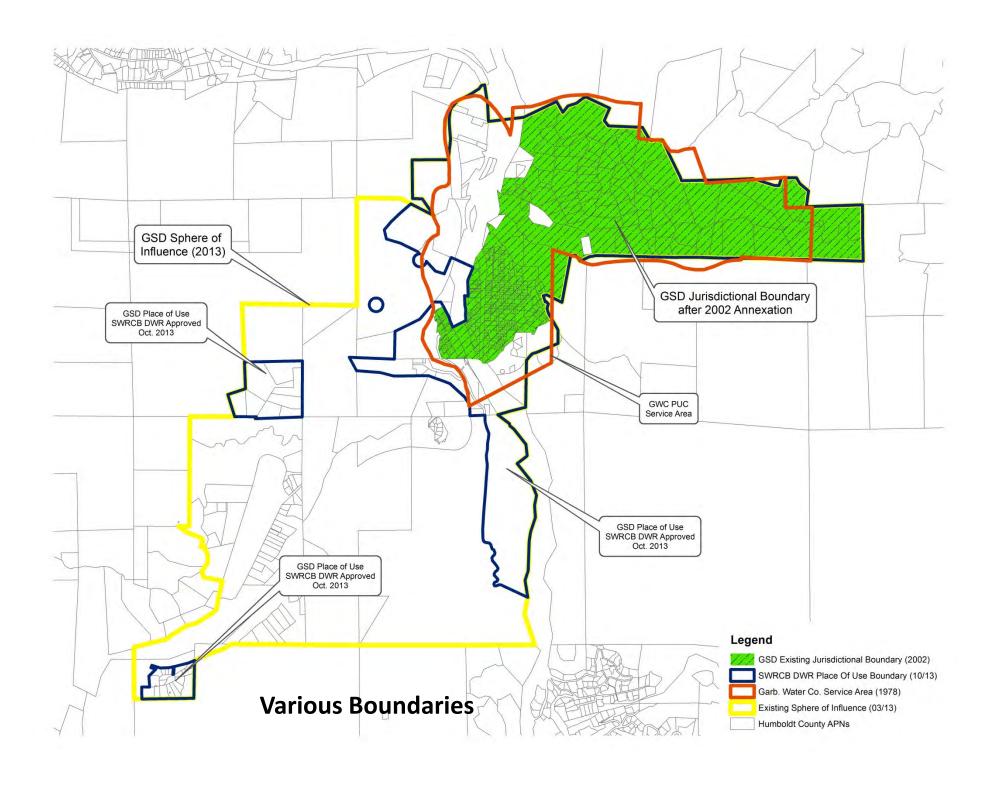


History of Water System

- Garberville Water Company supplied water to town of Garberville for many decades
- GWC was privately owned by Hurlbutt family and regulated by PUC
- Fred Hurlbutt was chief operator until died in 1999
- GWC assets purchased by GSD in Nov. 2004

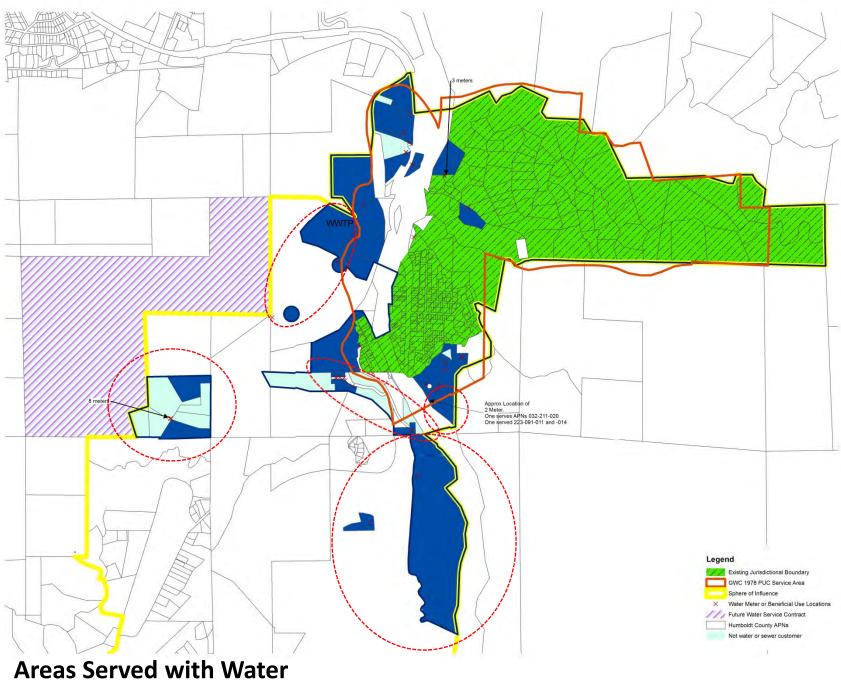
Differences in Boundaries

- GWC had a PUC approved service area
- This area was larger than the GSD jurisdictional boundary
- In addition to the PUC service boundary, GWC had an approved Place of Use for the SWRCB-DWR issued surface water diversion license and permit
- Each boundary was different



Areas of Water Service

- For the most part the properties proposed for annexation were served by the GWC inside of their service area but outside of GSDs
- There are some areas that GWC was serving outside of their boundaries
- This presentation focuses on those more "complicated" properties



Updating Boundaries

- Several efforts have been undertaken by GSD to remedy the differences in boundaries
 - 2002 Master Services Element
 - 2004 MSR
 - Various efforts to work with LAFCo staff on MSR

Recent Planning Efforts

- In 2011 GSD and LAFCo staff began the most recent collaborative effort to update the SOI and prepare a MSR
- County planning staff was consulted throughout the processes
- GSD formed the SOI Ad Hoc Committee that consisted of GSD Board and public members
- During these efforts GSD staff prepared shape files detailing the areas of water service

Recent Planning Efforts

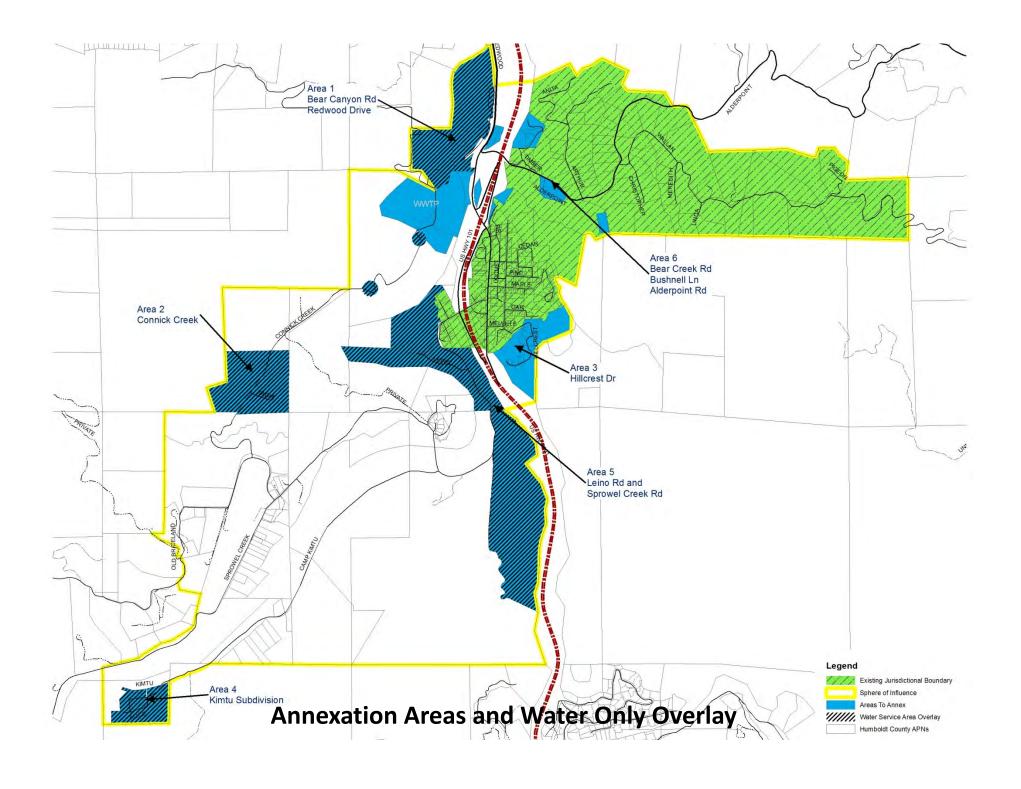
- Upon review of the draft, LAFCo staff determined that areas were so extensive, that an annexation would be necessary instead of cleanup in a MSR/SOI
- At this point GSD selected a recommended SOI and forwarded this and the draft MSR/SOI documents to LAFCo staff for their use
- GSD also began working on the annexation project

GSD Guiding Principles for Annexation

- Areas of annexation are structured using Humboldt County APN boundaries
- Main goal was to bring all existing customers into the boundary
- Unless reason not to, entire APN brought into boundary
- To make the jurisdictional boundary and place of use the same

What does the application consist of?

- Annexation of 84 APNs
- Broken down into 6 geographical areas around boundary to organize details
- A water only service overlay



Unserved Parcels

- 1 developable property that doesn't have water or sewer service
- 9 developable properties into water overlay area that are not currently served with water
- 12 properties into water & sewer area that are served with water that don't have sewer service
- The rest have water and sewer services already or are undevelopable

CEQA Process

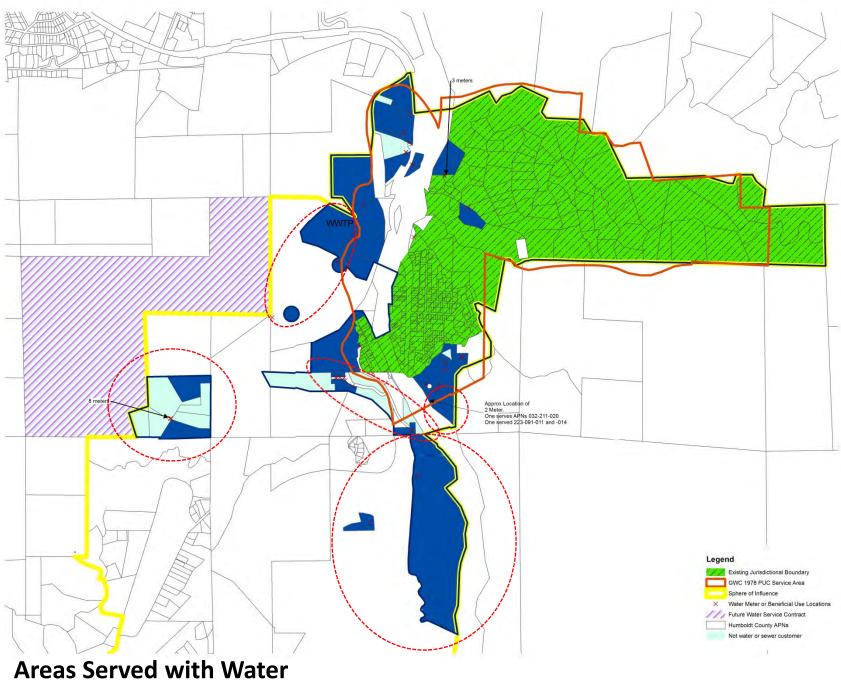
- In March 2012 publicly circulated IS/MND
- Received comments, considered concerns
- Made revisions to IS/MND based upon comments
- LAFCo staff finalized draft MSR/SOI Update, which was adopted by Commission in March 2013
- In April 2013 Administrative draft IS/MND reviewed by Humboldt County Planning and LAFCo staff
- In May 2013 Publicly recirculated revised IS/MND

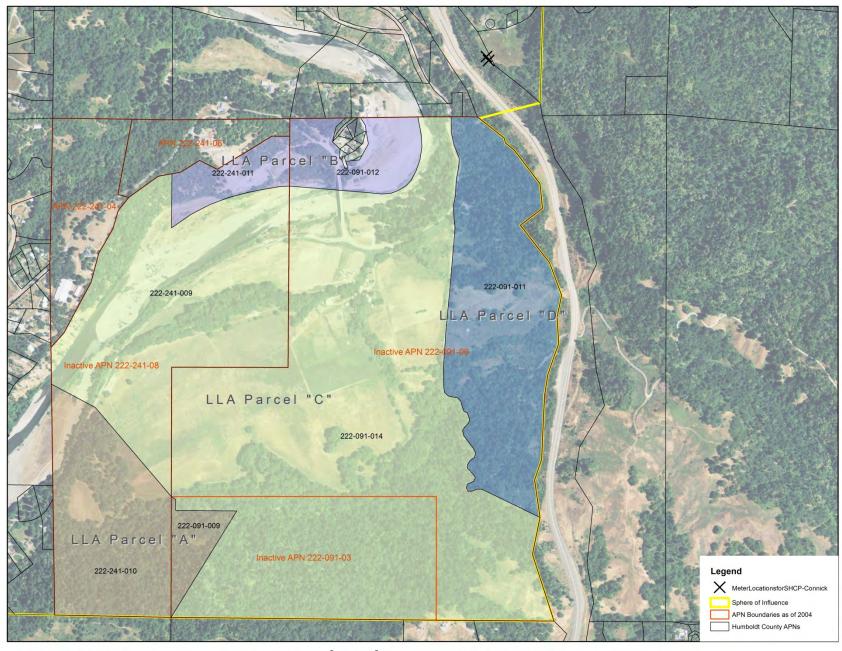
CEQA Process, continued

- Received comments, district considered
- In September 2013 the Final IS/MND was produced
- On Sept 24, 2013 the GSD Board adopted the final IS/MND and the NOD was filed with the State Clearinghouse and Humboldt County Clerk
- In October 2013 the State Water Resources Control Board adopted an NOD for the change in the Place of Use
- Numerous public hearing and public board meetings were held during the past 3 years to receive public input on the annexation project

Locations that GWC was Providing Water Outside their Service Area

- Tooby Flat
- Connick Creek Subdivision
- Leino Lane & Sprowel Creek Road properties





Tooby Flat Area

Tooby Flat Area

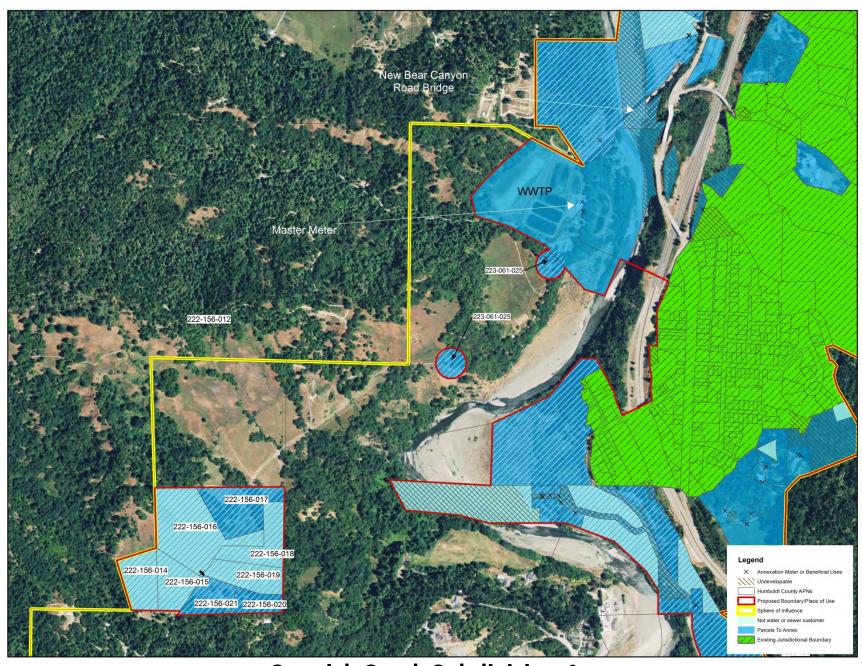
- The GWC set a meter on the east side of Hwy 101 and allowed what was APN 222-091-001 to run a private waterline to their property
- There were various LLAs and changes in property ownership
- Resulted in single meter serving two properties: APNs 222-091-011 and 014 ("Yellow House" and SHCP)

APNs 222-091-011 and 014 "Yellow House" and SHCP

- Only APN 222-091-011 is included in this application
- SHCP will likely petition for annexation as part of their various development permits currently underway with Humboldt County Planning Dept.

Connick Creek Subdivision

- 8 lot Subdivision approved by Humboldt County including rezone
- Conditions of approval were for GWC service



Connick Creek Subdivision Area

Connick Creek Subdivision

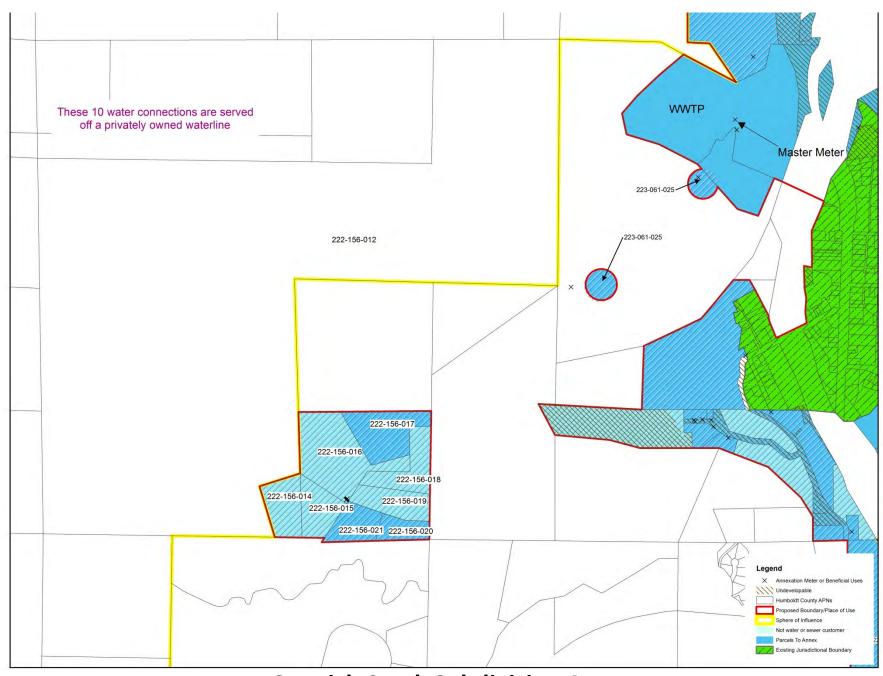
- 8 lot Subdivision approved by Humboldt County including rezone
- Conditions of approval were for GWC service
- GSD owned the waterline that was constructed on the aerial span across the SF Eel River for the post 1964 flood new sewer treatment plant
- The subdivision needed to be able to utilize GSD's waterline for GWC to provide water service

Connick Creek Subdivision, continued

- GSD executed agreement in 1997 that allowed the subdivision to utilize our private waterline across SF Eel River to transport GWC water to their private waterline through a master meter
- Approval was for only the 8 parcels created in the subdivision

Connick Creek Subdivision, continued

- GWC began billing for Connick Creek's master meter in May 2004.
- GSD continued billing master meter from Nov 2004 when GWC was purchased
- At some point between 2004 and 2010, two connections had been installed on APN 223-061-025
- In Oct 2010, GSD executed agreement for separate billing of all 10 service connections to private waterline as separate accounts



Connick Creek Subdivision Area

The Kimtu Waterline

- LAFCo approved construction of an 8" waterline in Sprowel Creek Road for the Kimtu Project
- LAFCo approval (July 2010) was conditioned in Resolution 10-06 as follows:
 - 1. Prior to funding or construction of the proposed project, the Garberville Sanitary District shall provide documentation to Humboldt LAFCo that District policies have been adopted sufficient to ensure that no future connections to the proposed water line outside of the District Boundary will be approved by the District for any purpose, other than to correct an existing threat to public health and safety (as described in Government Code Section 56133(c). Such policies shall not be amended, except with LAFCo approval to ensure that future proposals for Sphere of Influence amendments and/or annexations would be considered under the assumption that the water line is not available for purposes other than its specified intent of correcting a public health threat to the existing residents of the Kimtu Meadows Subdivision, or until such time that the Garberville Sanitary District completes their Municipal Service Review update and Sphere of Influence expansion and the Community Humboldt County Plan and General Plan for the area is adopted.
 - 2. Any future connections to the Garberville Sanitary District water line extended to serve Kimtu Meadows Subdivision be submitted to Humboldt LAFCo for review and approval prior to the connection being made; and
 - 3. Garberville Sanitary District will notify Humboldt LAFCo when service to the Kimtu Meadows Subdivision has been established and provide a description of the constructed water system.
 - 4. Garberville Sanitary District will adopt an ordinance dedicating the Kimtu Meadows Subdivision line to serve only existing Kimtu connections and prohibiting future connections to the line.

Request for Connection to Kimtu Line

 In May 2012 the Commission approved installation of two stub outs on the Kimtu Line

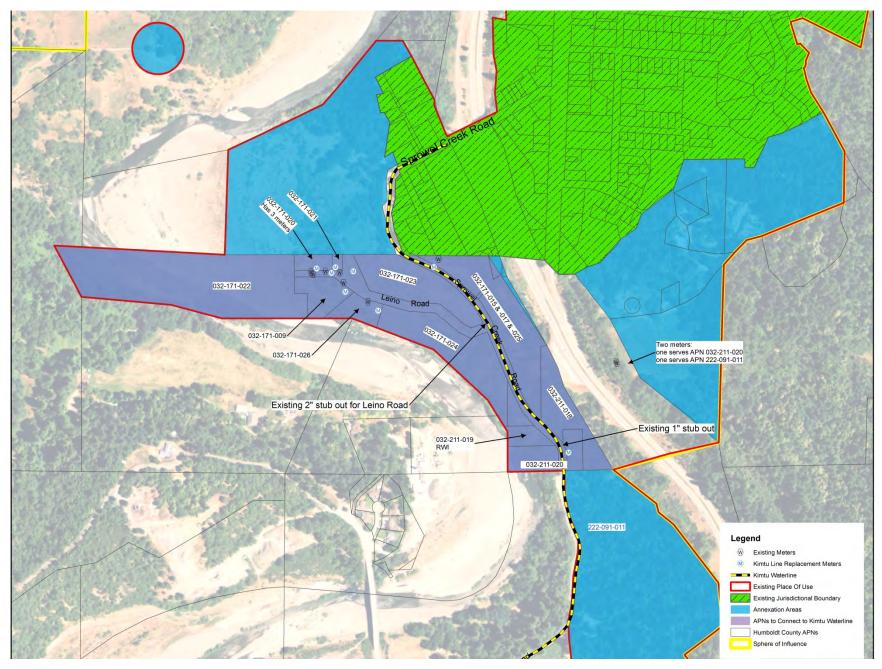
Constructed Stub outs





Request for Connection to Kimtu Line

- In May 2012 the Commission approved installation of two stub outs on the Kimtu Line
- There are 13 specific APNs requested for connection to these Kimtu Line stub outs



Kimtu Waterline Service Transfers

Summary

There are:

- Numerous properties that GSD serves with water which are currently outside of our Jurisdictional Boundary but were in GWC's service area
- ➤ Several areas that were served by the GWC outside of their service area
- ➤ Minimal developable unserved properties being brought into the boundary
- The application that has been submitted for processing cleans up all these old areas

Questions?