

AGENDA
REDWAY COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTORS

REGULAR BUSINESS MEETING

Location: RCSD Business Office, 3168 Redwood Drive

Date: January 21, 2026

Time: 6:00 P.M.

Posted: January 16, 2026

I. CALL TO ORDER:

II. ROLL CALL:

___ Arthur M^cClure Chairman

___ Dian Griffith Vice-Chairwoman

___ Marie Etherton

___ Michael McKaskle

___ Tammy Willison

III. LAND ACKNOWLEDGEMENT:

The Redway Community Services District acknowledges that it is located within the traditional lands of the Wailaki and other Indigenous peoples. On this unceded ancestral land along the river they call Sinkyokok, generations of people have stewarded this land and continue to care for the land and water. We look to our indigenous communities for their experience in caring for the water and land that we both inhabit and commit to working with them to provide quality water for all.

IV. APPROVAL OF THE AGENDA:

V. REPORT FROM CHAIRMAN OF THE BOARD:

VI. PUBLIC COMMENT:

An opportunity for any member of the public to address the Board of Directors on any matter not on the agenda but which is within the jurisdiction of the Board. The Board may limit time allowed for each speaker. An item may be discussed by the Board but no action will take place during this portion of the agenda as this would constitute an illegal act of the Board.

VII. PREVIOUS MINUTES:

1. Consider Approval of the Minutes of the following Board of Director meetings.
 - a) December 17, 2025, Regular Business Meeting Minutes.

VIII. CONSENT CALENDAR:

All matters listed under the Consent Calendar are to be considered routine and without opposition. The Consent Calendar will be enacted by one motion.

1. Operation Manager's Report: Review of the December 2025 Operation Manager's Report. Pg. 11
2. Production Report: Review of December 2025 Production Report. Pg. 15
3. Safety Report: Review of the December 2025 Safety Report. Pg. 17

IX. FINANCIAL, OFFICE MANAGER AND GENERAL MANAGER'S REPORT:

1. Financial Report: Review of the December 2025 Financial Reports. Pg. 21
2. Office Manager's Report: Review of the December 2025 Office Manager's Reports. Pg. 41
3. General Manager's Report: Review of the December 2025 General Manager's Reports. Pg. 43

X. OPEN SESSION DISCLOSURE OF CLOSED SESSION:

XI. CLOSED SESSION:

1. *Security*

XII. RETURN TO OPEN SESSION; DISCLOSURE OF CLOSED SESSION:

XIII. ACTION / DISCUSSION ITEMS; CONTINUED AND NEW ITEMS:

1. *Updating Place of Use Boundary.* Pg. 45
ACTION REQUIRED: Discussion / Report / Action
2. *Election of Officers.*
ACTION REQUIRED: Discussion / Action
3. *Ad-Hoc Committee Report:*
 - a) *Executive*
 - b) *Financial*
 - c) *Personnel*
 - d) *Infrastructure* Pg. 47
ACTION REQUIRED: Discussion / Report / Action
4. *New Connections:*
 - a) *New Connections Waiting List.*
 - b) *Houses Not Connect to Collection System.*
ACTION REQUIRED: Discussion / Report / Action.
5. *Grants:*
 - a) *Emergency Water Storage and Supply Project*
 - b) *Wastewater Improvements Project*
ACTION REQUIRED: Discussion / Report / Action
6. *Redway Community Services District Customer Assistance Program.*
ACTION REQUIRED: Discussion / Report / Action
7. *Update on Loan Status for Acquisition and Construction of Water Storage Tank and Related Costs.*
ACTION REQUIRED: Discussion / Report / Action Pg. 57

8. *Reviewing Bonus for Employees.*

ACTION REQUIRED: Discussion / Report / Action

9. *AirMed Care Network; Emergency Air Ambulance Services for Employees and Board Members.*

ACTION REQUIRED: Discussion / Report / Action

10. *2024/2025 Audit Review and Ruling.*

ACTION REQUIRED: Discussion / Report / Action

Pg. 65

XIV. CORRESPONDENCE:

PFAS Pg.95

Surface Water Sampling Pg109

Zach Chandler Pg.111

XV. BOARD MEMBER / STAFF REPORTS:

Missed Samples

1. DIRECTORS' REPORT

Pg 113

a. RREDC

XVI. COMMENTS FROM MEMBERS OF THE BOARD:

XVII. MEDIA COMMUNICATION:

XVIII. ADVANCED AGENDA:

Further items may be placed by the Board Members for the February 2026 Regular Business Meeting of the Board of Directors under this item of business: No Action

XIX. ADJOURNMENT:

Location of related writings is available for public review: Redway CSD Office, 3168 Redwood Dr. Redway, Ca.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the RCSD at (707)923-3101. Notification 48 hours prior to the meeting will enable the district to make reasonable arrangements

to ensure accessibility to this meeting (28 CFR 35.102-35.104 ADA Title II.

REDWAY COMMUNITY SERVICES DISTRICT
MINUTES OF THE REGULAR BUSINESS MEETING

December 17, 2025

CALL TO ORDER:

Chairman M^cClure called the December 17, 2025 Regular Business Meeting of the Redway Community Services District Board of Directors, to order at 6:00 P.M. in the Redway Community Services District Business Office.

ROLL CALL:

Directors Present: Arthur M^cClure, Chm., Dian Griffith, Vice- Chairwoman,
Michael McKaskle, Tammy Willison, Marie Etherton.

Staff Present:

Cody Cox, General Manager / Operations Manager.

Nancy Jurens, Secretary to the Board.

Staff Absent

Glenn Gradin, Office Manager.

Jennie Short, 4J's Consulting

LAND ACKNOWLEDGEMENT:

Dian Griffith read the District's Statement of its Land Acknowledgement as follows:

The Redway Community Services District acknowledges that it is located within the traditional lands of the Wailaki and other Indigenous peoples. On this unceded ancestral land along the river they call Sinkyokok, generations of people have stewarded this land and continue to care for the land and water. We look to our indigenous communities for their experience in caring for the water and land that we both inhabit and commit to working with them to provide quality water for all.

APPROVAL OF THE AGENDA:

Michael McKaskle motioned to move Action / Discussion Items; Item 1. Updating Place of Use Boundary; Expansion of Place of Use and Extension of Time Application, Unnamed Spring Petition directly after Approval of the Agenda. Dian Griffith seconded the motion. Chairman M^cClure called for a roll call vote. Dian Griffith, Yea, Michael McKaskle, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur M^cClure, Yea. The motion was carried by a roll call vote of five Yeas and zero Nays. See Action / Discussion Items; Item 1. Updating Place of Use Boundary; Expansion of Place of Use and Extension of Time Application, Unnamed Spring Petition.

REPORT FROM CHAIRMAN OF THE BOARD:

Chairman M^cClure expressed his gratitude to Board Members and Staff for their excellent performance.

PUBLIC COMMENT:

1. No public comment was addressed to the Board.

PREVIOUS MINUTES:

Consider Approval of the Minutes of the following Board of Directors Meeting:

- a) November 17, 2025 Regular Business Meeting Minutes: Following review of the November 17, 2025 Regular Business Meeting minutes, Michael McKaskle moved to approve the November 17, 2025 Regular Business Minutes as presented. Dian Griffith seconded the motion. Chairman M^cClure called for a roll call vote. Yea, Michael McKaskle, Yea, Dian Griffith, Yea, Arthur M^cClure Yea, Marie Etherton, Tammy Yea, TammyWillison, Yea. The motion was carried by a roll call vote of five Yeas, zero Nays.

CONSENT CALENDAR:

1. Operation Manager's Report: The Board reviewed the November, 2025 Operations Manager's Report.
2. Production Report: The Board reviewed the November, 2025 Production Report.
3. Safety Report: The Board reviewed the November, 2025 Safety Report.

Marie Etherton moved to accept the November 2025 Consent Calendar as presented. Michael McKaskle seconded the motion. Chairman M^cClure called for a roll call vote. Dian Griffith, Yea, Michael McKaskle, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur M^cClure, Yea. The motion was carried by a roll call vote of five Yeas and zero Nays.

FINANCIAL, OFFICE MANAGER AND GENERAL MANAGER REPORTS

1. Financial Reports: The Board reviewed the November, 2025 Financial Reports.
2. Office Manager's Report: The Board reviewed the November, 2025 Office Manager's Report.
3. General Manager's Report: The Board reviewed the November 2025, General Manager's Report.

Following review of the November 2025 Financial, Office Manager's and General Manager's reports, Dian Griffith moved to accept the November 2025 Financial, Office Manager's and General Manager's reports as presented. Tammy Willison seconded the motion. Chairman M^cClure called for a roll call vote. Michael McKaskle, Yea, Dian Griffith, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur M^cClure Yea. The motion was carried by a roll call vote of five Yeas and zero Nays.

OPEN SESSION DISCLOSURE OF CLOSED SESSION

Chairman M^cClure announced that there is no disclosure of Closed Session.

CLOSED SESSION:

1. Security: No current information on security within the District was revealed.

RETURN TO OPEN SESSION; DISCLOSURE OF CLOSED SESSION:

Arthur McClure announced that as no Closed Session was held no disclosure was announced.

ACTION / DISCUSSION ITEMS:

1. Update Place of Use Boundary: Expansion of Place of Use and Extension of Time: Jennie Short from 4J's Consulting informed the Board that the CEQA Document comment period closed on December 12, 2025. The California Department of Fish and Wildlife was the only agency to submit recommendations on the potential water usage of undeveloped parcels within the Redway Community Services District. Ms. Short recommended that the undeveloped parcels be removed from the project description as part of the Expanded Place of Use. Following further discussion, Michael McKaskle moved to direct staff and consultants to remove parcels APN 222-151-005, 222-151-004, 223-171-020, 223-171-018, 223-171-019, 223-171-021, 223-311-041 from the proposed project description as described in the Expanded Place of Use Project. Dian Griffith seconded the motion. Chairman McClure called for a roll call vote. Michael McKaskle, Yea, Dian Griffith, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur McClure, Yea. The motion was carried by a roll call vote of five Yeas and zero Nays. A public hearing addressing the adoption of the CEQA documents is scheduled for January 21, 2026 before the Regular Business Meeting of the Redway Community Services District Board of Directors. A representative from LACO Engineering will be in attendance to answer questions.
Ms. Short informed the Board that she now has access to the new portal for Cal Water to receive the petition for the unnamed spring being dedicated and has received no correspondence from the California Department of Fish and Wildlife regarding the Lake and Streambed Alteration Agreement.
2. Revision of Water / Sewer Connection Agreement: No information was available on Revision of the Water / Sewer Connection Agreement.
3. Ad-Hoc Committee Reports:
 - a. Executive: No Executive Ad-Hoc Committee Meeting was held; therefore, no new information was available
 - b. Financial: No Financial Ad-Hoc Committee Meeting was held; therefore, no new information was available.
 - c. Personnel: No Personnel Ad-Hoc Committee Meeting was held; therefore, no new information was available.
 - d. Infrastructure: No Infrastructure Ad-Hoc Committee meeting was held; therefore, no new information was available.
4. New Connections:
 - a. New Connections Waiting List: No information was available for review by the Board.
 - b. Houses not Connected to Collection System: Cody Cox informed the Board that the residence located at 608 Oakridge Drive has not been hooked into the District's sewer system and has been paying a sewer fee without having a sewer service. Installation of the sewer service line at the residence has been completed. The District will apply the amount that has been paid by the property owner to the hookup fee. No additional hookup fee will be charged to the property owner.
5. Inspection: Cody Cox reported that no inspections were performed.
6. Grants:
 - a. Emergency Water Storage and Supply Project: Cody Cox informed the Board that because of the holidays, the contractor will not be operational until January 05, 2026 and that the sign stating the projects description is being completed. The drilling for the pilings has also been completed
 - b. Wastewater Improvements Project: Cody Cox read comments from Mr. Voice regarding the Leggett Creek portion of the project, the fish bearing stream issues and the debris catchment plan. Mr. Cox reported that all issues from Mr. Voice have been addressed.

Cody Cox informed the Board that an approval of the Addendum to the 2022 Initial Study / Mitigated Negative Declaration to the CEQA Wastewater Infrastructure Improvements Project, SCH No 2022120174 is required. Following discussion, Michael McKaskle moved to approve the Addendum to the 2022 Initial Study / Mitigated Negative Declaration to the CEQA Wastewater Infrastructure Improvements Project SCH No. 2022120174. Dian Griffith seconded the motion. Chairman M^cClure called for a roll call vote. Michael McKaskle, Yea, Dian Griffith, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur M^cClure, Yea. The motion was carried by a roll call vote of five Yeas and zero Nays.

7. Update on Recommendations from the Office Manager Regarding Current Leak Relief Policy: No new information was available regarding the current leak relief policy.
8. Redway Community Services District Customer Assistance Program: As the District has had no correspondence from its attorney regarding providing assistance to senior citizens over 65 and on Social Security, no new information was available. Dian Griffith requested that any assistance provided be retroactive.
9. Water Fee Relief for the Youth Playing Field: The District has not received a response from its attorney regarding water fee relief for the youth playing field. The letter requesting permission to install a water well near the Little League Baseball Field will be sent to the Southern Humboldt Unified School District.
10. Discussion on Acquiring a Loan for the Emergency Water Storage and Safety Project: The Board discussed entering into an installment, sales agreement with Columbia Bank for an amount not to exceed two hundred thousand dollars (\$200,000.00). Following further discussion, Marie Etherton moved to adopt Resolution 2025-2026-05 Authorizing the Execution and Delivery of an Installment Sale Agreement, and Authorizing and Directing Certain Actions in Connection with the Acquisition and Construction of a Water Storage Tank. Tammy Willison seconded the motion. Chairman M^cClure called for a roll call vote. Dian Griffith, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur M^cClure, Yea, Michael McKaskle, Abstain. The motion was carried by a roll call vote of four Yeas and one Abstention from Michael McKaskle.
11. On-Call Rate for Employees: Following discussion, Michel McKaskle moved to increase the on-call rate for employees from twenty dollars (\$20.00) per day to forty dollars (\$40.00) per day. Dian Griffith seconded the motion. Chairman M^cClure called for a roll call vote. Marie Etherton, Yea, Dian Griffith, Yea, Tammy Willison, Yea, Arthur M^cClure, Yea. The motion was carried by a roll call vote of five Yeas and zero Nays.
12. Review of Bonus for Employees: Following discussion, Dian Griffith moved to give District employees including Secretary to the Board a \$100.00 bonus. Michael McKaskle seconded the motion. Chairman McClure called for a roll call vote. Marie Etherton, Yea, Dian Griffith, Yea, Tammy Willison, Yea, Arthur McClure, Yea. The motion was carried by a roll call vote of five Yeas and zero Nays. The Personnel Ad-Hoc Committee will review the Personnel Policy regarding bonuses for employees.
13. AirMed Care Network; Emergency Air Ambulance Services for Employees and Board Members: The Board discussed providing AirMed Care Network Emergency Air Ambulance Services for Employees and Board Members. As Glenn Gradin was absent and unable to provide information, action was tabled until the January 2026 Regular Business Meeting.
14. COLA Raise for District Employees: Following discussion, Dian Griffith moved to give District Employees a 2.8 % COLA raise. Marie Etherton seconded the motion. Chairman M^cClure called for a roll call vote. Michael McKaskle, Yea, Dian Griffith, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur M^cClure Yea. The motion was carried by a roll call vote of five Yeas and zero Nays.

CORRESPONDENCE:

1. Humboldt County Board of Supervisors, Natalie Arroyo, December 09, 2025 Re, Resolution No. 25-184; Humboldt County Operational Area Hazard Mitigation Plan 2025 Update.

BOARD MEMBER / STAFF REPORTS:

1. Director's Reports:

A. Michael McKaskle.

1. RREDC: No RREDC report was submitted by Michael McKaskle.

COMMENTS FROM MEMBERS OF THE BOARD:

Chairman McClure wished all Board Members and Staff Happy Holidays.

MEDIA COMMUNICATIONS:

The Local media is to continue asking their listeners to avoid pouring oils, grease and fats down their drains.

ADVANCED AGENDA

No new items were placed on the Advanced Agenda.

ADJOURNMENT:

Dian Griffith moved to adjourn the December 17, 2025 Regular Business Meeting of the Redway Community Services District Board of Directors at 7:51 P.M. Marie Etherton seconded the motion. Chairman M^cClure called for a roll call vote. Michael McKaskle, Yea, Dian Griffith, Yea, Marie Etherton, Yea, Tammy Willison, Yea, Arthur M^cClure, Yea. The motion was carried by a voice vote of five Yeas and zero Nays.

Respectfully Submitted,

Nancy Jurrens,
Secretary to the Board

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Operations Report

December 2025 – January 16, 2026

1. December 2025 Storm Event & Inflow/Infiltration Impacts

This section incorporates the previously prepared Storm Event & Inflow/Infiltration Documentation Report (December 2025) and serves as the foundational operational narrative for this reporting period.

GM Summary

This Report documents a significant storm event that occurred in December 2025 and its impacts on Redway Community Services District (CSD) wastewater and water treatment operations. The information herein is derived from operator logs maintained during the storm event and represents real-time operational observations.

- A repeatable threshold at which severe inflow and infiltration occurs, observed once accumulative rainfall reaches approximately three inches.
- A clear and documented rainfall-to-influent flow relationship, showing rapid escalation of flows during storm events has all been logged in our operator log books, with descriptive graphs for both water and sewer systems and treatment facilities.

The documented data that we have retained clearly demonstrates that once cumulative rainfall reached approximately three inches or greater, the wastewater collection system experienced severe inflow and infiltration (I&I). This resulted in influent flows far exceeding normal dry-weather conditions and the hydraulic capacity of the wastewater treatment plant.

Wastewater Treatment Plant – Operator Log Documentation

During the period of December 16–27, 2025, operators documented repeated high-water alarms, extreme influent flows, solids carryover into clarifiers and contact chambers, and the need for emergency operational measures. These measures included overnight staffing,



sludge removal using our VAC truck, draining and cleaning of treatment units, and temporary infrastructure protection.

Peak instantaneous influent flows were documented at approximately 1,000–1,100 gallons per minute (GPM). Daily average flows exceeded 600 GPM on multiple days, compared to a typical dry-weather influent of approximately 250 GPM.

2. USGS Streamflow Summary – South Fork of the Eel River (Miranda Gauge)

The U.S. Geological Survey (USGS) operates a continuous streamflow monitoring station on the South Fork of the Eel River near Miranda, California (USGS Gauge 11476500). Streamflow data from December 2025 through mid-January 2026 indicate multiple storm-driven peak flow events corresponding with the documented inflow and infiltration impacts observed within the Redway CSD wastewater system.

During major storm periods, river discharge increased rapidly, reflecting watershed-wide saturation conditions. These elevated flows are consistent with the timing of wastewater collection system surcharging, high influent flows at the treatment plant, and degraded raw water quality affecting surface water treatment operations. The USGS data provide independent hydrologic confirmation of the severity and duration of the December 2025 storm events.

3. Water Treatment Operations

During the December 2025 storm events, the Redway CSD Surface Water Treatment Plant experienced operational limitations due to degraded source water quality. Elevated turbidity and storm-related runoff rendered the facility unable to reliably produce potable water for portions of the storm period. Operations stabilized as storm intensity decreased and raw water quality improved.

From late December 2025 through mid-January 2026, water treatment operations returned to normal service conditions, with no additional treatment disruptions reported.

4. Wastewater Treatment Operations

Wastewater treatment operations during this reporting period were dominated by response to extreme wet-weather flows associated with the December 2025 storm events. Operators implemented emergency operational measures to maintain treatment capacity and protect infrastructure, including extended staffing, solids management, and equipment monitoring.



Following the storm period, influent flows gradually returned toward normal dry-weather conditions. No additional high-flow emergencies were reported after storm conditions subsided.

5. Distribution System Operations

There were no significant distribution system operational issues to report during this period. Routine meter reads were completed as scheduled.

Three water meters temporarily lost communication during the peak storm events; however, all affected meters returned to normal communication status once storm conditions subsided. No further distribution system issues were identified.

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Redway CSD – Production/Treatment Activity

January 12, 2026

Unit of measure is gallons:

Water Production Report: For December 2025

	Water Produced	District Use	Unmetered	Sold	Daily Avg.
Oct 2023	3,893,549	430,967	755,428	2,707,154	125,598
Oct 2024	4,481,848	821,213	698,660	2,961,975	144,576
Oct 2025	4,381,170	1,094,368	1,182,992	2,373,090	141,328
Nov 2023	3,512,732	481,020	667,037	2,364,675	117,091
Nov 2024	4,379,517	1,196,932	220,610	2,961,975	145,984
Nov 2025	4,454,478	1,542,742	684,244	2,227,492	148,483
Dec 2023	3,620,004	886,862	739,865	1,993,457	116,774
Dec 2024	4,027,569	1,521,064	1,121,209	1,385,296	129,922
Dec 2025	5,018,748	1,819,364	972,064	2,227,322	161,895

Wastewater Treatment Report: For December 2025

	Influent	Effluent	Difference
Oct 2025	2,949,621	2,696,240	253,381
Nov 2025	3,446,692	3,000,394	446,298
Dec 2025	10,216,607	5,790,825	4,425,782

*NOTE: We discharged to river, less than 15 days, creating difference in Effluent reading.

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WORKPLACE SAFETY REPORT

Redway CSD employees perform safety inspections at least monthly. The following sections are the major areas observed:

SECTION I

Fire Extinguishers

Date Serviced 3/5/25

Date 12-2-25

Monthly Inspection recorded on unit.

SECTION 2

Flammables Storage

Check fuel tanks for leaks

Date 12-1-25

Waste WTP

Water Plant

Dogwood LS

Check fuel connections for seeps

Fuel cans stored properly

✓

✓

✓

✓

✓

SECTION 3

Work Areas

Chemicals properly stored and marked.

No Spills or trip hazards

Exits are accessible

✓
✓
✓

Date 12-3-25

SECTION 4

Electrical Equipment

Switches and circuit breakers labeled.

Extension and power cords are serviceable.

Lockout Devices serviceable

✓
✓
✓

Date 12-4-25

SECTIONS

Ladders, Hand Tools & Chains

Properly stored and are in serviceable condition
Handles are tight to hammer
head No missing or broken
steps Chain links and hooks
inspected

Date 12-9-25

SECTION 6

Machine Hazards

Wiring has no loose connections or bare wires.
Safety guards in place proper warnings for automated

systems.

Tie downs or mounts secured.

Date 12-2-25

SECTION 7

Environment & Personal Protective Devices

There is adequate lighting & ventilation available when applicable.

SDS sheets current

Hearing, Eye and protective clothing is serviceable.

Emergency phone numbers are posted & first aid kits current.

Spill Containment Kits are complete.

Confined space equipment checked for serviceability

Survivor Air Systems inspected and serviceable NEED SCBA

Date: 12-9-25

Any Incidents to Report for month NONE

Signature: 

Date 1-2-26

EMPLOYEE SAFETY TRAINING AND MEETING REPORT

This form is filed with the master meeting file for each safety meeting in the IIPP Administrator's files. The master file includes this form, the safety meeting agenda, all safety meeting handouts and anything else pertaining to the safety meeting.

Employee Safety Training & Meeting Report
Page 1 of 1

Redway Community Services District
Monthly Financial Statement to December 31ST, 2025

Primary Checking Account		Previous Balance =	\$68,043.48	As of November 30th, 2025
		UMPQUA Revenues		
1	Customer Revenues Collected per QuickBooks		\$127,719.91	
2			\$0.00	
3			\$0.00	
4	APPLICATION FEE - SEWER		\$0.00	
5	Refund from SDRMA		\$0.00	
6	REIMBURSEMENT DWR #7 REWSP		\$191,250.00	
7			\$0.00	
8	transfer to Columbia Closing Vocality		\$27,332.82	
9			\$0.00	
10			\$0.00	
11			\$0.00	
	Total Income (reconciled bank deposits)		\$346,302.73	
	Total Withdrawals (reconciled withdrawals)		\$147,452.08	
Quick Books Balance - Primary Checking Account			\$266,894.13	As of December 31st, 2025

EI Dorado Income: Payments Received	
Water payments - w/ late, reconnect fees, adjustments and deposits	\$48,441.09
Sewer Payments	\$70,261.68
SEF Water fees paid	\$0.00
SEF Sewer fees paid	\$4,270.86
Water Syst. Loan Fund	\$6,602.28
Total Payments Received	\$129,575.91
Other Income	\$218,582.82
Net Total Income	\$348,158.73

Billing for Sales of Water & Sewer Services					
Date: This Year			Date: Prior Year		
	December-25			December-24	
	WATER	SEWER		WATER	SEWER
WSLF	\$6,536.50		WSLF	\$6,568.52	
Residential	\$42,864.29	\$49,036.24	Residential	\$28,579.66	\$44,148.42
Commercial	\$8,605.44	\$14,694.03	Commercial	\$7,840.45	\$15,972.90
Sub total W&S only	\$58,006.23	\$63,730.27	Sub total W&S only	\$42,988.63	\$60,121.32
SEF	\$0.00	\$4,125.00	SEF	\$0.00	\$4,112.72
Sub total	\$58,006.23	\$67,855.27	Sub total	\$42,988.63	\$64,234.04
Reconnect fees	\$0.00		Reconnect fees	\$55.00	
Late Fees	\$1,044.00		Late Fees	\$2,568.00	
Adjustments	-\$591.13		Adjustments	-\$162.49	
Total Sales/Use	Dec-25	\$126,314.37	Total Sales/Use	Dec-24	\$109,683.18

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Redway Community Services District
Balance Sheet - Collapsed w/ Prior Year
As of December 31, 2025

	Dec 31, 25	Dec 31, 24
ASSETS		
Current Assets		
Checking/Savings		
1006 - UMPQUA - 4992	52,385.70	0.00
1004 - Cash in Bank CCUSH - 71	0.00	31,514.37
1010 - CCUSH - Business Savings -00	0.00	25.01
1015 - CCUSH - Connection Fees -52	0.00	2.26
1020 - CCUSH - Meadows Deposits - 51	0.00	16,088.57
1030 - Umpqua - Meadows Deposits -3892	16,095.91	0.00
1035 - Umpqua - Jet/Vac - 1897	314.76	0.00
1050 - Petty Cash	134.68	134.68
Cash in County - Water		
1100 - #2546 SRF Water Proj Loan Fund	325,263.88	332,615.03
1105 - #2547 SRF Payment Reserve Fu...	89,484.43	88,152.49
1110 - #2548 Davis Grunsky '68 Reserve	0.00	64.15
1115 - #2549 Davis Grunsky '74 Reserve	0.00	314.71
1120 - #2550 Tax Revenue Fund-Water	89,923.26	67,367.63
1125 - #2555 SEF - Water	39,773.21	78,048.22
1130 - #2557 T & D Rehab Proj. Fund	0.00	3,339.04
Total Cash in County - Water	544,444.78	569,901.27
Cash in County - Sewer		
1135 - #2551 Tax Revenue -Sewer	83,333.39	2,299.94
1140 - #2554 RCSD RECD Grant Sewer	0.00	900.58
1145 - #2556 SEF - Sewer	120,123.67	149,100.12
1150 - #2558 I & I Project Fund-Sewer	0.00	6,526.34
1155 - #9855 95 COP Payment Fund-Se...	0.00	1,401.75
1160 - #9856 '95 Reserve Fund Sewer	53,795.91	51,593.44
Total Cash in County - Sewer	257,252.97	211,822.17
Total Checking/Savings	870,628.80	829,488.33
Other Current Assets		
Prepaid Expenses	0.00	3,000.00
Prepaid Insurance	12,193.33	10,278.77
Employee Advance	4,859.14	1,567.99
Prepaid Rent	900.00	1,600.00
1300 - Accounts Receivable		
1301 - Allowance for Doubtful Accounts	-4,500.00	-4,500.00
1300 - Accounts Receivable - Other	316,749.12	297,686.97
Total 1300 - Accounts Receivable	312,249.12	293,186.97
1400 - Other Receivables	-1,802.00	0.00
1500 - Grants Receivable	-245,979.58	0.00
1600 - Inventory - Water	15,820.61	15,820.61
1650 - Inventory - Sewer	1,742.98	1,742.98
Total Other Current Assets	99,983.60	327,197.32
Total Current Assets	970,612.40	1,156,685.65

Redway Community Services District
Balance Sheet - Collapsed w/ Prior Year
As of December 31, 2025

	Dec 31, 25	Dec 31, 24
Fixed Assets		
Fixed Assets - Water		
1700 - Land	31,282.45	31,282.45
1705 - Source of Supply Plant	457,413.70	457,413.70
1710 - Autos & Trucks	46,657.32	36,157.32
1715 - Pumping Plant	197,376.49	83,511.68
1720 - Water Treatment Plant	312,246.11	288,733.63
1725 - Structures & Improvements	4,260,537.66	4,260,537.66
1730 - Water Plant - Small Equipment	289,754.58	289,754.58
1735 - Construction in Progress	216,230.89	139,299.24
Total Fixed Assets - Water	5,811,499.20	5,586,690.26
Fixed Assets - Sewer		
1740 - Land	93,493.07	93,493.07
1742 - Road Improvements	116,000.00	116,000.00
1745 - New WW Plant & Lift Stations	2,042,448.66	2,042,448.66
1750 - New Collection Facility	1,748,872.91	1,748,872.91
1755 - Lab Equipment - Plant	43,665.29	43,665.29
1760 - Permanent Seasonal Perc Pond	166,654.40	166,654.40
1765 - Easements	4,633.00	4,633.00
1770 - Collection Facilities - Lift St	640,507.64	630,254.62
1775 - Treatment Plant - Structures	466,708.60	466,708.60
1776 - Treatment Plant - Improvements	100,333.88	100,333.88
1780 - Sludge Bed Construction	64,884.76	64,884.76
1790 - Office Furniture & Equipment	22,544.53	22,544.53
1795 - Autos & Trucks	46,657.32	36,157.32
1796 - Tools & Equipment	215,717.02	215,717.02
1797 - Construction in Progress	1,297,585.71	600,446.40
Total Fixed Assets - Sewer	7,070,706.79	6,352,814.46
Accumulated Depreciation-Water	-3,040,861.76	-3,040,861.76
Accumulated Depreciation-Sewer	-3,982,615.72	-3,982,615.72
Total Fixed Assets	5,858,728.51	4,916,027.24
Other Assets		
1900 - COP Issuance Costs	12,766.68	12,766.68
Total Other Assets	12,766.68	12,766.68
TOTAL ASSETS	6,842,107.59	6,085,479.57
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
2000 - Accounts Payable	167,092.01	725,784.50
Total Accounts Payable	167,092.01	725,784.50

Redway Community Services District
Balance Sheet - Collapsed w/ Prior Year
As of December 31, 2025

	Dec 31, 25	Dec 31, 24
Other Current Liabilities		
2115 · Accrued 457b - Employer	251.69	-1,255.02
2120 · Accrued 457b - Employee	2,230.59	-827.25
2025 · Gym Memberships	0.00	30.00
2100 · Accrued FWH/FICA	0.00	-4,892.32
2105 · Accrued SWH/SDI	-403.41	-758.88
2110 · Accrued SUI/ETT	398.17	-33.82
2125 · Accrued Vacation	13,177.44	21,671.20
2200 · Interest Payable	8,362.50	8,943.75
2300 · Customer Deposits	6,850.00	8,000.00
2400 · Temporary Inv - W&J Project	11,900.00	11,900.00
24000 · Payroll Liabilities	3,250.00	0.00
Current Portion of Long-Term De	70,250.00	107,500.00
Total Other Current Liabilities	116,266.98	150,277.66
Total Current Liabilities	283,358.99	876,062.16
Long Term Liabilities		
2500 · Loan Payable - SRF Loan	650,250.00	726,750.00
2600 · Loan Payable - 95 WW Project	446,000.00	446,000.00
Less Current Portion of LTD	-70,250.00	-107,500.00
Total Long Term Liabilities	1,026,000.00	1,065,250.00
Total Liabilities	1,309,358.99	1,941,312.16
Equity		
Water Equity		
3050 · Retained Earnings - Water	2,170,516.76	2,033,238.40
3100 · Debt Reserve - Water	382,031.83	428,059.32
3200 · Contributed Capital - Water		
3250 · Less Accumulated Amortization	-150,001.65	-150,001.65
3200 · Contributed Capital - Water - Oth...	409,340.77	409,340.77
Total 3200 · Contributed Capital - Water	259,339.12	259,339.12
Total Water Equity	2,811,887.71	2,720,636.84
Sewer Equity		
3000 · Retained Earnings - Sewer	-1,006,919.22	-1,163,187.59
3150 · Debt Reserve - Sewer	53,795.91	52,227.25
3300 · Contributed Capital - Sewer		
3350 · Less Accumulated Amortization	-939,028.76	-939,028.76
3300 · Contributed Capital - Sewer - Ot...	3,743,489.16	3,743,489.16
Total 3300 · Contributed Capital - Sewer	2,804,460.40	2,804,460.40
Total Sewer Equity	1,851,337.09	1,693,500.06
32000 · Retained Earnings	1,249,687.70	249,087.90
Net Income	-380,163.90	-519,057.39
Total Equity	5,532,748.60	4,144,167.41
TOTAL LIABILITIES & EQUITY	6,842,107.59	6,085,479.57

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Redway Community Services District
Profit & Loss
December 2025

	Sewer	Water	TOTAL
Ordinary Income/Expense			
Income			
Water Charges			
4100 · Residential	0.00	42,273.16	42,273.16
4150 · Commercial	0.00	8,605.44	8,605.44
Total Water Charges	0.00	50,878.60	50,878.60
Sewer Charges			
4200 · Residential	49,036.24	0.00	49,036.24
4250 · Commercial	14,694.03	0.00	14,694.03
Total Sewer Charges	63,730.27	0.00	63,730.27
4500 · Late Charges	0.00	1,044.00	1,044.00
7200 · Interest Income	0.62	0.71	1.33
Total Income	63,730.89	51,923.31	115,654.20
Gross Profit	63,730.89	51,923.31	115,654.20
Expense			
Administrative & General			
5015 · Bank Charges	0.00	66.17	66.17
Insurance			
5040 · Employee Health Insurance			
Employee Portion Health	-2,339.53	-2,339.54	-4,679.07
5040 · Employee Health Insurance - O...	7,252.77	7,252.78	14,505.55
Total 5040 · Employee Health Insurance	4,913.24	4,913.24	9,826.48
5041 · Employee Life Insurance			
Employee Portion Life	-315.82	-315.83	-631.65
Total 5041 · Employee Life Insurance	-315.82	-315.83	-631.65
Total Insurance	4,597.42	4,597.41	9,194.83
5070 · Licenses, Permits & Fees	731.00	6,133.00	6,864.00
5075 · Mileage/Travel	32.80	32.80	65.60
5120 · Repairs & Maintenance	12.50	12.50	25.00

Redway Community Services District
Profit & Loss
December 2025

	Sewer	Water	TOTAL
Office Expense			
5060 · Computers & Software Expense	162.04	0.00	162.04
5062 · Finance Charges	65.41	62.42	127.83
5081 · Office Expense	12.50	12.50	25.00
5105 · Postage	132.64	132.64	265.28
5106 · Rent	450.00	450.00	900.00
5130 · Office Supplies	169.65	169.64	339.29
5135 · Telephone-all phones	158.26	158.27	316.53
5145 · Utilities-pg&e & blue star only	26.52	26.56	53.08
Total Office Expense	1,177.02	1,012.03	2,189.05
5085 · Outside Services	1,550.00	4,600.00	6,150.00
5100 · Payroll Taxes	2,338.05	2,514.11	4,852.16
Professional Fees			
5112 · Director Fees	225.00	225.00	450.00
5113 · Legal Fees	0.00	1,386.50	1,386.50
Total Professional Fees	225.00	1,611.50	1,836.50
5125 · Retirement	672.12	672.12	1,344.24
5150 · Wages	18,326.50	17,591.07	35,917.57
Total Administrative & General	29,662.41	38,842.71	68,505.12
Water Treatment			
5200 · Lab Tests	0.00	194.00	194.00
5205 · Repairs & Maintenance	0.00	541.55	541.55
5210 · Supplies-water treatment	0.00	1,124.04	1,124.04
5215 · Utilities	0.00	5,757.35	5,757.35
5220 · Wages	0.00	11,745.87	11,745.87
Total Water Treatment	0.00	19,362.81	19,362.81
Water Trans & Distribution			
5305 · Repairs & Maintenance	0.00	193,198.08	193,198.08
5310 · Supplies	0.00	212.05	212.05
5315 · Utilities	0.00	205.98	205.98
5320 · Wages	0.00	4,224.85	4,224.85
5330 · Tools and Safety Equipment	0.00	65.13	65.13
Total Water Trans & Distribution	0.00	197,906.09	197,906.09

Redway Community Services District
Profit & Loss
December 2025

	Sewer	Water	TOTAL
Sewer Treatment			
5400 · Lab Tests	2,901.00	0.00	2,901.00
5405 · Repairs & Maintenance	4,628.99	0.00	4,628.99
5410 · Supplies-sewer treatment	416.43	0.00	416.43
5415 · Utilities	4,475.39	0.00	4,475.39
5420 · Wages	8,574.50	0.00	8,574.50
5430 · Tools & Equipment	121.22	0.00	121.22
Total Sewer Treatment	21,117.53	0.00	21,117.53
Sewer Collection			
5505 · Repairs & Maintenance	6,954.10	0.00	6,954.10
5510 · Supplies	473.38	0.00	473.38
5515 · Utilities	2,044.10	0.00	2,044.10
5520 · Wages	4,336.29	0.00	4,336.29
5530 · Tools & Equipment	55.13	0.00	55.13
Total Sewer Collection	13,863.00	0.00	13,863.00
Total Expense	64,642.94	256,111.61	320,754.55
Net Ordinary Income	-912.05	-204,188.30	-205,100.35
Other Income/Expense			
Other Income			
5900 · SEF Fees - Sewer	4,125.00	0.00	4,125.00
4400 · SRF Fees	0.00	6,536.50	6,536.50
Total Other Income	4,125.00	6,536.50	10,661.50
Other Expense			
8300 · Capital Improvements	0.00	6,150.00	6,150.00
Total Other Expense	0.00	6,150.00	6,150.00
Net Other Income	4,125.00	386.50	4,511.50
Net Income	3,212.95	-203,801.80	-200,588.85

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Accrual Basis

Redway Community Services District

Checking Account Activity

As of December 31, 2025

Type	Date	Num	Name	Memo	Debit	Credit	Balance
1006 - UMPQUA - 4992							62,223.20
Liability Check	12/02/2025	17327	Variable Annuity Life Ins. Co.			2,201.45	60,021.75
Check	12/02/2025	17328	Postmaster Redway	NOV 2025 Billing		265.28	59,756.47
Liability Check	12/03/2025		QuickBooks Payroll Service	Created by Payroll Service on 12/02/2025		7,859.49	51,896.98
Deposit	12/03/2025			ACH M	163.91		52,060.89
Deposit	12/03/2025			Deposit	9,939.31		62,000.20
Paycheck	12/04/2025	DD1478	Cherubini, Dru A	Direct Deposit	0.00		62,000.20
Paycheck	12/04/2025	DD1479	Cox, Cody R.	Direct Deposit	0.00		62,000.20
Paycheck	12/04/2025	17324	Esget, Douglas R			1,876.30	60,123.90
Paycheck	12/04/2025	DD1480	Gradin, Glenn A	Direct Deposit	0.00		60,123.90
Paycheck	12/04/2025	DD1481	Holmes, Mir L	Direct Deposit	0.00		60,123.90
Paycheck	12/04/2025	17325	Lewis, Todd C			1,534.48	58,589.42
Paycheck	12/04/2025	17326	Moore, Eric S			2,345.22	56,244.20
Check	12/04/2025	17329	SWRCB - W & WW Cert	C COX GRADE III re-exam		420.00	55,824.20
Deposit	12/04/2025			ACH M	892.38		56,716.58
Deposit	12/04/2025			ACH F	307.54		57,024.12
Liability Check	12/05/2025	E-pay	United States Treasury	94-1634964 QB Tracking # -1267191962		4,816.06	52,208.06
Liability Check	12/05/2025	EFT	Employment Development Department-7...	779-0041-3		419.15	51,788.91
Liability Check	12/05/2025	EFT	Employment Development Department-7...	779-0041-3		232.07	51,556.84
Deposit	12/05/2025			ACH F	155.53		51,712.37
Deposit	12/05/2025			Deposit	3,760.44		55,472.81
Bill Pmt -Check	12/05/2025	17330	CALifornia Dept. of Tax and Fee Admin.	Water Rights-689457337		1,504.96	53,967.85
Bill Pmt -Check	12/05/2025	17331	David Katz	DEC RENT 2025 3168 Redwood Drive		900.00	53,067.85
Bill Pmt -Check	12/05/2025	17332	Industrial Service & Supply Inc	INV# 037399 Accu Tab		6,275.36	46,792.49
Bill Pmt -Check	12/05/2025	17333	Mobile Diesel Repair	INV# 8697 engine controller		1,399.79	45,392.70
Bill Pmt -Check	12/05/2025	17334	USA Bluebook	917867		3,002.59	42,390.11
Deposit	12/08/2025			ACH M	155.53		42,545.64
Deposit	12/09/2025			ACH M	659.15		43,204.79
Deposit	12/09/2025			ACH F	317.06		43,521.85
Check	12/09/2025	17335	Moore, Eric S	Deposit Check to drop off tools for repair.		40.00	43,481.85
Check	12/09/2025	17336	Cherubini, Dru A	Mileage through 11-20-25		65.60	43,416.25
Deposit	12/10/2025			ACH F	325.44		43,741.69
Deposit	12/10/2025			ACH M	310.77		44,052.46
Deposit	12/10/2025			Deposit	15,147.95		59,200.41
Deposit	12/11/2025			ACH M	335.35		59,535.76
Deposit	12/11/2025			Deposit	10,701.87		70,237.63
Deposit	12/12/2025			ACH M	100.00		70,337.63
Deposit	12/12/2025			ACH F	153.15		70,490.78
Deposit	12/12/2025			Deposit	9,585.26		80,076.04
Bill Pmt -Check	12/12/2025	17337	4JsConsulting	INV#1075 Professional Services SEPTEMBER 2025		4,550.00	75,526.04
Bill Pmt -Check	12/12/2025	17338	C & K	32585		134.30	75,391.74
Bill Pmt -Check	12/12/2025	17339	Emerald Technologies	INV#47101 47386 WWTP 47286 WTP		1,480.64	73,911.10
Bill Pmt -Check	12/12/2025	17340	Frontier	ALL- Field Land Lines		581.66	73,329.44
Bill Pmt -Check	12/12/2025	17341	Humboldt County Sheriff's Office	Attention: Alarm Permitting- 3168 redwood drive		25.00	73,304.44
Bill Pmt -Check	12/12/2025	17342	Jamie Corsetti, CPA	INV#14281		200.00	73,104.44
Bill Pmt -Check	12/12/2025	17343	Just Rent It	OCT INV# 201893, 201917		1,019.53	72,084.91
Bill Pmt -Check	12/12/2025	17344	LACO	INV#54427 POU CEQA		16,525.01	55,559.90
Bill Pmt -Check	12/12/2025	17345	Mobile Diesel Repair	INV# 8682 full PM		4,718.41	50,841.49
Bill Pmt -Check	12/12/2025	17346	Napa Auto Parts	Multiple INV#s		536.74	50,304.75
Bill Pmt -Check	12/12/2025	17347	Pacific Gas & Electric	Water Plant & Lift Stfations- OCTOBER billing		6,421.35	43,883.40
Bill Pmt -Check	12/12/2025	17348	pollard water	order #0293928 mag meter service charge		74.00	43,809.40
Bill Pmt -Check	12/12/2025	17349	quill	MULTIPLE inv#		287.42	43,521.98
Bill Pmt -Check	12/12/2025	17350	Recology Eel River	Debris .98 TON #295295		202.38	43,319.60
Bill Pmt -Check	12/12/2025	17351	Recology Humboldt County	INV#35032333- Office		36.99	43,282.61
Bill Pmt -Check	12/12/2025	17352	six rivers portable toilets	INV#215492 NOV 2025		65.25	43,217.36
Bill Pmt -Check	12/12/2025	17357	SWRCB - annual permit fees			4,849.00	38,368.36

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Accrual Basis

Redway Community Services District

Checking Account Activity

As of December 31, 2025

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill Pmt -Check	12/12/2025	17353	True Value	1451		34.74	38,333.62
Bill Pmt -Check	12/12/2025	17354	Umpqua Bank	NOVEMBER Billing		781.18	37,552.44
Bill Pmt -Check	12/12/2025	17355	Valley Pacific	195225 October 2025		1,764.98	35,787.46
Bill Pmt -Check	12/12/2025	17356	Wyckoff's-Fortuna	Customer #2-7001 10-31-2025 statement		440.41	35,347.05
Bill Pmt -Check	12/12/2025	17358	SWRCB - annual permit fees	WD-0301114		3,945.00	31,402.05
General Journal	12/12/2025	GAG		Transfer for JET/VAC semi-annual payment		4,500.00	26,902.05
Deposit	12/15/2025			ACH M	160.29		27,062.34
Deposit	12/15/2025			ACH M	157.91		27,220.25
Deposit	12/15/2025			ACH M	155.53		27,375.78
Liability Check	12/16/2025	E-pay	United States Treasury	94-1634964 QB Tracking # 318927234		4,726.98	22,648.80
Deposit	12/16/2025			ACH M	157.91		22,806.71
Deposit	12/16/2025			ACH F	157.91		22,964.62
Liability Check	12/17/2025		QuickBooks Payroll Service	Created by Payroll Service on 12/16/2025		7,713.19	15,251.43
Deposit	12/17/2025			ACH M	794.49		16,045.92
Deposit	12/17/2025			Deposit	17,334.61		33,380.53
Bill Pmt -Check	12/17/2025	17362	Amazon			1,065.80	32,314.73
Bill Pmt -Check	12/17/2025	17363	California Special Districts Association	CSDA Membership Dues 2026		4,875.00	27,439.73
Bill Pmt -Check	12/17/2025	17364	NTU Technologies	INV# 13403 Pro Pac 9800		2,124.00	25,315.73
Bill Pmt -Check	12/17/2025	17365	Pacific Gas & Electric	WastePlant, Evergreen B&LS, Office OCTOBER		4,960.57	20,355.16
Check	12/17/2025	17366	Art McClure	Chair REGULAR Board Meeting DEC 17, 2025		125.00	20,230.16
Check	12/17/2025	17367	Dian Griffith	REGULAR Board Meeting DEC 17, 2025		75.00	20,155.16
Check	12/17/2025	17368	Marie Etherton	REGULAR Board Meeting DEC 17, 2025		75.00	20,080.16
Check	12/17/2025	17369	Tammy Willison	REGULAR Board Meeting DEC 17, 2025		75.00	20,005.16
Check	12/17/2025	17370	Michael McKaskle	REGULAR Board Meeting DEC 17, 2025		100.00	19,905.16
Paycheck	12/18/2025	DD1482	Cherubini, Dru A	Direct Deposit	0.00		19,905.16
Paycheck	12/18/2025	DD1483	Cox, Cody R.	Direct Deposit	0.00		19,905.16
Paycheck	12/18/2025	17359	Esget, Douglas R			2,444.65	17,460.51
Paycheck	12/18/2025	DD1484	Gradin, Glenn A	Direct Deposit	0.00		17,460.51
Paycheck	12/18/2025	DD1485	Holmes, Mir L	Direct Deposit	0.00		17,460.51
Paycheck	12/18/2025	17360	Lewis, Todd C			1,534.49	15,926.02
Paycheck	12/18/2025	17361	Moore, Eric S			1,434.26	14,491.76
Paycheck	12/18/2025	17371	Cherubini, Dru A			100.00	14,391.76
Paycheck	12/18/2025	17381	Cox, Cody R.			100.00	14,291.76
Paycheck	12/18/2025	17380	Esget, Douglas R			100.00	14,191.76
Paycheck	12/18/2025	17374	Gradin, Glenn A			100.00	14,091.76
Paycheck	12/18/2025	17376	Holmes, Mir L			100.00	13,991.76
Paycheck	12/18/2025	17377	Lewis, Todd C			100.00	13,891.76
Paycheck	12/18/2025	17378	Moore, Eric S			100.00	13,791.76
Check	12/18/2025	17379	Nancy Jurens	Merry Christmas		100.00	13,691.76
Liability Check	12/18/2025	EFT	Employment Development Department-7...	779-0041-3		9.22	13,682.54
Deposit	12/18/2025			ACH M	368.23		14,050.77
Deposit	12/18/2025			ACH F	405.01		14,455.78
Deposit	12/18/2025			Deposit	5,171.13		19,626.91
General Journal	12/18/2025	ret. pymnt				167.42	19,459.49
Liability Check	12/19/2025	E-pay	United States Treasury	94-1634964 QB Tracking # 468750234		117.48	19,342.01
Deposit	12/19/2025			ACH M	1,015.38		20,357.39
Deposit	12/19/2025			ACH F	167.42		20,524.81
Deposit	12/19/2025			Deposit	191,250.00		211,774.81
Deposit	12/19/2025			Deposit	3,729.68		215,504.49
Bill Pmt -Check	12/19/2025	17383	Mercer-Fraser	Progress payment REWSP #1 TO MERCER FRASER		191,250.00	24,254.49
Check	12/20/2025			Service Charge		66.17	24,188.32
Deposit	12/22/2025			ACH M	584.20		24,772.52
Deposit	12/22/2025			ACH M	417.42		25,189.94
Deposit	12/22/2025			ACH M	802.78		25,992.72
Bill Pmt -Check	12/22/2025	17384	Blue Star	INV#MULTIPLE tank rentals (4)		608.96	25,383.76
Bill Pmt -Check	12/22/2025	17385	C&K	32585		149.25	25,234.51

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Accrual Basis

Redway Community Services District

Checking Account Activity

As of December 31, 2025

Type	Date	Num	Name	Memo	Debit	Credit	Balance
Bill Pmt -Check	12/22/2025	17386	colonial Life	E5494117 Invoice for NOV 6, 20, 2025		769.00	24,465.51
Bill Pmt -Check	12/22/2025	17387	Hach			371.71	24,093.80
Bill Pmt -Check	12/22/2025	17388	Napa Auto Parts	Multiple INV#s		397.64	23,696.16
Bill Pmt -Check	12/22/2025	17389	Randall Sand & Gravel	1022279 sand for stock		327.88	23,368.28
Bill Pmt -Check	12/22/2025	17390	Security Lock & Alarm	INV#220044024 1-1 thru 3-31 2026		231.00	23,137.28
Bill Pmt -Check	12/22/2025	17391	six rivers portable toilets	INV#217769 DEC 2025		65.25	23,072.03
Bill Pmt -Check	12/22/2025	17392	Verizon	CELL PHONE month billing - NOV 5-DEC 4		210.00	22,862.03
Bill Pmt -Check	12/22/2025	17393	Verizon One Talk	DESK PHONE month billing NOV 8 ~ DEC 7		106.53	22,755.50
Bill Pmt -Check	12/22/2025	17394	Wyckoff's-Fortuna	Customer #2-7001 11-30-2025 statement		196.91	22,558.59
Liability Check	12/23/2025	EFT	Employment Development Department-7...	779-0041-3		384.34	22,174.25
Liability Check	12/23/2025	EFT	Employment Development Department-7...	779-0041-3		224.77	21,949.48
Bill Pmt -Check	12/23/2025	17395	Dazey's/Stephen's	Oct 2025 Billing		1,070.43	20,879.05
Bill Pmt -Check	12/23/2025	17396	SWRCB - annual permit fees	WS-1052767		2,188.00	18,691.05
Check	12/23/2025	17397	SWRCB - W & WW Cert	OIT II app. M Holmes		311.00	18,380.05
Deposit	12/23/2025			ACH F	167.42		18,547.47
Deposit	12/24/2025			ACH M	1,060.64		19,608.11
Deposit	12/24/2025			ACH F	195.94		19,804.05
Deposit	12/24/2025			Deposit	13,314.26		33,118.31
Deposit	12/24/2025			Deposit	2,654.21		35,772.52
Bill Pmt -Check	12/24/2025	17398	4JsConsulting	INV#1073 Professional Services JULY - AUGUST 2025		5,251.20	30,521.32
Bill Pmt -Check	12/24/2025	17399	Pacific Gas & Electric	Water Plant & Lift Stfations- NOV billing		6,859.22	23,662.10
Bill Pmt -Check	12/24/2025	17400	Valley Pacific	195225 November 2025		1,117.24	22,544.86
Check	12/24/2025	17406	Chaille, Calvin C	Insurance reimbursement 15 of 18 JAN 2026		600.00	21,944.86
Check	12/24/2025	17407	Rogelio Martinez	WWTP Cert #3 on loan for the month of JAN 2026		1,500.00	20,444.86
Deposit	12/26/2025			ACH M	764.52		21,209.38
Deposit	12/26/2025			ACH F	680.97		21,890.35
Deposit	12/26/2025			ACH M	642.34		22,532.69
Deposit	12/26/2025			ACH F	167.42		22,700.11
Deposit	12/26/2025			Deposit	2,581.73		25,281.84
Deposit	12/29/2025			ACH M	2,231.20		27,513.04
Deposit	12/29/2025			ACH F	2,149.71		29,662.75
Deposit	12/29/2025			ACH M	590.29		30,253.04
Liability Check	12/30/2025		QuickBooks Payroll Service	Created by Payroll Service on 12/29/2025		8,229.89	22,023.15
Deposit	12/30/2025			Deposit	12,529.83		34,552.98
Deposit	12/30/2025			Deposit	4.00		34,556.98
General Journal	12/30/2025	Jet/VAC		Transfer for January Payment	27,332.82		61,889.80
Paycheck	12/31/2025	DD1486	Cherubini, Dru A	Direct Deposit	0.00		61,889.80
Paycheck	12/31/2025	DD1487	Cox, Cody R.	Direct Deposit	0.00		61,889.80
Paycheck	12/31/2025	17401	Esget, Douglas R			2,920.02	58,969.78
Paycheck	12/31/2025	DD1488	Gradin, Glenn A	Direct Deposit	0.00		58,969.78
Paycheck	12/31/2025	DD1489	Holmes, Mir L	Direct Deposit	0.00		58,969.78
Paycheck	12/31/2025	17402	Lewis, Todd C			1,736.93	57,232.85
Paycheck	12/31/2025	17403	Moore, Eric S			1,872.25	55,360.60
Liability Check	12/31/2025	E-pay	United States Treasury	94-1634964 QB Tracking # -606198962		5,574.80	49,785.80
Liability Check	12/31/2025	EFT	Employment Development Department-7...	779-0041-3		539.61	49,246.19
Liability Check	12/31/2025	EFT	Employment Development Department-7...	779-0041-3		255.38	48,990.81
Deposit	12/31/2025			ACH M	424.20		49,415.01
Deposit	12/31/2025			Deposit	2,472.87		51,887.88
Deposit	12/31/2025			Deposit	497.82		52,385.70
Total 1006 - UMPQUA - 4992					346,302.73	356,140.23	52,385.70
TOTAL					346,302.73	356,140.23	52,385.70

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Redway Community Services District
Payments from Customers
As of December 31, 2025

Type	Date	Memo	Amount
1300 - Accounts Receivable			
Deposit	12/03/2025	ACH M	-163.91
Deposit	12/03/2025	Deposit	-9,939.31
Deposit	12/04/2025	ACH M	-892.38
Deposit	12/04/2025	ACH F	-307.54
Deposit	12/05/2025	ACH F	-155.53
Deposit	12/05/2025	Deposit	-3,760.44
Deposit	12/08/2025	ACH M	-155.53
Deposit	12/09/2025	ACH M	-659.15
Deposit	12/09/2025	ACH F	-317.06
Deposit	12/10/2025	ACH F	-325.44
Deposit	12/10/2025	ACH M	-310.77
Deposit	12/10/2025	Deposit	-15,147.95
Deposit	12/11/2025	ACH M	-335.35
Deposit	12/11/2025	Deposit	-10,701.87
Deposit	12/12/2025	ACH M	-100.00
Deposit	12/12/2025	ACH F	-153.15
Deposit	12/12/2025	Deposit	-9,585.26
Deposit	12/15/2025	ACH M	-160.29
Deposit	12/15/2025	ACH M	-157.91
Deposit	12/15/2025	ACH M	-155.53
Deposit	12/16/2025	ACH M	-157.91
Deposit	12/16/2025	ACH F	-157.91
Deposit	12/17/2025	ACH M	-794.49
Deposit	12/17/2025	Deposit	-17,334.61
Deposit	12/18/2025	ACH M	-368.23
Deposit	12/18/2025	ACH F	-405.01
Deposit	12/18/2025	Deposit	-5,171.13
Deposit	12/19/2025	ACH M	-1,015.38
Deposit	12/19/2025	ACH F	-167.42
Deposit	12/19/2025	Deposit	-3,729.68
Deposit	12/22/2025	ACH M	-584.20
Deposit	12/22/2025	ACH M	-417.42
Deposit	12/22/2025	ACH M	-802.78
Deposit	12/23/2025	ACH F	-167.42
Deposit	12/24/2025	ACH M	-1,060.64
Deposit	12/24/2025	ACH F	-195.94
Deposit	12/24/2025	Deposit	-13,314.26
Deposit	12/24/2025	Deposit	-2,654.21
Deposit	12/26/2025	ACH M	-764.52
Deposit	12/26/2025	ACH F	-680.97
Deposit	12/26/2025	ACH M	-642.34
Deposit	12/26/2025	ACH F	-167.42
Deposit	12/26/2025	Deposit	-2,581.73
Deposit	12/29/2025	ACH M	-2,231.20
Deposit	12/29/2025	ACH F	-2,149.71
Deposit	12/29/2025	ACH M	-590.29
Deposit	12/30/2025	Deposit	-12,529.83
Deposit	12/30/2025	UIVERSAL CREDIT	-4.00
Deposit	12/31/2025	ACH M	-424.20
Deposit	12/31/2025	Deposit	-2,472.87
Deposit	12/31/2025	Deposit	-497.82
Total 1300 - Accounts Receivable			-127,719.91
TOTAL			-127,719.91

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Redway Community Services District
A/P Aging Summary
As of December 31, 2025

	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
Anderson Lucas Sommerville & Borges	0.00	7,500.00	0.00	0.00	0.00	7,500.00
Calpers	13,916.67	0.00	0.00	0.00	0.00	13,916.67
David Katz	900.00	0.00	0.00	0.00	0.00	900.00
GHD Inc	0.00	0.00	30,412.95	0.00	71,603.70	102,016.65
Hach	612.48	0.00	0.00	0.00	0.00	612.48
Industrial Service & Supply Inc	0.00	0.00	13,300.66	0.00	0.00	13,300.66
Kevin Tupes Fabrication	4,712.04	0.00	0.00	0.00	0.00	4,712.04
LACO	0.00	6,150.00	0.00	0.00	0.00	6,150.00
McMurchie Law Firm	0.00	1,386.50	0.00	0.00	0.00	1,386.50
Microbac	3,095.00	0.00	0.00	0.00	0.00	3,095.00
Pace Supply	7,943.25	0.00	0.00	0.00	0.00	7,943.25
Pacific Gas & Electric	5,039.76	0.00	0.00	0.00	0.00	5,039.76
Parkinson Building Materials	0.00	-100.00	0.00	0.00	0.00	-100.00
Security Lock & Alarm	0.00	-231.00	0.00	0.00	0.00	-231.00
SWRCB	0.00	0.00	0.00	0.00	850.00	850.00
TOTAL	<u>36,219.20</u>	<u>14,705.50</u>	<u>43,713.61</u>	<u>0.00</u>	<u>72,453.70</u>	<u>167,092.01</u>

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Past Due List Status

Past Due Status as of 12-31-2025	amount
Number of accounts on the past due list	77
The Average Bill	\$411.10
The Median Bill	\$636.60
Low Balance at 90 days	\$6.83
High Balance at 90 days	\$3,050.37
Current balance Past Due List	\$77,357.95
Current Balance of at 90 days	\$31,654.85
Addresses currently off	19
Past Due Status as of 11-30-2025	amount
Number of accounts on the past due list	72
The Average Bill	\$389.51
The Median Bill	\$701.54
Low Balance at 90 days	\$3.35
High Balance at 90 days	\$2,574.06
Current balance Past Due List(30,60,90)	\$84,523.47
Current Balance of at 90 days	\$25,527.31
Addresses currently off	19

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To: RCSD Board of Directors

Office Manager's Memo

January 21st, 2026

Online Payment processing. For the month of December, we had **96** transactions totaling **\$19,071.22** and **33** were ACH payments. In November, we had **93** transactions totaling **\$21,977.16** and **30** of the payments were ACH payments. The new billing software allows the customers to view their bill just as they would when it arrives in the PO Box. There they can arrange an ACH transaction for \$1.95 or proceed with a credit card payment of \$2.95 or 3.5% whichever is higher. When a customer offers to pay their bill with a credit card, we let them know that there is a less expensive way to pay if the card they want to use is associated with a checking or savings account, business or personal account.

Little League and Youth Soccer fields. I have an email off to our legal counsel to verify that we can use dormancy as a discount for a restricted program and how to administer it. The discount is only applicable to non-profit organizations utilizing this field only (A/P number). We cannot start creating situations where there are months with no charges for other customers, if we do then we will have to go through another rate study to accommodate the revenue stream change, a shortage. No Update as of 01/08/2026.

Customer CARE Program. I have an email off to our legal counsel to verify that we can use tax money for a restricted program and how to administer it. No update as of 01/08/2026.

Water Ordinance Appendix B. We have been instructed to begin revisions, no update as of 01/08/2026.

Profit to Loss. Fiscal 2025/2026. July 1st to December 31st, is **50%** of the Fiscal year. Income was **\$738,078** which is **43%** of operational funding of **\$1,732,453**. Expenses through November 30th totaled **\$808,639**, which is **53%** of the projected approved expenses of **\$1,537,410** for the 2025/2026 fiscal year.

Billing and Allocations. Our past due amount for the month of December was **\$77,357.95**. November was **\$84,523.47**. It appears that the past due fluctuates around **\$10,000** up or down every month. The highest in February 2024 was **\$141,986.14** from **\$37,000** in March 2020.

Audit 2024/2025. We have the draft audit attached if you do not have any concerns, I will communicate to our auditor that all is fine.

Savings Accounts with County. All accounts are reconciled to September 30th, 2025. WSLF and SEF Sewer are caught up with deposits up to August 31st. Money billed in the first month. They are collected in month two and they are disbursed into the savings accounts in month three.

Jet/Vac Account at Columbia. Our second payment for the Jet/Vac Truck is due January 1st, 2026 and has been paid.

AP Aging. On the AP Aging report GHD has dominated it over (\$100,000.00). The WWTP Planning Grant is the culprit here. We are as current as we can be for the REWSP. But We need GHD to process reimbursements for the Planning Grant.

New Connections. We have a water connection request on an empty lot in the Meadows business Park on Tunnel Road.

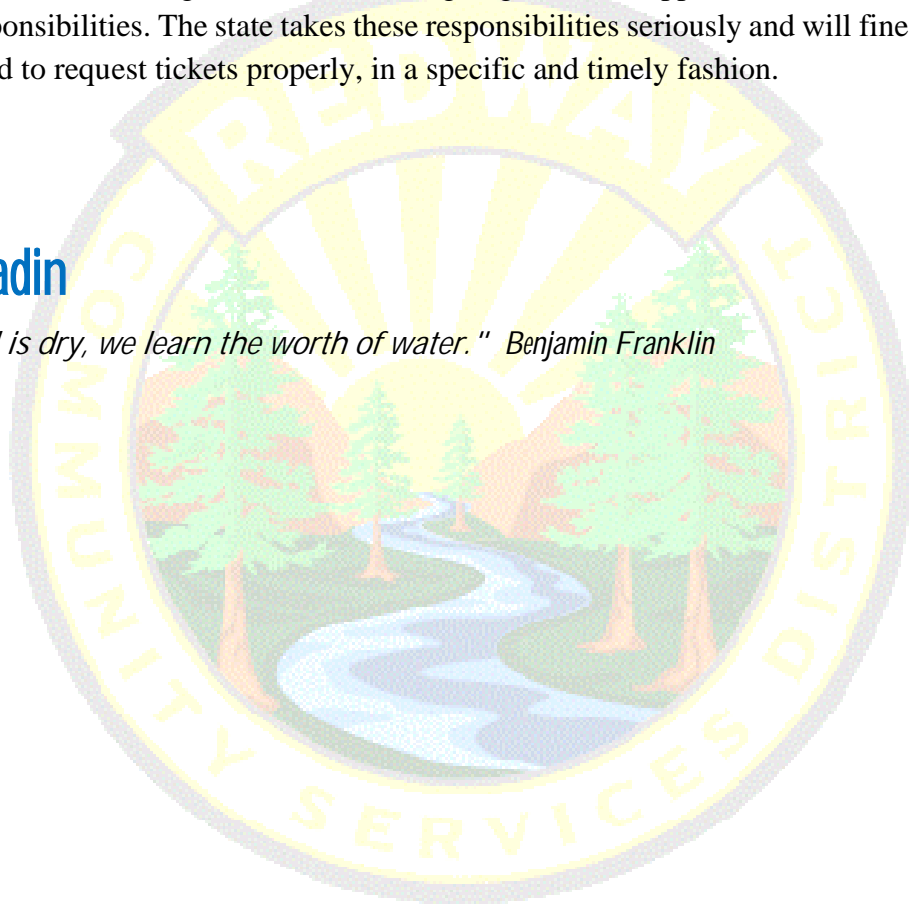
Update for REWSP. We have secured the loan. It is set for \$200,000. We will return the unused portion. They are waiting for a signed document from Cody.

USAN. I had a Teams meeting with USAN(811) going over our application and showing some of the features and responsibilities. The state takes these responsibilities seriously and will fine organizations for failure to respond to request tickets properly, in a specific and timely fashion.

Respectfully,

Glenn Gradin

"When the well is dry, we learn the worth of water." Benjamin Franklin





Redway Community Services District
P.O. Box 40
Redway, CA 95560
(707) 923-3101

General Manager's Report

January 14th, 2025

To: The Redway Community Services District's Board of Director's

From: Cody Cox General Manager/Operations Manager

Matthew Chambers, who has been our Division of Financial Assistance contact, has recently transitioned to a new role at DFA and he is transferring this project to his coworker, Gurleen Bhatia. "It has been a pleasure working with you on this project over the last several years". Comment from Matt to Redway CSD.

The Small Community Wastewater unit also has a new senior engineer – Jody Hack. He introduced Gurleen and Jody in an email. Gurleen and Jody will be able to support a meeting to answer our questions Matt will be there to provide comments as well.

This is conversations and an update on the State Wastewater Unit construction funding for the 2025-26 CWSRF **Intended Use Plan** (IUP) required that projects, that are considered priority projects to be eligible for 100% grant funding. Priority projects include consolidation/regionalization projects, septic-to-sewer projects, or projects that address WDR/NPDES permit violations to be eligible for **100% grant funding**. The IUP also allowed secondary projects, which included wastewater projects that did not meet the priority definition, to be eligible for 50% grant / 50% loan funding. Matthew classified our project as a secondary priority project based on his review of the submitted Preliminary Engineering Report from GHD. Matthew Chambers has had discussions with Matthew Herman, our regulator, at the Regional Board last year and has stated to him that the District does not have any active/pending enforcement actions or violations, which would put us closer to that priority project classification for 100%. **"Guess we need to have some"** The 2026-27 CWSRF IUP has not been drafted, however, Matthew anticipates it will have similar grant funding eligibility as 2025-26. Unfortunately, **we were not able to fund any secondary priority projects in 2025-26 due to limited funding** and the funding situation is not likely to improve for 2026-27 so I do not anticipate funding will be available for this project in the upcoming year. We are to let the State know if the district's situation changes and whether they receive any violations/enforcement orders.

So, moving forward it may look like an addendum to this scope. Giuseppe and I will be meeting with Matt Chamber soon, which will include Jody and Gurleen, the new folks with



Redway Community Services District
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the DFA unit that we will be working with. I think what will need to happen is we will have to move our plant to a failing status, which is what just happened with the Water Treatment Plant. Before we meet with Matt Giuseppe and I will be having a call, and if a Director wants to be involved let me know. We will be discussing what we will be asking in the construction application, I think that we need to look at phasing the project, and I am not so sure that the bridge project should be 1st. I would like to look at doing the structures for the beds and to do the headworks installation after that. We would then move into the effluent wet well, and the Bridge.

Now that we know that secondary priority is 50/50 loan/grant, and priority is 100% grant, and that we are currently listed as a secondary priority with the Wastewater Unit, and that we simply cannot do a loan we will be working toward our wastewater facility becoming a priority these next two years, because that is what the timeline looks like to me.

I have included the details of the Water Treatment plant being on the facility citation list or Failing facility. Zack Chandle, our Water Treatment case manager, and I worked on this classification during these last storm events, and the citation has been officially received by our office. We now have our filter listed as failing, and out of date, and hopefully this will allow us to replace them with 100% funding coming from the state because the priority classification works the same on the water side it is failing so now it will be listed as priority. I have also had a meeting at the end of December with CAL/EPA, although the discussion was regarding wastewater collection, during that meeting I requested WATER/TA, which is available I was told, and I noted the filter problem, and this meeting was held during the storm events.

There is already one meeting with Zack Chandler and I have scheduled for the citation discussion, and I will let him know that I am trying to tie in Technical Assistance EPA money to the filter project, when it becomes a project. And the other TA/EPA money is tied to the sewer collection system. What these 100% funded Technical Assistance EPA projects do for us is we get an engineered study done, a stamp essentially to add to construction applications to the State of California for reassurance that this is necessary.

Cody Cox
GM

Memorandum

To	Cody Cox, General Manager
Agency	Redway Community Service District
From	Jennie Short, Project Manager
Date	December 31, 2025
Project	Update on Status for Water Rights Update, Lake and Streambed Alteration Agreement with CDFW, and grant application for Unnamed Spring

SWRCB-DWR PROCESSES

PETITION TO CHANGE THE PLACE OF USE (RIVER LICENSE & PERMIT) PLUS EXTENSION OF TIME FOR RIVER PERMIT

The following table outlines the major tasks for this effort including the CEQA process

Description	Anticipated Date
Petitions Submitted	Aug. 15, 2024
Execution of CEQA Contract	April 25, 2025
CEQA Kickoff	May 2, 2025
Prepare Project Description	June 15, 2025
Tribal Consultation Letters & NAHC + NWIC	June 15, 2025
SWRCB-DWR Issues Notice for Petition	July 23, 2025
Petition Protests Due	Aug 22, 2025
SWRCB-DWR Issues protest directive letter	Aug. 29, 2025
RCSD Protest response letters	Sept. 25, 2025
Meet with CDFW	Oct. 15, 2025
Meet with FOER	Oct. 24, 2025
Draft IS/MND	Oct. 31, 2025
Notice of Intent to County Clerk/ circulation	Nov. 13, 2025
Submittal of Draft IS/MND with NOA, NOC & Summary to State Clearinghouse	
Public Comment Period Closes	Dec. 12, 2025
Put together response or changes to IS/ND based upon comments received	Dec - Jan
Memo to SWRCB-DWR demonstrating required findings	By Jan. 15, 2026
Board Memo with resolution, NOD, etc. published	Jan. 17, 2026
Public Hearing	Jan. 21, 2026
Board Adoption of IS/MND with a Notice of Determination and associated documents	Jan. 21, 2026
File NOD with State Clearinghouse & County Clerk	Jan. 22, 2026
Provide NOD to DWR for their use in processing the petitions	Feb. 2026
Protest Resolution 180-days expire	Feb. 18, 2026
Status report due to SWRCB-DWR	

Description	Anticipated Date
Finish processing petitions through DWR	Dependent upon Protest Status

The final step of processing the petitions will be greatly impacted by whether CDFW, FOER, and Mr. Voice remove their protest resolution conditions as we address each of their concerns. If we can't satisfy them in the negotiation process, then the only other option is to go through the Administrative Office Hearing process that leads to a decision by the AHO officer recommendation to the Waterboard Board for action.

UNNAMED SPRING

The State approved my request for access to RCSD's water rights, so now I can begin working on submitting the 1707 petition for the Unnamed Spring. CDFW is writing a letter of support for the petition and will hopefully approve our request to waive their fees. I just need to move forward with this in January 2026.

CDFW Application for planning funds to design removal of the Unnamed Spring Infrastructure:

CDFW district staff indicated they would talk with the grant group as part of a larger meeting they were attending. No further information has been received. This task needs me to put together an initial email to the grant group outlining the project and how it will enhance the watershed that has been impacted by Cannabis. I just need to move forward with this in January 2026.

CDFW Lake and Streambed Alteration Agreement for the Raw Water Intake in SF Eel River Process:

No further correspondence or communication has been received. I anticipate receiving something from Monty soon.

Redway Community Services District

Storm Event & Inflow/Infiltration Documentation Packet

December 2025

GM Summary

This packet documents a significant storm event that occurred in December 2025 and its impacts on Redway Community Services District (CSD) wastewater and water treatment operations. The information herein is derived from operator logs maintained during the storm event and represents real-time operational observations.

- A repeatable threshold at which severe inflow and infiltration occurs, observed once cumulative rainfall reaches approximately three inches.
- A clear and documented rainfall-to-influent flow relationship, showing rapid escalation of flows during storm events.

The documented data clearly demonstrate that once cumulative rainfall reached approximately three inches or greater, the wastewater collection system experienced severe inflow and infiltration (I&I). This resulted in influent flows far exceeding normal dry-weather conditions and the hydraulic capacity of the wastewater treatment plant.

Wastewater Treatment Plant – Operator Log Documentation

During the period of December 16–27, 2025, operators documented repeated high-water alarms, extreme influent flows, solids carryover into clarifiers and contact chambers, and the need for emergency operational measures. These measures included overnight staffing, sludge removal using a Vactor truck, draining and cleaning of treatment units, and temporary river discharge to protect plant infrastructure.

Peak instantaneous influent flows were documented at approximately 1,000–1,100 gallons per minute (GPM). Daily average flows exceeded 600 GPM on multiple days, compared to a typical dry-weather influent of approximately 250 GPM.

Influent Flow Comparison

Figure 1 compares average daily influent flows during the December 2025 storm event to a representative normal dry-weather flow. Even on a daily average basis, storm-related flows were two to three times higher than normal conditions. Instantaneous peak flows were substantially higher.

Specifically, this documentation can be used to support funding applications by demonstrating: (1) a clear rainfall-to-flow relationship, (2) a repeatable threshold at which system failure begins, (3) impacts to both wastewater and water treatment operations, and (4) the necessity of collection system rehabilitation to protect public health, regulatory compliance, and infrastructure resilience.

Conclusion

The December 2025 storm event represents a documented example of severe inflow and infiltration impacts on Redway CSD infrastructure. The observations and data contained in this packet establish a factual basis for capital improvement planning and external funding requests aimed at long-term system reliability.

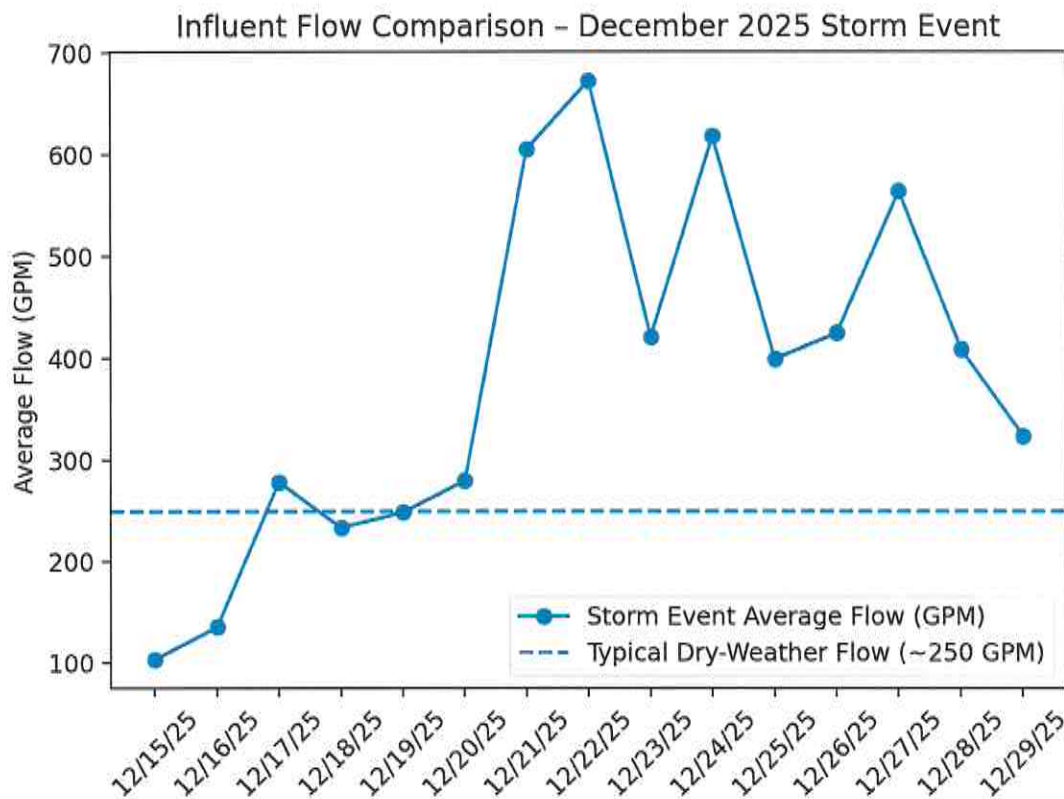


Figure 1 – Average Daily Influent Flow Compared to Typical Dry-Weather Conditions

Inflow & Infiltration Threshold Observation

Based on this storm event and prior operational experience, it is reasonable to conclude that once measurable rainfall reaches approximately three inches, the Redway CSD wastewater collection system begins to experience significant inflow and infiltration. As rainfall intensity and duration increase beyond this threshold, I&I rapidly escalates, overwhelming both the collection system and treatment plant.

Surface Water Treatment Plant Impacts

During the same storm period, the Redway CSD Surface Water Treatment Plant was unable to reliably produce potable water due to degraded raw water quality, including high turbidity associated with storm runoff. This compounded operational challenges and further demonstrates the system-wide impacts of extreme weather events.

Use of This Documentation for Funding & Planning

This packet provides clear, defensible documentation of system limitations under storm conditions. Because the data are derived from operator logs, flow totalizers, and observed rainfall-response behavior, they offer strong support for pursuing grant and loan funding targeted at inflow and infiltration reduction.



Project Understanding and Scoping Meeting Agenda Redway Community Services District, California

Date: 12/29/2025

Time: 12:45 PM EST

Attendees:

Name	Organization	Email
Cody Cox	Redway Community Services District, General Manager	cody@redwaycsd.org
Glen Gradin	Redway Community Services District	glenn@redwaycsd.org
Jenny Dodd	ERG	jenny.dodd@erg.com
Shaomeng Hou	ERG	shaomeng.hou@erg.com

I. Introductions

- Cody Cox – Redway Community Services District
- Glen Gradin – Redway Community Services District
- Jenny Dodd – ERG
- Shaomeng Hou – ERG

II. WaterTA Engineering Support Overview

- A. The EPA's WaterTA Engineering Support is intended to facilitate community access to Drinking Water or Clean Water State Revolving Funds (SRFs), Drinking Water Infrastructure Grant – Tribal Set-Aside (DWIG-TSA), or Clean Water Indian Set-Aside (CWISA) resources.
- B. The EPA's WaterTA Engineering Support is intended to facilitate community access to SRF, DWIG-TSA, or CWISA resources with a focus on:
 - Disadvantaged and underserved communities, as defined by the state definitions
 - Communities that have never accessed federal funding before
 - Communities that are not currently receiving an equivalent kind of technical assistance
- C. WaterTA Engineering Support services available to communities can include:
 - Development of preliminary engineering documents, including Preliminary Engineering Reports (PERs), required for federal funding applications
 - Project needs assessments and environmental documentation
 - Quick turnaround preliminary cost estimates for SRF pre-applications and applications
 - **Procurement requirements** for architectural and engineering (A&E) services



D. Procurement Procedures:

- WaterTA Engineering Support is a free service, the work is not subject to a competitive procurement process

III. Project Needs and Background

- Redway Community Services District (CSD), Humboldt County, California:
 - Population: 501-3,300
 - Meets the state's definition of a small community.
 - Formed in 1965 from a private water system and re-organized to include the former Redway Sanitary District in 1977.
 - Redway CSD maintains/operates a water and wastewater system that provides water service to approximately 100% of the households and businesses in the District, and approximately 93% of the households and businesses with wastewater treatment.
 - Clients are billed monthly for water and wastewater treatment. Portion of property tax revenues are added to RCSD operating funds.
- Redway CSD Wastewater Treatment Facility:
 - NPDES No.: CA0022781
 - Collection system incorporates both gravity mains and five lift stations.
 - WWTP includes a 300,000-gallon oxidation ditch, clarification, and a chlorination/dechlorination system.
 - Effluent is primarily discharged to upland percolation ponds located on land owned by the District.
 - Average flow ranges between 140,000 gpd during dry weather and 430,000 gpd during wet weather.
 - Facility has a permitted dry weather design flow of 186,000 gpd and a peak wet weather design flow of 615,000 gpd.
 - Currently operating at approximately 75% capacity with respect to both dry weather and wet weather capacities.
 - Previously requested TA through the California Rural Water Association (CRWA) to address leak detection.
- Historical Access to Funding:
 - In 2018, the District applied and received a loan through the CA CWSRF program for a planning project involving the collection system and WWTP.
 - Planning project included surveying the collection system and creating a GIS map.
 - Received a grant through the California Dep. of Water Resources (DNR) Small Community Drought Relief Program to install a new tank and advanced metering infrastructure (AMI) at the water treatment plant.
- Need for WaterTA Engineering Support: Project Planning and Prioritization for Sanitary Sewer Collection System Project



- The District would like an overall assessment of the sanitary sewer system, including CCTV, jetting, and cleaning to locate and reduce I&I.
 - Assessment would include an inspection of the wet wells.
- The District would find it ideal to reduce I&I by 30% in the next two years.

12/29/2025 Meeting Notes:

- The District needs TA to: 1) Perform system-wide sewer cleaning (jetting and vacuuming), followed by CCTV inspection to document I&I sources; and 2) prepare an engineering report to support an SRF application for funding to reduce I&I.
 - About 20-25 miles of sewer line, 650 connections.
 - The District has a combination sewer truck and sewer camera truck.
 - Cody said that the combination sewer truck is too small to complete jetting.
 - The District uses both trucks on a regular basis, therefore supplemental equipment is needed.
- Historically, the EPA has not funded CCTV inspection of an entire system under this initiative. On previous projects, with EPA approval, WaterTA Engineering Support has conducted flow monitoring to identify priority areas for CCTV inspection and has completed limited CCTV inspections focused on specific sections of a sewer system.
 - The District has already identified priority areas for cleaning and CCTV inspection. The highest-priority area is Redway Proper, which is approximately 5 miles.
 - The District is wondering if WaterTA Engineering Support could complete both cleaning and CCTV inspection in just this high-priority area, rather than the entire system.
 - ERG will need to consult with EPA first.
- If EPA doesn't approve the District's original request, the District will complete the cleaning and CCTV inspections using their combination and camera sewer trucks. Engineering Support would still be needed to develop an engineering report that evaluates I&I reduction alternatives.
- Key Deadlines:
 - None as of now. Cody says that he will apply for SRF funding after TA is completed.
- Local Engineer:
 - The District is currently working with GHD, but does not feel obligated to use them for this project. It might be later in February-March before we can start. Cody says that's fine.
- Next Steps:
 - ERG will consult with EPA regarding what services WaterTA Engineering Support can offer the District. This will likely happen next week (January 5).
 - If EPA approves of moving forward with a project, an official kickoff meeting will likely be scheduled around the end of February-early March.
 - ERG will likely reach out to the CA CWSRF Program to confirm application requirements. Cody did not have concerns with this.

IV. Path to SRF application

- California Clean Water State Revolving Fund (CWSRF) Program Overview:
 - The CWSRF program, administered by the California State Water Resources Control Board (State Water Board), offers low-cost financing for a wide variety of water quality projects.
 - Applications are being accepted continuously.
 - Eligible Applicants:
 - Any city, town, district, or other public body created under state law, including state agencies
 - A Native American tribal government or an authorized Native American tribal organization having jurisdiction over disposal of sewage, industrial wastes or other waste
 - Any designated and approved management agency under Section 208 of the Clean Water Act
 - 501(c)(3)'s and National Estuary Programs
 - Eligible Projects (including the following but not limited to):
 - Construction of publicly-owned treatment facilities
 - Implementation of nonpoint source (NPS) projects to address pollution
 - Development and implementation of estuary comprehensive conservation and management plans for San Francisco Bay, Morro Bay, Santa Monica Bay
 - Financing Terms:
 - Interest Rate - ½ most recent General Obligation (GO) Bond Rate at time of funding approval
 - Financing Term - up to 30 years or the useful life of the project
 - Financing Amount - No maximum funding limit! No maximum disbursement limit!
 - Repayment - Begins 1 year after completion of construction
 - Disbursement of planning, design, and administration (soft) costs requires an executed initial agreement.
 - Soft costs incurred before the initial financing agreement are approved.
 - Eligible equipment and material itemized in the initial agreement and purchased in accordance with applicable federal and state laws, can be reimbursed.
 - Grants or principal forgiveness may be available for small, disadvantaged communities.
 - Small community is defined as having a population less than 10,000 people.
 - Disadvantaged community is defined as median household income (MHI) < 80% of the statewide MHI.
 - Severely disadvantaged community is defined as MHI < 60% of the statewide MHI.
 - [CA CWSRF Application Process](#)
- Intended Use Plan (IUP)/Fundable List:



- The Division of Financial Assistance (DFA) staff prepares an IUP describing State Water Board's plan for implementing the CWSRF.
- Each IUP includes a Fundable List, a list of projects the State Water Board has reviewed, scored, and believes will achieve the most favorable water quality results during the relevant state fiscal year with the financial and programmatic resources available to the CWSRF and its complementary financing programs.
- Inclusion on the Fundable List only means that an application *may* be funded. A financing agreement will be executed *only* if the application meets *all* applicable eligibility requirements.
- Construction/Implementation Application:
 - The application for an initial financing agreement for a construction/implementation project consists of 4 packages:
 - [General Information Package](#)
 - [Technical Package](#)
 - [Environmental Package](#)
 - [Financial Package](#)
 - The California State Water Board strongly advises applicants to:
 - Contact the Division as early as possible to coordinate the application with the project's schedule.
 - Review the [CA CWSRF Potential Flags Worksheet](#)
 - Submit complete packages whenever possible.
 - Submit the Environmental Package first. Generally, the review of this package takes the longest lead time. The Technical and Financial Security Packages can be submitted later to ensure that the information is as current as possible.
- Planning and Design Application:
 - The application for an initial financing agreement for a planning or design project consists of:
 - [Planning and Design Application/Instructions](#)
 - [Plan of Study](#)
- Project Report Content Requirements:
 - Project Area
 - WW Characteristics, Existing Facilities, Current Water Quality
 - Treatment Objectives for Discharge or Reuse
 - Project Alternatives Analysis
 - Selected Project
- Additional Links/Resources:
 - [Introduction to CWSRF Financing](#)
 - [Clean Water State Revolving Fund Forms and Instructions](#)



Water Technical Assistance

- V. Local Engineer
- VI. Procurement Requirements (questions for state staff or TA providers)
- VII. Scope of WaterTA Engineering Work
- VIII. Next Steps
 - ERG:
 - Finalize and distribute meeting notes.
 - Consult with EPA regarding what services WaterTA Engineering Support can offer the District.
 - Contact the CA CWSRF Program to confirm application requirements.

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Redway Community Services District
2025 Installment Sale Agreement
Revised Term Sheet 12/12/2025

Columbia Bank ("Columbia" or the "Bank") would like to express its interest in underwriting and obtaining credit approval for the following loan (the "Credit Facility") for **Redway Community Services District** (the "District") on the terms and conditions outlined below.

Preface: Columbia's expression of interest in underwriting and obtaining credit approval for the Credit Facility is for discussion purposes only and does not constitute a commitment from Columbia. Any commitment to lend that we might make is subject to the fulfillment of a number of conditions that include, but are not limited to, our normal credit approval process, an in-depth investigation of the purpose of the loan, the District, and collateral the results of which are deemed satisfactory to Columbia in our sole discretion.

Confidentiality: Except as required by law, neither this expression of interest nor its contents will be disclosed publicly or privately except to those individuals who are your officers, employees or advisors who have a need to know as a result of being involved in the proposed financing. The foregoing confidentiality provisions shall not apply to the disclosure of the federal income tax structure or treatment of the proposed financing.

Loan Amount:	<ul style="list-style-type: none">• Not to exceed \$200,000 (including cost of issuance)
Loan Purpose:	<ul style="list-style-type: none">• Provide additional project financing to complete the District's Water Tank improvement project and pay related costs of issuance.
Type of Financing:	<ul style="list-style-type: none">• The Credit Facility will be in the form of an installment sale agreement or similar agreement between the District and the Bank (the "Installment Sale Agreement"), whereby the District will make periodic installment payments to the Bank to pay the principal of, and interest of the loan extended by the Bank to the District.
Structure / Security	<ul style="list-style-type: none">• Pledge of net revenue of the District's water system (the "System"). Such pledge shall be properly secured under California Law and be on a parity with any outstanding obligations of the District.
Fees	<ul style="list-style-type: none">• Bank Fees will be waived based on maintaining existing relationship.
Term	<ul style="list-style-type: none">• Ten (10) Years with final maturity no later than June 1, 2036• Twenty (20) level semi-annual payments of principal and interest.
Interest Rate	<ul style="list-style-type: none">• Indicative Bank Qualified Tax-Exempt Rate: 4.80%
Prepayment Provisions	<ul style="list-style-type: none">• Prepayment in whole, but not in part, allowed on any payment date during the term at 103% in years 1-2, declining to 102% in years 3-4 and 101% in year 5. Prepayable at par beginning in year 6 and thereafter.

Cost of Issuance

- Documents to be prepared by the Bank's Legal Counsel, Gilmore & Bell, P.C. Legal fees and expenses are estimated at \$5,000 with District's Counsel to review as required.
- The cost of issuance for arrangement and related expenses of Municipal Finance Corporation, estimated at \$5,000 and will include CDIAC filing fees.
- The District's legal counsel shall be required to provide an opinion addressed to the Bank and its legal counsel regarding the due authorization and validity of the Installment Sale Agreement and the pledge of net revenues.
- If the Installment Sale Agreement is structured as a tax-exempt obligation, the Bank's legal counsel will provide a tax opinion as to the tax-exempt status of the interest portion of installment payments paid by the District to the Bank.
- All other fees and related costs shall be paid by the District in connection with the issuance, including, but not limited to, fees for Municipal Finance Corporation, CDIAC filings fees, and legal costs of the District and the Bank.

Financial Reporting and Covenants

- District shall provide to the Bank or post on the District's website its annual audited financial statements, within 270 days of each fiscal year end.
- District shall make each of its annual budgets, and all amendments thereto, available on the District's website or send them to the Bank within 30 days after such budget is adopted or amended.
- District cannot issue any additional debt unless the debt service coverage is not less than 1.2x of the maximum annual debt service on the Installment Sale Agreement and all parity obligations.
- District shall set rates in order to maintain a coverage ratio of 1.2x.
- Such additional information that the Bank may reasonably request.

Municipal Disclosure

The District acknowledges and agrees that (i) the transaction contemplated herein is an arm's length commercial transaction between the District and Bank and its affiliates, (ii) in connection with such transaction, Bank and its affiliates are acting solely as a principal and not as an advisor including, without limitation, a "Municipal Advisor" as such term is defined in Section 15B of the Securities and Exchange Act of 1934, as amended, and the related final rules (the "Municipal Advisor Rules"), agent or a fiduciary of the District, (iii) Bank and its affiliates are relying on the bank exemption in the Municipal Advisor Rules, (iv) Bank and its affiliates and the Bank's counsel have not provided any advice or assumed any advisory or fiduciary responsibility in favor of the District with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (whether or not Bank, or any affiliate of Bank, has provided other services or advised, or is currently providing other services or advising the District on other matters), (v) Bank and its affiliates have financial and other interests that differ from those of the District, and (vi) the District has consulted with its own financial, legal, accounting and other advisors, as applicable, to the extent it deemed appropriate

Material Change

Any change (whether material or not) in the amount to be financed, weighted average life, or a material change in the financial condition or prospects of the District may constitute a re-pricing event and Bank may, at its option and in its sole discretion, terminate this Term Sheet and/or the Interest Rate may be adjusted.

Proposal Expiration

Unless accepted by the District or extended in writing by the Bank at its sole discretion, this term sheet shall expire on December 17, 2025. Once accepted, this term sheet shall expire if the financing is not closed by January 17, 2026.



Additional Conditions

Periodic financial and collateral reporting by the District, as well as representations and warranties of the District regarding its status and ability to repay and related matters, and covenants and conditions that are appropriate for a Credit Facility of the scope and nature proposed herein will be determined as part of Columbia's normal underwriting and approval process. The Credit Facility will be subject to a default rate equal to the proposed interest rate + 3.0% should an event of default occur and continue and standard taxability gross-up provisions.

PDFs of all executed and other documents listed on the Closing Index prepared by Columbia shall be provided to the Bank no later than 24 hours before the time of the requested wire; provided, that if any documents can only be signed after receipt of the wire those documents shall be provided immediately after receipt of the wire.

NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, IN THE EVENT ANY MATERIAL CHANGE SHALL OCCUR IN THE FINANCIAL MARKETS AFTER THE DATE OF THIS TERM SHEET, BUT BEFORE CLOSING, INCLUDING BUT NOT LIMITED TO ANY GOVERNMENTAL ACTION OR OTHER EVENT WHICH MATERIALLY ADVERSELY AFFECTS THE EXTENSION OF CREDIT BY BANKS, LEASING COMPANIES OR OTHER LENDING INSTITUTIONS, BANK MAY MODIFY THE INDICATIVE PRICING DESCRIBED ABOVE.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Anastasia Efstathiou'.

Anastasia Efstathiou
VP/Relationship Manager
Public Finance- Southern Region

Please pursue underwriting and approval of a commitment for the Credit Facility described.

Borrower

By:

Printed Name:

Title:

Redway Community Services District
10 Year Installment Sale Financing
Semi-Annual Payments
4.80%

Sources of Funds

Par Amount of Lease	200,000.00
Total Sources of Funds	200,000.00

Uses of Funds

Project Fund	190,000.00
Less Estimated Investment Earnings	-
Net Project Fund	190,000.00
Capitalized Interest	-
Costs of Issuance	10,000.00
Contingency	0.00
Total Uses of Funds	200,000.00

Debt Service Schedule

Interest Rate: 4.8000%

Payment Number	Payment Date	Principal Payments	Interest Payments	Capitalized Interest Draws	Net Payment	Principal Balance
1		\$7,908.55	\$4,800.00	\$0.00	\$12,708.55	\$192,091.45
2		8,098.36	4,610.19	0.00	12,708.55	183,993.09
3		8,292.72	4,415.83	0.00	12,708.55	175,700.38
4		8,491.74	4,216.81	0.00	12,708.55	167,208.64
5		8,695.54	4,013.01	0.00	12,708.55	158,513.09
6		8,904.24	3,804.31	0.00	12,708.55	149,608.86
7		9,117.94	3,590.61	0.00	12,708.55	140,490.92
8		9,336.77	3,371.78	0.00	12,708.55	131,154.15
9		9,560.85	3,147.70		12,708.55	121,593.30
10		9,790.31	2,918.24		12,708.55	111,802.99
11		10,025.28	2,683.27		12,708.55	101,777.71
12		10,265.89	2,442.67		12,708.55	91,511.83
13		10,512.27	2,196.28		12,708.55	80,999.56
14		10,764.56	1,943.99		12,708.55	70,235.00
15		11,022.91	1,685.64		12,708.55	59,212.09
16		11,287.46	1,421.09		12,708.55	47,924.63
17		11,558.36	1,150.19		12,708.55	36,366.27
18		11,835.76	872.79		12,708.55	24,530.51
19		12,119.82	588.73		12,708.55	12,410.69
20		12,410.69	297.86		12,708.55	0.00
		200,000.00	54,171.00	-	254,171.00	

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01/08/2026

Glenn and Cody,

I have received and reviewed the loan documents from special tax counsel for the lender. The documents are standard. There will be a Tax Agreement that contains a list of continuing obligations you will have to disclose to the lender the amounts that have been disbursed from the Project Fund for project costs, on an annual basis. You will also have an obligation to provide the lender a copy of each of your audits during the repayment period within 270 days after the end of each fiscal year during the repayment period, as well as a copy of each annual budget the District adopts during the repayment period, within 30 days after adoption. You will be receiving a Tax Questionnaire which you will need to complete and return which will provide the terms to be included in the Tax Agreement.

In determining the principal amount your are going to finance, the draft Installment Sale Agreement provides for a Project Fund to pay construction and engineering costs in the amount of \$190000 and Closing Costs fund of \$10000 for a total of \$200000. I don't know how the SWRCB Revolving Fund Grant reimbursement process works, but if it is for a fixed amount you should finance enough with this Installment Sale Agreement to cover unanticipated costs such as change orders, time delays in construction, other potential costs. There is no harm no foul if you finance more than you need. You probably could find other related project costs to use any extra borrowed funds for, but if not, these documents provide that any unused borrowed funds will be used to repay the amount borrowed.

Please let me know if you have any questions or concerns about this financing or the documents.

David W. McMurchie

MCMURCHIE LAW

PO Box 1846

Folsom, CA 95630

Phone: (916) 214-2244

E-mail: dmcurchie@mcmurchie.com

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REDWAY COMMUNITY SERVICES DISTRICT

FINANCIAL STATEMENTS

June 30, 2025

DRAFT

REDWAY COMMUNITY SERVICES DISTRICT

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June 30, 2025

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DRAFT

INDEPENDENT AUDITORS' REPORT

Board of Directors
Redway Community Services District
Redway, California

Opinions

We have audited the accompanying financial statements of the business-type activities of the Redway Community Services District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities, of the Redway Community Services District as of June 30, 2025 and the respective changes in financial position for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Redway Community Services District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Redway Community Services District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 generally accepted auditing standards will always detect a material misstatement when it exists. 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, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Redway Community Services District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Board of Directors

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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. Management has omitted the Management's Discussion and Analysis information. Our opinion on the basic financial statements is not affected by this missing information.

ANDERSON, LUCAS, SOMERVILLE, & BORGES, LLP

December 15, 2025

Fortuna, California

DRAFT

BASIC FINANCIAL STATEMENTS

DRAFT

REDWAY COMMUNITY SERVICES DISTRICT
Statement of Net Position
June 30, 2025 and 2024

ASSETS

	<u>2025</u>	<u>2024</u>
Current Assets		
Cash and Cash Equivalents	\$ 122,393	\$ 45,444
Cash in County	376,705	318,909
Restricted Cash	435,828	480,287
Accounts Receivable, Net of Allowance	246,258	165,661
Grant Receivable	117,988	68,468
Prepaid Expenses	18,352	15,379
Inventory	17,564	17,564
Total Current Assets	<u>1,335,088</u>	<u>1,111,712</u>
Noncurrent Assets		
Capital Assets, Net of Depreciation	4,465,887	4,176,281
Construction in Progress	1,606,170	739,746
Other Assets		
COP Issuance Costs, Net of Amortization	<u>12,003</u>	<u>12,766</u>
TOTAL ASSETS	<u><u>\$ 7,419,148</u></u>	<u><u>\$ 6,040,505</u></u>

LIABILITIES AND NET POSITION

LIABILITIES

Current Liabilities

Accounts Payable	\$ 175,700	\$ 78,162
Accrued Payroll Liabilities	13,177	21,724
Accrued Interest Payable	8,363	8,944
Current Portion of Lease Obligation	31,590	-
Current Portion of Long-Term Obligations	108,500	107,500
Customer Deposits	6,850	14,550
Other Accrued Liabilities	11,900	11,900
Total Current Liabilities	<u>356,080</u>	<u>242,780</u>

Noncurrent Liabilities

Noncurrent Portion of Lease Obligation (Note 10)	380,647	-
Noncurrent Portion of Long-Term Obligations (Note 4)	<u>1,026,000</u>	<u>1,134,500</u>
Total Long-Term Liabilities	<u>1,406,647</u>	<u>1,134,500</u>

TOTAL LIABILITIES

1,762,727 1,377,280

NET POSITION

Invested in Capital Assets, Net of Related Debt	4,563,570	3,674,027
Restricted for Debt Service & Capital Improvement	435,828	480,287
Unrestricted	<u>657,023</u>	<u>508,911</u>

TOTAL NET POSITION

\$ 5,656,421 \$ 4,663,225

The accompanying notes are an integral part of these financial statements.

REDWAY COMMUNITY SERVICES DISTRICT
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025 with Comparative 2024

	<u>Water</u>	<u>Waste Water</u>	<u>Total 2025</u>	<u>Total 2024</u>
OPERATING REVENUES				
Utility Sales - Residential	\$ 469,894	\$ 550,486	\$ 1,020,380	\$ 838,658
Utility Sales - Business	110,505	180,227	290,732	270,190
System Expansion Fees	-	48,774	48,774	189,146
System Loan Fees	77,006	-	77,006	79,654
Connection Fees	15,533	-	15,533	3,960
Insurance Claim	-	-	-	4,157
Other Revenues	35,456	188	35,644	29,957
Total Operating Revenues	<u>708,394</u>	<u>779,675</u>	<u>1,488,069</u>	<u>1,415,722</u>
OPERATING EXPENSES				
Salaries and Wages	296,321	259,909	556,230	564,744
Payroll Taxes	24,048	21,264	45,312	43,393
Employee Benefits	74,685	74,685	149,370	141,962
Materials and Supplies	45,485	30,855	76,340	57,248
Transportation	13,476	19,864	33,340	39,000
Utilities	74,745	75,383	150,128	113,742
Administrative	24,514	22,788	47,302	46,268
Insurance	22,949	22,949	45,898	43,628
Professional Services	18,531	12,658	31,189	43,459
Rent and Utilities	6,054	6,497	12,551	14,067
Communications	4,222	7,709	11,931	11,080
Repairs and Maintenance	61,015	34,668	95,683	113,836
Outside Services	17,120	11,115	28,235	10,345
Permits and Fees	13,215	7,237	20,452	15,725
Other Expenses	4,971	32,851	37,822	53,736
Depreciation and Amortization	121,139	170,887	292,026	256,494
Total Operating Expenses	<u>822,490</u>	<u>811,319</u>	<u>1,633,809</u>	<u>1,568,727</u>
OPERATING INCOME (LOSS)	<u>(114,096)</u>	<u>(31,644)</u>	<u>(145,740)</u>	<u>(153,005)</u>
NON-OPERATING REVENUES (EXPENSES)				
Property Taxes and Exemptions	69,578	65,828	135,406	137,749
Property Tax Shifts and Fees	(1,661)	(2,366)	(4,027)	(4,070)
Interest Income	15,284	6,676	21,960	20,947
Interest Expense	(2)	(20,186)	(20,188)	(22,720)
Capital Grant Income	252,545	791,490	1,044,035	270,087
Sewer Project Expense	-	-	-	100
Total Non-operating Revenues	<u>335,744</u>	<u>841,442</u>	<u>1,177,186</u>	<u>402,093</u>
CHANGE IN NET POSITION	221,648	809,798	1,031,446	249,088
NET POSITION - BEGINNING OF YEAR	<u>2,811,887</u>	<u>1,851,338</u>	<u>4,663,225</u>	<u>4,414,137</u>
NET POSITION - END OF YEAR	<u><u>\$ 3,033,535</u></u>	<u><u>\$ 2,661,136</u></u>	<u><u>\$ 5,694,671</u></u>	<u><u>\$ 4,663,225</u></u>

The accompanying notes are an integral part of these financial statements.

REDWAY COMMUNITY SERVICES DISTRICT**Statement of Cash Flows**

For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Cash Flows From Operating Activities		
Cash Received from Customers	\$ 1,396,799	\$ 1,398,058
Cash Paid for Employees	(564,777)	(558,998)
Cash Paid for Goods and Services	<u>(800,913)</u>	<u>(815,429)</u>
Net Cash Provided by Operating Activities	31,109	23,631
Cash Flows From Non-Capital Financing Activities		
Property Tax Revenues	<u>131,379</u>	<u>133,679</u>
Net Cash Provided by Non-Capital Financing Activities	131,379	133,679
Cash Flows From Capital and Related Financing Activities		
Acquisition of Capital Assets	(1,035,056)	(344,093)
Grant Proceeds	1,107,413	270,087
Reduction of Long-Term Debt	(146,331)	(131,285)
Interest Paid on Long-Term Debt	<u>(20,188)</u>	<u>(23,173)</u>
Net Cash (Used) by Capital and Related Financing Activities	(94,162)	(228,464)
Cash Flows From Investing Activities		
Interest on Investments	<u>21,960</u>	<u>20,947</u>
Net Cash Provided by Investing Activities	21,960	20,947
Net Increase (Decrease) in Cash and Cash Equivalents	90,286	(50,207)
Cash and Cash Equivalents - Beginning of Year	844,640	894,847
Cash and Cash Equivalents - End of Year	<u>\$ 934,926</u>	<u>\$ 844,640</u>
Supplemental Disclosure of Cash Flow Information		
Non-cash investing of ROU asset and liabilities obtained through acquisition	\$412,237	

The accompanying notes are an integral part of these financial statements.

REDWAY COMMUNITY SERVICES DISTRICT**Statement of Cash Flows**

For the Years Ended June 30, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities		
Operating Income (Loss)	\$ (145,740)	\$ (153,005)
Adjustment to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities:		
Depreciation and Amortization	292,026	256,494
(Increase) Decrease in Accounts Receivable	(80,597)	(56,159)
(Increase) Decrease in Prepaid Expense	(2,973)	42,555
Increase (Decrease) in Accounts Payable	(15,360)	(67,940)
Increase (Decrease) Increase in Accrued Liabilities	(8,547)	5,746
Increase (Decrease) in Customer Deposits	(7,700)	(4,060)
Total Adjustments	<u>176,849</u>	<u>176,636</u>
Net Cash Provided by Operating Activities	<u>\$ 31,109</u>	<u>\$ 23,631</u>
Reconciliation of Cash and Cash Equivalents per Statement of Cash Flows to Cash and Cash Equivalents per Balance Sheets		
Cash and Cash Equivalents per Statements of Cash Flows	<u>\$ 934,926</u>	<u>\$ 894,847</u>
Cash and Cash Equivalents per Balance Sheets:		
Cash and Cash Equivalents	122,393	86,395
Cash in County Treasury	379,321	467,720
Restricted Cash in County Treasury	<u>433,212</u>	<u>340,732</u>
	<u>\$ 934,926</u>	<u>\$ 894,847</u>

The accompanying notes are an integral part of these financial statements

NOTES TO FINANCIAL STATEMENTS

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REDWAY COMMUNITY SERVICES DISTRICT
Notes to Financial Statements
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity - On October 13, 1965, by the adoption of Resolution No. 2162, the Humboldt County Board of Supervisors organized Redway Community Services District under the Community Services District Law, pursuant to Title 6, Division 3 of the Government Code for the following purposes:

1. To supply the inhabitants of the District with water for domestic use, irrigation, sanitation, industrial use, fire protection and recreation.
2. The collection, treatment, or disposal of sewage, waste and storm water of the District and its inhabitants.
3. The collection or disposal of garbage or refuse matter.
4. Protection against fire; and,
5. Street lighting.

Redway is an unincorporated community in southern Humboldt County, California.

Measurement Focus and Basis of Accounting - The financial statements of the District are prepared in accordance with Generally Accepted Accounting Principles (GAAP). The District applies all applicable Governmental Accounting Standards Board (GASB) pronouncements.

The accounts are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The District uses proprietary funds. Proprietary funds are accounted for using the *economic resources measurement focus* and the *accrual basis of accounting*. Accordingly, all of the District's assets and liabilities including capital assets and long-term liabilities are included in the accompanying Balance Sheet. Under the accrual method of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The District reports the following proprietary funds:

Enterprise Funds - These funds are used to account for those operations that are financed and operated in a manner similar to a private business or where the board of directors has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability.

REDWAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgets and Budgetary Accounting - The Business Manager presents proposed budgets to the Board of Directors for approval. The budget is approved by a motion to adopt by the Board of Directors.

The budgets for the enterprise funds are adopted on the full accrual basis of accounting consistent with the comparative actual amounts.

Cash and Cash Equivalents - Cash and cash equivalents for purposes of the statement of cash flows includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the District. Restricted assets are included.

The District has a pooled investment which is administered by the County of Humboldt. These approved investments are carried at cost, which approximates market value, and may be liquidated as needed. The investment pool has not been assigned a risk category since the District is not issued securities, but rather owns an undivided beneficial interest in the assets of this pool.

Inventory - The District uses the purchase method of recording inventory. Under this method, materials and supplies are charged as expenditures when acquired. Inventory on hand at the end of the period equates to common parts the District needs to operate efficiently. No Inventory list is available.

Capital Assets and Depreciation - Capital assets are recorded at cost. Capital asset purchases with values exceeding \$5,000 and having a life expectancy greater than 1 year are capitalized.

Depreciation is computed under the straight-line method using lives ranging from 3 to 50 years. Complete details of the capital asset balances and of the annual depreciation calculations are not available. Depreciation expense is calculated by using annual allowance rates varying from 2% to 33% of the various year-end account balances.

Amortization - The cost of issuance of bonds and Certificates of Participation (COP) are amortized, on the bonds outstanding method, over the life of the bonds.

Compensated Absences - Qualified employees of the District accrue vacation, sick, compensatory, and other leave time. Upon retirement, resignation, or dismissal, employees are paid in cash for vacation leave time accumulated. The District has modified its employee benefits to reflect payment of accrued sick leave upon retirement up to 24 days maximum for employees hired prior to January 1, 2010. For employees hired prior to January 1, 2010, a medical benefit of \$600 per month for each year of actual employment for a minimum of fifteen years of actual service. The liability for compensated absences at June 30, 2025 was \$13,177, and at June 30, 2024 was \$21,671 which included sick payout of \$6,300 for an employee retiring that was hired prior to January 1, 2010 and has been reflected on the Balance Sheet.

Net Position - Reservations of the ending retained earnings indicate the portions of retained earnings not appropriable for expenditures or amounts legally segregated for a specific future use. These amounts are not available for appropriation and expenditure at the balance sheet date.

REDWAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Bad Debts – Allowance for Doubtful Accounts is used for recording bad debts relating to accounts receivable. Management evaluates the collectability of receivables and has determined an estimated \$4,500 may not be recovered.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Policy for Defining Operating and Non-Operating Revenues - The District's proprietary funds make a distinction between operating and non-operating revenues and expenses. Operating revenues and expenses generally result from providing goods and services related directly to the principal operations of the funds. All revenues and expenses not meeting this definition are reported as non-operating including interest income and expense.

Policy for Applying FASB Pronouncements - The District has adopted all applicable FASB Statements and Interpretations, APB Opinions, and ARBs issued after November 30, 1989, except those that are limited to not-for-profit organizations.

Policy for Applying Restricted/Unrestricted Resources - When an expense is incurred for which both restricted and unrestricted retained earnings are available, restricted resources are applied first.

NOTE 2 - CASH AND CASH EQUIVALENTS

The District has no self-directed investments other than the pooled investment administered by the County referred to in Note 1. The District's funds invested and maintained by other agencies are as follows:

<u>2025</u>	<u>Cash in Checking</u>	<u>Cash in Savings</u>	<u>Cash in County</u>	<u>Petty Cash</u>	<u>Total</u>
Insured by FDIC	\$ 122,168	\$ 25	\$ -	\$ 200	\$ 122,393
Pooled with County	-	-	812,533	-	812,533
	<u>\$ 122,168</u>	<u>\$ 25</u>	<u>\$ 812,533</u>	<u>\$ 200</u>	<u>\$ 934,926</u>
<u>2024</u>	<u>Cash in Checking</u>	<u>Cash in Savings</u>	<u>Cash in County</u>	<u>Petty Cash</u>	<u>Total</u>
Insured by FDIC	\$ 45,349	\$ 25	\$ -	\$ 70	\$ 45,444
Pooled with County	-	-	799,196	-	799,196
	<u>\$ 45,349</u>	<u>\$ 25</u>	<u>\$ 799,196</u>	<u>\$ 70</u>	<u>\$ 844,640</u>

REDWAY COMMUNITY SERVICES DISTRICT
Notes to Financial Statements
June 30, 2025

NOTE 3 - CAPITAL ASSETS AND DEPRECIATION

Capital Assets for the District for the years ended June 30, 2025 and 2024 consisted of the following:

	6/30/2024	Additions (Provisions)	Deletions / Transfers	Balance 6/30/2025
Water Utility Plant				
Land	\$ 31,282	\$ -	\$ -	\$ 31,282
Construction in Progress	139,299	135,318	-	274,617
Non Depreciable Assets	170,581	135,318	-	305,899
Source of Supply - Plant	457,414	-	-	457,414
Water Treatment Plant	288,734	-	-	288,734
Tools and Equipment	289,754	-	-	289,754
Pumping Plant	83,512	113,864	-	197,376
Structures and Improvements	4,260,537	-	-	4,260,537
Vehicles	36,158	10,500	-	46,658
Total	5,416,109	124,364	-	\$ 5,540,473
Less: Accumulated Depreciation	(3,040,862)	(121,139)	-	(3,162,001)
Total Net Assets	\$ 2,545,828	\$ 138,543	\$ -	\$ 2,684,371
Solid Waste Utility Plant	Balance 6/30/2024	Additions (Provisions)	Deletions / Transfers	Balance 6/30/2025
Land	\$ 93,493	\$ -	\$ -	\$ 93,493
Easements	4,633	-	-	4,633
Construction in Progress	600,446	731,107	-	1,331,553
Non Depreciable Assets	698,572	731,107	-	1,429,679
Collection Facility 1/Lift Stn	607,992	10,253	-	618,245
Sewer Treatment Plant 1	466,708	-	-	466,708
Treatment Plant improvements	80,884	-	-	80,884
Sludge Bed	84,334	-	-	84,334
Wastewater Plant & Lift Station	2,037,438	-	-	2,037,438
Collection Facility	1,757,518	-	-	1,757,518
Seasonal Perc Pond	166,654	-	-	166,654
Tools and Equipment	234,346	412,237	-	646,583
Lab Equipment	43,665	-	-	43,665
Vehicles	36,158	10,500	-	46,658
Road Improvements	116,000	-	-	116,000
Office Equipment	22,545	-	-	22,545
Total	5,654,242	432,990	-	\$ 6,087,232
Less: Accumulated Depreciation	(3,982,615)	(170,124)	54,954	(4,097,785)
Total Net Assets	\$ 2,370,199	\$ 993,973	\$ 54,954	\$ 3,419,126
Total Capital Assets, Net				\$ 6,103,497

REDWAY COMMUNITY SERVICES DISTRICT
Notes to Financial Statements
June 30, 2025

NOTE 3 - CAPITAL ASSETS AND DEPRECIATION (Continued)

	Balance 6/30/2023	Additions (Provisions)	Deletions / Transfers	Balance 6/30/2024
Water Utility Plant				
Land	\$ 31,282	\$ -	\$ -	\$ 31,282
Construction in Progress	59,688	79,611	-	139,299
Non Depreciable Assets	90,970	79,611	-	170,581
Source of Supply - Plant	457,414	-	-	457,414
Water Treatment Plant	288,734	-	-	288,734
Tools and Equipment	285,569	4,185	-	289,754
Pumping Plant	83,512	-	-	83,512
Structures and Improvements	4,128,506	132,031	-	4,260,537
Vehicles	17,677	18,481	-	36,158
Total	5,261,412	154,697	-	\$ 5,416,109
Less: Accumulated Depreciation	(2,933,383)	(107,479)	-	(3,040,862)
Total Net Assets	\$ 2,418,999	\$ 126,829	\$ -	\$ 2,545,828
Solid Waste Utility Plant				
Land	\$ 93,493	\$ -	\$ -	\$ 93,493
Easements	4,633	-	-	4,633
Construction in Progress	537,811	62,635	-	600,446
Non Depreciable Assets	635,937	62,635	-	698,572
Collection Facility 1/Lift Stn	607,992	-	-	607,992
Sewer Treatment Plant 1	466,708	-	-	466,708
Treatment Plant improvements	80,884	-	-	80,884
Sludge Bed	84,334	-	-	84,334
Wastewater Plant & Lift Station	2,037,438	-	-	2,037,438
Collection Facility	1,748,873	8,645	-	1,757,518
Seasonal Perc Pond	166,654	-	-	166,654
Tools and Equipment	214,322	20,024	-	234,346
Lab Equipment	43,665	-	-	43,665
Vehicles	72,631	18,481	(54,954)	36,158
Road Improvements	116,000	-	-	116,000
Office Equipment	22,545	-	-	22,545
Total	5,662,046	47,150	(54,954)	\$ 5,654,242
Less: Accumulated Depreciation	(3,889,297)	(148,272)	54,954	(3,982,615)
Total Net Assets	\$ 2,408,686	\$ (38,487)	\$ -	\$ 2,370,199
Total Capital Assets, Net				\$ 4,916,027

REDWAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 4 - LONG-TERM DEBT

Long-term debt of the District for the years ended June 30, 2025 and 2024 consisted of the following:

	6/30/2024	Additions	Principal Payments	Balance 06/30/25	Due within One Year
SRF CDPH	765,000	-	(114,750)	650,250	38,250
RECD Loan	477,000	-	(31,000)	446,000	31,000
Total	<u>\$ 1,242,000</u>	<u>\$ -</u>	<u>\$ (145,750)</u>	<u>\$ 1,096,250</u>	<u>\$ 69,250</u>

	6/30/2023	Additions	Principal Payments	Balance 06/30/24	Due within One Year
Davis - Grunsky	\$ 55,544	\$ -	\$ (55,544)	\$ -	\$ -
SRF CDPH	803,250	-	(38,250)	765,000	76,500
RECD Loan	506,500	-	(29,500)	477,000	31,000
Total	<u>\$ 1,365,294</u>	<u>\$ -</u>	<u>\$ (123,294)</u>	<u>\$ 1,242,000</u>	<u>\$ 107,500</u>

Descriptions, terms, and other information on each of the above categories of debt are as follows:

State Davis-Grunsky Loans - The District is indebted to the State of California for two construction loans made under the provisions of the Davis-Grunsky Act. Details of these loans are as follows:

a. Principal Amounts

(1) Loan No. D-GLC11 dated 03/21/68	\$ 116,000
(2) Loan No. D-GLC44 dated 04/09/74	430,000
	<u>\$ 546,000</u>

These two loans were paid off in 2024.

REDWAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 4 - LONG-TERM DEBT (Continued)

Certificates of Participation/RECD Loan - In connection with the construction of the new wastewater improvement project, the Redway Community Services District (RCSD) entered into a series of transactions with the Humboldt County Public Property Leasing Corporation (HCPPLC) and the U.S. Department of Agricultural/Rural Economic & Community Development (USDA/RECD).

The project was financed with a \$2,254,530 grant, and the issuance of \$952,400 in Certificates of Participation. In an involved series of steps, the District became liable for repayment of the interest and principal of the Certificates of Participation. A summary of the transactions is as follows:

1. RCSD sells the "project" to the HCPPLC for \$952,400. Payment is made by the HCPPLC by depositing COP proceeds into County funds established for making payments related to the project.
2. The HCPPLC sells the "project" back to the RCSD for \$952,400 under an Installment Sales Agreement, which requires the District to make semi-annual installment payments to the HCPPLC in amounts equal to the required debt service payments on the COP debt.
3. The HCPPLC makes the required debt service payments to the USDA/RECD; this is a technicality only, as the payments are made by the County using funds deposited from the District.

These step transactions leave the District obligated to the USDA/RECD for the COP debt in the amount of debt shown on the District's books at June 30, 2025. The related disclosures in connection with this debt (in the form of the installment sales agreement) are as follows:

Date of Installment Sales Agreement:	July 1, 1995
First Payment:	August 1, 1996
Final Payment:	August 1, 2035
Security:	Installment payments are secured by a pledge of net revenues of the District
Reserve Requirement:	Beginning January 15, 1996 and ending July 15, 2005, an amount equal to 1/20 of the Reserve Requirement.
Interest Rate:	4.5%
Payments:	Interest only paid February 1; principal and interest paid on August 1.

REDWAY COMMUNITY SERVICES DISTRICT
Notes to Financial Statements
June 30, 2025

NOTE 4 - LONG-TERM DEBT (Continued)

State Revolving Fund Loan - In August 2010, the District entered into an agreement with the State of California Department of Public Health (CDPH) to fund the District's water system improvement project. The estimate of total project costs provided by the District to the CDPH was \$3,206,000, of which CDPH agreed to provide a \$1,530,000 loan and a \$1,676,000 grant. According to the agreement, the loan is disbursed before the grant. Additionally, the loan has an interest rate of 0% and is payable in semiannual installments over 20 years beginning July 2014. To service this debt, the District instituted a monthly surcharge of \$8.50 per utility end user in December 2009, which totaled \$77,006 and \$79,654 for the years ended June 30, 2025 and 2024, respectively. Interest has not been imputed at this time.

Following are the principal and interest requirements to maturity for each of the five subsequent fiscal years and in five-year increments thereafter for the Rural Economic and Community Loan:

USDA/RECD			
<u>Year(s) Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	32,000	19,350	51,350
2027	33,500	17,876	51,376
2028	35,000	16,335	51,335
2029	37,000	14,715	51,715
2030	38,500	13,016	51,516
2031-2035	220,000	36,900	256,900
2036	50,000	1,125	51,125
	<u>\$446,000</u>	<u>\$119,317</u>	<u>\$565,317</u>

Following are the principal requirements to maturity for each of the five subsequent fiscal years and in five-year increments thereafter for the State Revolving Fund Loan:

SRF			
<u>Year(s) Ending June 30</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	76,500	-	76,500
2027	76,500	-	76,500
2028	76,500	-	76,500
2029	76,500	-	76,500
2030	76,500	-	76,500
2031-2034	306,000	-	306,000
	<u>\$688,500</u>	<u>\$ -</u>	<u>\$688,500</u>

REDWAY COMMUNITY SERVICES DISTRICT**Notes to Financial Statements**

June 30, 2025

NOTE 5 - INSURANCE

The District is exposed to various risks of loss related to torts; damage to, and theft or destruction of assets; errors and omissions; injuries to employees and natural disasters. The District was a member of the Special District Risk Management Authority (SDRMA), an intergovernmental risk sharing joint powers authority created pursuant to California Government Code Sections 6500, et. seq., effective July 1, 2024 through June 30, 2025. During its membership, the following policies were in effect:

	<u>Limits</u>
General and Auto Liability, Public Officials' and Employees' Errors and Omissions and Employment Practices Liability (per occurrence)	\$ 2,500,000
Employee Dishonesty Coverage (per loss)	400,000
Property Loss (per occurrence)	1,000,000,000
Boiler and Machinery (per occurrence)	100,000,000
Public Officials Personal Liability (per occurrence)	500,000
Workers' Compensation Coverage	200,000,000
Employers' Liability	5,000,000

NOTE 6 - PROPERTY TAXES/EXEMPTIONS

The County Board of Supervisors has authorized the District's receipt of taxes and exemptions from the County-wide \$1 per \$100 assessed valuation general purpose tax, as well as special taxes assessed for purposes of the general obligation bonds. The purpose of these appropriations is to assist the District in providing water and solid waste utility services. Following is a listing of the District's receipts by source:

	<u>2025</u>	<u>2024</u>
Current Secured Taxes	\$ 125,645	\$ 125,050
Current Unsecured Taxes	5,088	5,329
Taxes - Prior Years	1,548	3,733
Taxes - Current Supplemental Rolls	1,725	2,082
Supplemental - Prior Years	268	397
State - Homeowners' Exemptions	1,098	1,126
Wildlife Refuge in lieu Tax	34	35
Less: Property Tax Administration Fees	<u>(4,027)</u>	<u>(4,070)</u>
Rounding		(3)
Total Taxes/Exemptions	<u>\$ 131,379</u>	<u>\$ 133,679</u>

REDWAY COMMUNITY SERVICES DISTRICT
Notes to Financial Statements
June 30, 2025

NOTE 7 – COMMITMENTS / SUBSEQUENT EVENTS

Funding Agreement with the State of California Department of Public Health – Water System Improvement Project

In August 2010, the District entered into an agreement with the State of California Department of Public Health (CDPH) to fund the District's water system improvement project. The estimate of total project costs provided by the District to the CDPH was \$3,206,000, of which CDPH agreed to provide a \$1,530,000 loan and a \$1,676,000 grant. According to the agreement, the loan is disbursed before the grant. Additionally, the loan has an interest rate of 0% and is payable in semiannual installments over 20 years beginning at project completion. To service this debt, the District instituted a monthly surcharge of \$8.50 per utility end user in December 2009 (See Note 4).

System Expansion Fees

To fund capital improvement projects, the District instituted a monthly expansion fee per utility end user in January 2014. The Sewer system expansion fee revenue totaled \$48,774 and \$95,315 for June 30, 2025 and 2024, respectively. Effective July 2024, the Sewer System Expansion fees are \$5.50 per month

NOTE 8 – RECENT ACCOUNTING PRONOUNCEMENTS

GASB Statement No. 87 – In June 2017, GASB issued Statement No. 87, *Leases*. This standard's primary objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. The Statement was implemented in the year ended June 30, 2022. The District signed a Lease Purchase agreement in 2025. See Note 10.

GASB Statement No. 74 – In June 2015, GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, effective for periods beginning after June 15, 2016.

GASB Statement No. 75 - In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This standard's primary objective is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions. The Statement is effective for periods beginning after June 15, 2017. Currently, the District records retiree medical costs as they are paid and does not recognize the liability in the financial statements. Management has determined that at this time the effect of Statement No. 75 is immaterial to the District's financial statements as a whole.

REDWAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 9 – RETIREMENT PLAN

The District provides a deferred compensation plan for its eligible employees. The Redway Community Services District Deferred Compensation Plan is a 457(b) or “eligible” deferred compensation plan that is administered by the Variable Annuity Life Insurance Company (“VALIC”). Contributions of permanent full-time employees who choose to participate in the plan start at 3% of gross pay. The District will contribute 7%. Permanent part-time employees may participate in the plan after two years of employment. Employee contributions start at 3% of gross pay. The District does not contribute on behalf of part-time employees. Employee deferrals for the years ended June 30, 2025 and 2024 were \$29,063 and \$22,159, respectively. The District’s contributions for the years ending June 30, 2025 and 2024 were \$32,577 and \$31,970, respectively.

NOTE 10 – EQUIPMENT LEASE

On January 17, 2025 the District entered an Equipment Finance Lease - Purchase Agreement with Financial Pacific Leasing, Inc dba Umpqua Bank Equipment Leasing and Finance to purchase a Jet-Vacuum Truck for \$412,237.28. The terms are APR rate of 5.73% with semi annual payments of \$27,332.82 to be paid off in 10 years. The truck was put into service February 4, 2025 with first payment due on July 1, 2025.

Following are the principal requirements to maturity for each of the five subsequent fiscal years and in five-year increment thereafter for the Equipment Lease:

EQUIPMENT LEASE			
Year(s) Ending June 30	Principal	Interest	Total
2026	31,590	23,126	54,716
2027	33,418	21,247	54,665
2028	35,352	19,314	54,666
2029	37,398	17,268	54,666
2030	39,562	15,104	54,666
2031-2035	234,917	38,410	273,327
	<u>\$412,237</u>	<u>\$134,469</u>	<u>\$546,706</u>

NOTE 11 – RECLASSIFICATIONS

Certain reclassifications have been made to the prior years’ financials to conform to the current year’s presentation. These reclassifications had no effect on previously reported results of operations or retained earnings.

REDWAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2025

NOTE 12 – GRANT PROJECTS IN PROGRESS

The Redway Community Services District (RCSD) has secured grant funding for the planning and design of improvements to the wastewater treatment and collection system infrastructure. The District entered into funding Agreement D-190101400 Project C-06-8413-110 with the State Water Resources Control Board on January 22, 2020. The purpose of the project is to rehabilitate and replace aging infrastructure at the facility to provide better reliability and increase wastewater treatment capacity to provide sufficient treatment capacity during wet weather events. The project is also improving lift station operations by installing equipment to support maintenance activities, replacing aging pumps and installing communications and monitoring equipment to provide automation and remote monitoring. As of June 30, 2025 GHD has invoiced for \$1,260,813, with original budget of \$1,490,000.

The District has also secured funding for The Emergency Water Storage and Supply Project. The funding agreement between the State of California (Department of Water Resources) and Redway Community Services District is part of the Small Community Drought Relief Program funded by Budget Act of 2021. The District entered into the funding agreement #4600015464 on September 11, 2023. The maximum amount payable shall not exceed \$1,620,070. To date the District has filed claims for \$321,012, which is 90% of the actual claims with 10% retainage receivable. All work is to be completed by June 30, 2025.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 15, 2025, the date the financial statements were available to be issued.

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December 15, 2025

Anderson, Lucas, Somerville & Borges
1338 Main Street
Fortuna, CA 95540

This representation letter is provided in connection with your audit of the financial statements of Redway Community Services District, which comprise the respective financial position of the business-type activities as of June 30, 2025, and the respective changes in financial position, and cash flows for the year then ended, and the disclosures, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgement of a reasonable person relying on the information would be changed or influenced by the omission or misstatements. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 15, 2025, the following representations made to you during your audits.

Financial Statements

1. The financial statements referred to above are fairly presented in conformity with U.S. generally accepted accounting principles and include all properly classified funds and other financial information of the business-type activities required by generally accepted accounting principles to be included in the financial reporting entity.
2. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated July 10, 2025, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

5. The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement, or disclosure that is reasonable in accordance with U.S.GAAP.
6. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
7. Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
8. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S.GAAP.

Information Provided

9. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters, if any.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the District from whom you determined it necessary to obtain audit evidence.
 - d. Minutes of the meetings of the Redway Community Services District Board of Directors.
10. All material transactions have been recorded in the accounting records and are reflected in the financial statements.
11. We have no knowledge of any fraud or suspected fraud that affects the District and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
12. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
13. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.

Government Specific

14. There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
15. The District has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
16. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds.
17. We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we believe have a material effect on the financial statements.
18. There are no violations or possible violations of budget ordinances, laws, and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
19. As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.
20. The District has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral.
21. The District has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
22. Components of net position (net investment in capital assets; restricted; and unrestricted) and classification of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and , if applicable, approved.
23. Provisions for uncollectible receivables have been properly identified and recorded.
24. Interfund balances have been appropriately classified and reported.

Anderson, Lucas, Somerville & Borges
December 15, 2025
Page 4.

25. Deposits and investment securities, if any, are properly classified as to risk, and investments are properly valued.
26. Capital assets are properly capitalized, reported, and, if applicable, depreciated.

To the best of our knowledge and belief, no events, including instances of noncompliance, have occurred after the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the financial statements.

Signed: _____

Title: _____



State Water Resources Control Board Division of Drinking Water

December 30, 2025

Redway C.S.D.
P.O. Box 40
Redway, CA 95560

PWS# CA1210011

ORDER NO. DW 2025-0002-DDW, PFAS INITIAL MONITORING REQUIREMENTS

Attention: Glenn Gradin - OFFICE MANAGER

In April 2024, the U.S. Environmental Protection Agency (EPA) issued the final National Primary Drinking Water Regulation (NPDWR) for Per- and Polyfluoroalkyl Substances (PFAS). This rule requires all community and non-transient non-community water systems to complete initial PFAS monitoring by April 26, 2027. You are receiving this notice because one or more of your water sources must be tested under the PFAS NPDWR.

To support this requirement, the State Water Resources Control Board's Division of Drinking Water has issued enclosed Order No. DW 2025-0002-DDW, which outlines the monitoring and reporting steps needed to meet the federal rule and to prepare for future California PFAS regulations.

Exhibit A of the Order identifies the sampling status for each source based on State records and PFAS NPDWR criteria. Prior PFAS results may qualify if samples were collected after January 1, 2019, analyzed using EPA Method 533 or 537.1, and had Reporting Limits at or below the applicable Maximum Contaminant Levels. For sources where initial monitoring is incomplete, Exhibit A specifies the required sampling dates or timeframes.

Please note your system may still have separate PFAS monitoring requirements under Order DW 2022-0001-DDW and/or Order DW 2024-0002-DDW.

If you have any questions, please contact me at (530) 224-4875 or barry.sutter@waterboards.ca.gov.

Barry Sutter, P.E.
Klamath District Engineer
Division of Drinking Water
STATE WATER RESOURCES CONTROL BOARD

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

364 Knollcrest Drive, Suite 101, Redding, CA 96002 | www.waterboards.ca.gov

ORDER DW 2025-0002-DDW

STATE OF CALIFORNIA
STATE WATER RESOURCES CONTROL BOARD
DIVISION OF DRINKING WATER

ORDER DW 2025-0002-DDW

GENERAL ORDER REQUIRING INITIAL MONITORING FOR
PER-ANDPOLYFLUOROALKYLSUBSTANCES
CALIFORNIA HEALTH AND SAFETY CODE SECTIONS 116378 AND 116530

The State Water Resources Control Board ("State Water Board" or "Board"), acting by and through its Division of Drinking Water ("Division"), hereby issues General Order No. OW 2025-0002-DDW (hereinafter "Order") pursuant to sections 116378 and 116530 of the Health and Safety Code, as set forth below:

Authorities

1. WHEREAS, Health and Safety Code section 116530 provides that a public water system (PWS) shall submit a technical report to the State Water Board as part of the permit application or when otherwise required by the Board. This report may include, but not be limited to, water quality information, and shall be submitted in the form and format and at intervals specified by the State Water Board; and
2. WHEREAS, all PWS are subject to regulations adopted by the United States Environmental Protection Agency (U.S. EPA) under the federal Safe Drinking Water Act of 1974, as amended (42 U.S.C. § 300f et seq.); and
3. WHEREAS, Health and Safety Code section 116270, subdivision (h), states that California's Safe Drinking Water Act shall be construed to ensure consistency with the requirements for states to obtain and maintain primary enforcement responsibility for public water systems under the federal Safe Drinking Water Act and acts amendatory thereof or supplementary thereto; and
4. WHEREAS, Health and Safety Code section 116350, subdivision (b), establishes the State Water Board's responsibility to enforce provisions of the federal Safe Drinking Water Act and regulations adopted pursuant thereto; and
5. WHEREAS, Health and Safety Code section 116378 authorizes the State Water Board to require public water systems to monitor for per- and polyfluoroalkyl substances ("PFAS"), in accordance with provisions set by the Board; and

ORDER OW 2025-0002-DDW

1. WHEREAS, Health and Safety Code section 116378, subdivision (a), requires a laboratory that has accreditation or certification pursuant to article 3 (commencing with section 100825) of chapter 4 of part 1 of division 101 of the Health and Safety Code to perform the analysis of any material required by an order issued pursuant to Health and Safety Code section 116378; and
2. WHEREAS, an order issued pursuant to Health and Safety Code section 116378 may apply to an individual public water system, specific groups of water systems, or to all public water systems; and
3. WHEREAS, chapter 3.5 (commencing with section 11340) of part 1 of division 3 of title 2 of the Government Code does not apply to this Order pursuant to Health and Safety Code section 116378, subdivision (b) and Government Code section 11352, subdivision (f); and

PFAS National Primary Drinking Water Regulation

4. WHEREAS, on April 26, 2024, U.S. EPA promulgated the PFAS National Primary Drinking Water Regulation (89 Fed. Reg. 32532), which took effect June 25, 2024, with corrections published on June 11, 2024 (89 Fed. Reg. 49101); and
5. WHEREAS, 40 C.F.R. section 141.900(b)(1), requires that each community water system (CWS) and nontransient-noncommunity water system (NTNCWS) meet the analytical requirements set forth in 40 C.F.R. section 141.901 by June 25, 2024; and
6. WHEREAS, 40 C.F.R. section 141.900(b)(2), requires that each CWS and NTNCWS report the results of initial monitoring set forth in 40 C.F.R. section 141.902(b)(1) to the State by April 26, 2027; and
7. WHEREAS, 40 C.F.R. section 141.900(b)(3), requires that each CWS and NTNCWS meet the compliance monitoring requirements set forth in 40 C.F.R. section 141.902(b)(2) by April 26, 2027; and
8. WHEREAS, 40 C.F.R. section 141.902(a) contains general requirements associated with monitoring; and
9. WHEREAS, 40 C.F.R. section 141.61(c)(2) contains national primary drinking water standards in the form of maximum contaminant levels (MCLs) for perfluorooctanesulfonate (PFOS), perfluorooctanoate (PFOA),

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perfluorohexanesulfonic acid (PFHxS), perfluorononanoic acid (PFNA), 2,3,3,3-tetrafluoro-2-(heptafluoropropoxy)propanoate (HFPO-DA), and a mixture of PFHxS, PFNA, HFPO-DA, and perfluorobutane sulfonate (PFBS); and

1. WHEREAS, 40 C.F.R. section 141.902(b)(1)(ii) requires that groundwater CWS and NTNCWS serving 10,000 or fewer persons shall take two samples for each regulated PFAS five to seven months apart within a 12-month period for initial monitoring; and
2. WHEREAS, 40 C.F.R. section 141.902(b)(1)(i) and (iii) requires that all other CWS and NTNCWS shall take four consecutive samples 2 to 4 months apart within a 12-month period (quarterly samples) for initial monitoring; and
3. WHEREAS, 40 C.F.R. section 141.902(b)(1)(vi) allows previously acquired data (including Fifth Unregulated Contaminant Monitoring Rule (UCMR5) data) to count toward initial monitoring requirements if the data meet the requirements of 40 C.F.R. section 141.902(b)(1), the samples were collected on or after January 1, 2019, otherwise meet the timing requirements specified in Table 2 to 40 C.F.R. section 141.902(b)(1)(v), and are reported to concentrations no greater than the respective MCL; and
4. WHEREAS, Appendix A to Subpart Q in 40 C.F.R. part 141 requires Tier 3 public notification for PFAS chemical monitoring and testing procedure violations; and
5. WHEREAS, Appendix B to Subpart Q in 40 C.F.R. part 141 contains health effects language to be used in public notifications; and
6. WHEREAS, 40 C.F.R. section 141.902(b)(1)(vi) establishes that a public water system is eligible for triennial monitoring at the start of the compliance period (i.e., following April 26, 2027 conclusion of initial monitoring period) only if the system demonstrates that concentrations in all samples it uses to satisfy the initial monitoring requirements are below the trigger levels defined in 40 C.F.R. section 141.902(a)(5) (i.e., one half the MCL); and
7. WHEREAS, 40 C.F.R. section 141.901(b)(2)(iii) requires, beginning June 25, 2024, that for all samples analyzed for regulated PFAS in compliance with 40 C.F.R. section 141.902, data must be reported for concentrations as low as the corresponding trigger levels; and

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1. WHEREAS, 40 C.F.R. section 141.904(a) requires each CWS and NTNCWS to report (1) all PFAS sample results, including the locations, number of samples taken at each location, dates, and concentrations reported; and (2) whether a trigger level was met or exceeded in any samples; and
2. WHEREAS, 40 C.F.R. section 142.16(r)(1), requires that an application for approval of a State program revision that adopts the PFAS National Primary Drinking Water Regulation either meet the requirements of 40 C.F.R. section 142.16(e) or include the State's procedures for reviewing use of previously acquired data to meet initial monitoring requirements, including the criteria that will be used to determine if the data are acceptable; and
3. WHEREAS, 40 C.F.R. section 142.16(r)(2) requires that an application for approval of a State program revision that adopts the PFAS National Primary Drinking Water Regulation either meet the requirements of 40 C.F.R. section 142.16(e) or include the State's procedures for ensuring CWS and NTNCWS complete the initial monitoring period requirements that will result in a high degree of monitoring compliance by the regulatory deadlines; and

Requirements for Confirmed Detections

4. WHEREAS, Health and Safety Code section 116378 states requirements for confirmed detections of PFAS, exceedances of notification levels, and exceedances of response levels; and
5. WHEREAS, Health and Safety Code section 116378, subdivision (c)(2), states that in addition to the notice required by the section, for PFAS with notification levels, CWS or NTNCWS shall report a detection which exceeds the notification level as required by Health and Safety Code section 116455; and
6. WHEREAS, the State Water Board has established notification and response levels for PFOA, PFOS, PFBS, PFHxS, and perfluorohexanoic acid (PFHxA), and plans to establish notification and response levels for perfluoroheptanoic acid (PFHpA) following receipt of a recommendation from the Office of Environmental Health Hazard Assessment (OEHHA). These notification and response levels can be found in a summary table on the State Water Board's PFAS webpage; and

General

1. WHEREAS, the State Water Board intends to pursue regulation of PFAS chemicals in drinking water in a multi-staged approach, with an initial stage to incorporate, implement, and enforce federal regulations and a subsequent stage to more comprehensively regulate PFAS chemicals on a chemical subclass-based or similar approach; and
2. WHEREAS, on April 5, 2024, OEHHA announced adoption of public health goals for PFOA and PFOS of 0.007 ng/L and 1 ng/L, respectively; and
3. WHEREAS, on May 27, 2025, the Division requested that OEHHA develop a public health goal for PFHxS; and
4. WHEREAS, this Order is intended to fulfill federal regulation requirements for initial monitoring of PFAS as described in 40 C.F.R. section 141.902(b)(1); and
5. WHEREAS, 40 C.F.R. section 141.901 requires PWS to measure regulated PFAS using EPA Method 533 - Determination of Per- and Polyfluoroalkyl Substances in Drinking Water by Isotope Dilution Anion Exchange Solid Phase Extraction and Liquid Chromatography/Tandem Mass Spectrometry (815-B-19-020, November 2019) and/or EPA Method 537.1, Version 2.0 - Determination of Selected Per- and Polyfluorinated Alkyl Substances in Drinking Water by Solid Phase Extraction and Liquid Chromatography/Tandem Mass Spectrometry (LC/MS/MS) (600-R-20-006, March 2020); and
6. WHEREAS, California PWS water quality data submitted by laboratories from January 1, 2019 to December 4, 2025 show at least 94% of samples resulting in nondetect collected by 1,321 CWS and NTNCWS and analyzed using EPA Method 533 by 19 laboratories have a reporting level of 2.0 ng/L or below for all target analytes except 1H,1H, 2H, 2H-perfluorooctane sulfonic acid (6:2FTS) and 1H,1H, 2H, 2H-perfluorodecane sulfonic acid (8:2FTS), for which at least 98% of nondetect results have a reporting level of 5.0 ng/L or below; and
7. WHEREAS, California PWS water quality data submitted by laboratories from January 1, 2019 to December 4, 2025 show at least 90% of samples resulting in nondetect collected by 428 CWS and NTNCWS analyzed using EPA Method 537.1 by 20 laboratories have a reporting level of 2.0 ng/L or below for all target analytes except n-ethyl perfluorooctanesulfonamidoacetic acid (NEtFOSSA) and n-methyl

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perfluorooctanesulfonamidoacetic acid (NMeFOSSA), for which at least 90% of nondetect results have a reporting level of 5.0 ng/L or below; and

1. WHEREAS, by and through this Order, the State Water Board is exercising its authority under Health and Safety Code sections 116378 and 116530 to require CWS and NTNCWS to monitor for PFAS in accordance with the provisions set forth below.

THEREFORE, the State Water Board, by and through its Division of Drinking Water, hereby orders CWS and NTNCWS to monitor for PFAS as follows:

Initial Monitoring Provisions

1. CWS and NTNCWS shall monitor for PFAS at all active sources to fulfill initial monitoring requirements pursuant to U.S. EPA National Primary Drinking Water Regulations (89 Federal Register 32532; amended June 11, 2024, 89 Federal Register 49101). CWS and NTNCWS shall collect all samples during normal operating conditions. All sampling shall be completed by March 31, 2027, and reporting of results, as specified in this Order, shall be completed by April 26, 2027. CWS and NTNCWS shall monitor four consecutive quarters per source for each surface water source, each groundwater under the direct influence of surface water source, and, if serving greater than 10,000 persons, each groundwater source. Samples shall be taken two to four months apart. If serving 10,000 or fewer persons, CWS and NTNCWS shall monitor each groundwater source twice, five to seven months apart. Previously acquired, submitted, and eligible monitoring data that otherwise fulfills the timing requirements may satisfy these requirements. To assist CWS and NTNCWS in understanding their compliance status with these initial monitoring requirements, **Exhibit A** to this Order lists: (1) active sources as of December 9, 2025, (2) the extent to which previously reported monitoring results may satisfy federal requirements, and (3) outstanding monitoring still required.
2. Samples collected shall be analyzed by a laboratory accredited by the California Environmental Laboratory Accreditation Program (ELAP) for analysis of PFAS using EPA Method 533 and/or EPA Method 537.1, Version 2.0. Analytical results for all analytes in the EPA Method 533 and/or EPA Method 537.1, Version 2.0 Analyte List shall be reported electronically to the California Laboratory Intake Portal (CLIP).

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1. A PFAS detection is a positive finding of a quantifiable amount above the laboratory's reporting level. CWS or NTNCWS shall ensure laboratory reporting levels are at least as low as the Consumer Confidence Report Detection Level (CCRDL) for each PFAS analyte tested pursuant to this Order, as specified in **Exhibit B** to this Order. CWS or NTNCWS shall ensure the laboratory reports all findings of PFAS, even analytical results at levels _below the CCRDLs; zero shall not be used in place of reported values.
2. If PFAS is detected, CWS or NTNCWS shall report the detection in their annual consumer confidence report using the CCRDLs, health effects language, and major origins in drinking water language as specified in **Exhibit 8**.
3. CWS and NTNCWS shall report all sample results, locations, number of samples taken at each location, dates, and concentrations reported.
4. By **April 26, 2027**, CWS and NTNCWS shall report whether reported concentrations of a PFAS with an MCL, as specified in **Exhibit 8**, met or exceeded one half the MCL in any sample, expressed in the same number of significant figures as the MCL.
5. Failure to comply with the monitoring and testing procedures pursuant to this Order, including a failure to collect the required number of samples, constitutes a violation of this Order. CWS or NTNCWS incurring such violations shall provide Tier 3 public notification pursuant to California Code of Regulations, title 22, section 64463 et seq.

Health and Safety Code Sections 116378 and 116455 Provisions

6. If PFAS results are confirmed to exceed a notification level as established in the issuance documents for PFOA, PFOS, PFBS, PFHxS, and PFHxA, CWS and NTNCWS shall report the detection as required by Health and Safety Code section 116455.
7. If any monitoring undertaken pursuant to this Order results in a concentration of PFAS in the water entering the distribution system that exceeds a response level as established in the issuance documents for PFOA, PFOS, PFBS, PFHxS, and PFHxA, CWS and NTNCWS shall take the source out of service immediately or provide public notification pursuant to Health and Safety Code 116378. The water system shall provide quarterly public notification for as long as PFAS is present at a concentration greater than its response level.

ORDER OW 2025-0002-DDW

1. If a CWS or NTNCWS provides treatment for PFAS (for example, blending, granular activated carbon, ion exchange, or reverse osmosis treatment), the CWS or NTNCWS may also sample the treated or delivered water to determine an exceedance of a notification or response level. If treated water or delivered water samples are proposed to be collected, the CWS or NTNCWS shall first contact the local Division district office for written approval of sampling location and configuration.

The State Water Board reserves the right to make modifications to this Order as it may deem necessary to protect public health and safety.

SEVERABILITY

The requirements of this Order are severable, and each CWS and NTNCWS shall comply with each and every provision thereof notwithstanding the effectiveness of any provision.

FURTHER ENFORCEMENT ACTION

The California Safe Drinking Water Act, Health and Safety Code section 116650, authorizes the State Water Board to issue a citation or order with the assessment of administrative penalties to a public water system for violation or continued violation of the requirements of the California Safe Drinking Water Act or any regulation, permit, standard, citation, or order issued or adopted thereunder. The California Safe Drinking Water Act also authorizes the State Water Board to take action to suspend or revoke a permit that has been issued to a public water system if the public water system has violated applicable law or regulations or has failed to comply with an order of the State Water Board, and to petition the superior court to take various enforcement measures against a public water system that has failed to comply with an order of the State Water Board.



Darrin Polhemus, Deputy Director
State Water Resources Control Board
Division of Drinking Water

December 12, 2025

Date

Exhibit A and Exhibit A-Supplement - List of Sources and Required Monitoring Frequency Under General Order OW 2025-0002-DDW

Exhibit B - Consumer Confidence Report Language, CCRDLs, and Notification and Response Levels

**Exhibit B - CONSUMER CONFIDENCE REPORT INFORMATION AND
NOTIFICATION AND RESPONSE LEVELS**

Table 1 - Consumer Confidence Report Detection Levels (CCRD)

Constituent	CCRD (ng/L)	U.S. EPA MCL (ng/L)
11-chloroeicosafluoro-3-oxaundecane-1-sulfonic acid (11Cl-PF3OUdS)	2.0	--
1H,1H, 2H, 2H-perfluorodecane sulfonic acid (8:2FTS)	5.0	--
1H,1H, 2H, 2H-perfluorohexane sulfonic acid (4:2FTS)	2.0	--
1H,1H, 2H, 2H-perfluorooctane sulfonic acid (6:2FTS)	5.0	--
4,8-dioxa-3H-perfluorononanoic acid (ADONA)	2.0	--
9-chlorohexadecafluoro-3-oxanonane-1-sulfonic acid (9Cl-PF3ONS)	2.0	--
hexafluoropropylene oxide dimer acid (HFPO-DA) (GenX)	2.0	10
nonafluoro-3,6-dioxaheptanoic acid (NFDHA)	2.0	--
perfluoro (2-ethoxyethane) sulfonic acid (PFEEA)	2.0	--
perfluoro-3-methoxypropanoic acid (PFMPA)	2.0	--
perfluoro-4-methoxybutanoic acid (PFMBA)	2.0	--
perfluorobutanesulfonic acid (PFBS)	2.0	--
perfluorobutanoic acid (PFBA)	2.0	--
perfluorodecanoic acid (PFDA)	2.0	--
perfluorododecanoic acid (PFDoA)	2.0	--
perfluoroheptanesulfonic acid (PFHpS)	2.0	--
perfluoroheptanoic acid (PFHpA)	2.0	--
perfluorohexanesulfonic acid (PFHxS)	2.0	10
perfluorohexanoic acid (PFHxA)	2.0	--
perfluorononanoic acid (PFNA)	2.0	10
perfluorooctanesulfonic acid (PFOS)	2.0	4.0
perfluorooctanoic acid (PFOA)	2.0	4.0
perfluoropentanesulfonic acid (PFPeS)	2.0	--
perfluoropentanoic acid (PFPeA)	2.0	--
perfluoroundecanoic acid (PFUnA)	2.0	--
n-ethyl perfluorooctanesulfonamidoacetic acid (NEtFOSSA)	5.0	--
n-methyl perfluorooctanesulfonamidoacetic acid (NMeFOSSA)	5.0	--
perfluorotetradecanoic acid (PFTA)	2.0	--
perfluorotridecanoic acid (PFTTrDA)	2.0	--

Table 2 – Consumer Confidence Report Origin and Health Effects Language

Constituent	Required Major Origins in Drinking Water Language
Any PFAS chemical	Discharge from manufacturing and industrial chemical facilities, use of certain consumer products, occupational exposures, and certain firefighting activities.

Table 3 - Consumer Confidence Report Health Effects Language

Constituent	Required Health Effects Language
hexafluoropropylene oxide dimer acid (HFPO-DA) (GenX)	Some people who drink water containing HFPO-DA in excess of the MCL over many years may have increased health risks such as immune, liver, and kidney effects. There is also a potential concern for cancer associated with HFPO-DA exposure. In addition, there may be increased risks of developmental effects for people who drink water containing HFPO-DA in excess of the MCL following repeated exposure during pregnancy and/or childhood.
perfluorohexanesulfonic acid (PFHxS)	Some people who drink water containing PFHxS in excess of the MCL over many years may have increased health risks such as immune, thyroid, and liver effects. In addition, there may be increased risks of developmental effects for people who drink water containing PFHxS in excess of the MCL following repeated exposure during pregnancy and/or childhood.
perfluorononanoic acid (PFNA)	Some people who drink water containing PFNA in excess of the MCL over many years may have increased health risks such as elevated cholesterol levels, immune effects, and liver effects. In addition, there may be increased risks of developmental effects for people who drink water containing PFNA in excess of the MCL following repeated exposure during pregnancy and/or childhood.
perfluorooctanesulfonic acid (PFOS)	Some people who drink water containing PFOS in excess of the MCL over many years may have increased health risks such as cardiovascular, immune, and liver effects, as well as increased incidence of certain types of cancers including liver cancer. In addition, there may be increased risks of developmental and immune effects for people who drink water containing PFOS in excess of the MCL following repeated exposure during pregnancy and/or childhood.
perfluorooctanoic acid (PFOA)	Some people who drink water containing PFOA in excess of the MCL over many years may have increased health risks such as cardiovascular, immune, and liver effects, as well as increased incidence of certain types of cancers including kidney and testicular cancer. In addition, there may be increased risks of developmental and immune effects for people who drink water containing PFOA in excess of the MCL following repeated exposure during pregnancy and/or childhood.

Table 4 - PFAS Notification and Response Levels as of December 2025

Constituent	CCRD (ng/L)	Notification Level (ng/L)	Response Level (ng/L)	Response Level Exceedance Methodology ¹
perfluorobutanesulfonic acid (PFBS)	2.0	500	5,000	Single, confirmed sample
perfluorohexanesulfonic acid (PFHxS)	2.0	3.0	10	QRAA
perfluorohexanoic acid (PFHxA)	2.0	1,000	10,000	QRAA
perfluorooctanesulfonic acid (PFOS)	2.0	4.0	40	QRAA
perfluorooctanoic acid (PFOA)	2.0	4.0	10	QRAA

NOTE:

1. QRAA means quarterly running annual average. Response level exceedance determination is as described in the Notification Level Issuance documents available at https://www.waterboards.ca.gov/drinking_water/cert/cdrinkingwater/NotificationLevels.html.

County	Regulating Agency	Water System Name	Source Name	PS Code	Water Type	Initial Monitoring Requirement	Required Monitoring Periods
HUMBOLDT	DISTRICT 01 - Klamath	FORTUNA, CITY OF	WELL 04 - RAW	CA1210006_009_009	GW	Incomplete	Qtr 1, Qtr 3, Qtr 4
HUMBOLDT	DISTRICT 01 - Klamath	FORTUNA, CITY OF	WELL 01B (NEW WELL) - RAW	CA1210006_010_010	GW	Incomplete	Qtr 1, Qtr 3, Qtr 4
HUMBOLDT	DISTRICT 01 - Klamath	FORTUNA, CITY OF	WELL 05 - RAW	CA1210006_012_012	GW	Incomplete	Qtr 1, Qtr 3, Qtr 4
HUMBOLDT	DISTRICT 01 - Klamath	DEL ORO WATER CO-FERNDAL	HIGH SPRINGS - RAW	CA1210007_001_001	GW	Incomplete	Sample twice 5-7 months
HUMBOLDT	DISTRICT 01 - Klamath	DEL ORO WATER CO-FERNDAL	LOW SPRINGS - RAW	CA1210007_002_002	GW	Incomplete	Sample twice 5-7 months
HUMBOLDT	DISTRICT 01 - Klamath	DEL ORO WATER CO-FERNDAL	VAN NESS WELL - RAW	CA1210007_003_003	GW	Incomplete	Jan2026-Mar2026 or Jan2027 -
HUMBOLDT	DISTRICT 01 - Klamath	GARBERVILLE SANITARY DISTRICT	EEL RIVER - RAW	CA1210008_001_001	SW	Incomplete	Qtr 1, Qtr 2, Qtr 3, Qtr 4
HUMBOLDT***	DISTRICT 01 - Klamath	GARBERVILLE SANITARY DISTRICT	TOBIN WELL - RAW	CA1210008_003_003	GW	Incomplete	Dec2026-Feb2027
HUMBOLDT	DISTRICT 01 - Klamath	HUMBOLDT C.S.D.	SPRUCE POINT WELL - RAW	CA1210009_006_006	GW	Incomplete	Qtr 1, Qtr 3, Qtr 4
HUMBOLDT	DISTRICT 01 - Klamath	HUMBOLDT C.S.D.	SOUTH BAY WELL (2018) - RAW	CA1210009_013_013	GW	Incomplete	Qtr 1, Qtr 3, Qtr 4
HUMBOLDT	DISTRICT 01 - Klamath	SCOTIA CSD	EEL RIVER - RAW	CA1210010_001_001	SW	Incomplete	Qtr 1, Qtr 2, Qtr 3, Qtr 4
HUMBOLDT	DISTRICT 01 - Klamath	REDWAY C.S.D.	EEL RIVER - RAW	CA1210011_002_002	SW	Incomplete	Qtr 1, Qtr 2, Qtr 3, Qtr 4
HUMBOLDT***	DISTRICT 01 - Klamath	REDWAY C.S.D.	RUSK WELL-RAW	CA1210011_005_005	GW	Incomplete	Sample twice 5-7 months
HUMBOLDT	DISTRICT 01 - Klamath	RIO DELL, CITY OF	WELL 01 - RAW	CA1210012_002_002	GW	Incomplete	Nov2026-Jan2027
HUMBOLDT	DISTRICT 01 - Klamath	RIO DELL, CITY OF	WELL 03 - RAW	CA1210012_004_004	GW	Incomplete	Nov2026-Jan2027
HUMBOLDT	DISTRICT 01 - Klamath	RIO DELL, CITY OF	EEL RIVER - RAW	CA1210012_005_005	SW	Incomplete	Qtr 1, Qtr 2, Qtr 3, Qtr 4
HUMBOLDT***	DISTRICT 01 - Klamath	HUMBOLDT BAY MWD	RANNEY WELL 01 - RAW	CA1210013_006_006	GW	Incomplete	Sample twice 5-7 months
HUMBOLDT***	DISTRICT 01 - Klamath	HUMBOLDT BAY MWD	RANNEY WELL 02 - RAW	CA1210013_007_007	GW	Incomplete	Sample twice 5-7 months
HUMBOLDT***	DISTRICT 01 - Klamath	HUMBOLDT BAY MWD	RANNEY WELL 03 - RAW	CA1210013_008_008	GW	Incomplete	Sample twice 5-7 months
HUMBOLDT***	DISTRICT 01 - Klamath	HUMBOLDT BAY MWD	RANNEY WELL 04 - RAW	CA1210013_009_009	GW	Incomplete	Sample twice 5-7 months
HUMBOLDT	DISTRICT 01 - Klamath	WILLOW CREEK C.S.D.	WELL 01-NO DATA ACCEPTED AS OF 10/21/04	CA1210015_005_005	GU	Incomplete	Qtr 1, Qtr 2, Qtr 3, Qtr 4



Surface Water Sampling Summary Report

This report is submitted to the California State Water Resources Control Board to document polyfluoroalkyl substances (PFAS) sampling conducted by the Redway Community Services District on the South Fork of the Eel River.

Sampling Overview

Surface water sampling was conducted on May 29, 2024, at the South Fork of the Eel River. Samples were collected and analyzed by Eurofins Sacramento using EPA Method 537 (Modified) in accordance with California Division of Drinking Water Quality Sampling Manual requirements.

Analytical Results

Analytical results indicate that all regulated PFAS compounds subject to California Maximum Contaminant Levels (MCLs), including but not limited to PFOA, PFOS, PFHxS, and PFNA, were reported as non-detect.

One PFAS compound, Perfluorooctanesulfonamide (FOSA), was detected at a concentration of 4.2 ng/L. FOSA is not currently regulated by the State of California and does not have an established MCL.

Conclusion

Based on the analytical data, the South Fork of the Eel River shows no detectable levels of regulated PFAS compounds at the time of sampling. The Redway Community Services District considers this sampling event to demonstrate compliance with current State PFAS regulatory standards for surface water sources.

The District will retain this report as baseline documentation and plans to conduct follow-up monitoring in accordance with State guidance or upon request by regulatory agencies.

Respectfully submitted,

Cody Cox
General Manager
Redway Community Services District

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From: Chandler, Zack H.@Waterboards <Zack.Chandler@Waterboards.ca.gov>
Sent: Thursday, January 15, 2026 11:43 AM
To: cody@redwaycsd.org
Cc: eric@redwaycsd.org; doug@redwaycsd.org
Subject: RE: Redway CSD

Hey Cody,

Yes, I'm hoping this citation results in a failing status. I had to dig a bit to document the violations because y'all do such a good job managing with what you have.

The combined filter turbidity remained within acceptable limits during the individual filter exceedances, so boil water notices were not required.

I'll reach out to our DFA contact to see if we can schedule a meeting. If funding is available, I don't see why DFA wouldn't be willing to assist. It may make sense to coordinate a joint meeting with DFA and DWR to more efficiently align funding efforts. Could you please send me the DWR funding contact information?

If you have any additional documents as part of the DWR project, please send them my way as well when you get a chance.

Regards,
Zack

From: cody@redwaycsd.org <cody@redwaycsd.org>
Sent: Thursday, January 15, 2026 10:30 AM
To: Chandler, Zack H.@Waterboards <Zack.Chandler@Waterboards.ca.gov>
Cc: eric@redwaycsd.org; doug@redwaycsd.org
Subject: Redway CSD

Caution: External Email. Use caution when clicking links or opening attachments. When in doubt, contact DIT or use the Phish Alert Button.

Saw this, this am, I knew it was coming but still doesn't make it any less scary. I just wanted to confirm that when these rain events were happening there was never any dirty water that entered the contact chamber above the limit, we would never send that to storage, so there was no need for a boil order. I know we had to get on the list to get more help, but there is some more context that you need from RCSD which is we are already in grants and have had to take a loan out for the DWR grant for the new tank, the filter rehab "which was and additive bid item" and ended up to expensive to do, so, we only got the A.M.I. and the new Tank. I have also just finished up with a Planning Grant for the Wastewater side of things, that has turned into quite the potential construction project.

Before we fill out an SRF construction application for that project I have to meet with the State PE with DFA and figure out how we are going to fund this because we will have trouble with even that 10% responsibility, we only have a revolving budget of like 1.5M.

let me know how this looks to you, and I will be reporting this at the 21st of this months Board Meeting, going to be a little tense at that meeting regarding Water Treatment. I do have the Rehab drawing from GHD the firm that was helping with this DWR grant. It did not involve any air scouring in design rehab of filters, I will see if I can get TA from the EPA for an updated plan/project for submittal which is June 2026, which is also the sunset for the DWR grant.

Cody Cox
General Manager
Redway Community Services District
P. (707) 923-3101
E. cody@redwaycsd.org

MEMORANDUM

To: Board of Directors, Redway Community Services District

From: Cody Cox, General Manager

Date: December 21, 2025

Subject: Notice of Violation – Missed Raw Bacteriological Samples (2025)

Summary

The District received a Notice of Violation (NoV) dated December 29, 2025 from the State Water Resources Control Board, Division of Drinking Water, regarding missed monthly raw (untreated) bacteriological sampling requirements for May, June, and August 2025. The notice is administrative in nature and does not indicate a water quality or public health issue.

Background

State regulations require monthly raw bacteriological sampling. According to Division records, samples for the months listed above were not collected and/or not reported. This violation relates to monitoring and reporting only; the District remains in compliance with treated drinking water bacteriological standards.

Regulatory Impact

No fines or enforcement actions have been assessed. The sole required corrective action is disclosure in the District's 2025 Consumer Confidence Report (CCR), which must be distributed by July 1, 2026.

Corrective Actions

Monthly raw bacteriological sampling has resumed. Internal tracking procedures are being reinforced, and the required CCR disclosure will be completed.

Conclusion

This is a low-level, routine compliance notice. Provided sampling continues and CCR disclosure is completed, no further State action is expected.

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State Water Resources Control Board
Division of Drinking Water

December 29, 2025

Redway C.S.D.
P.O. Box 40
Redway, CA 95560

Attention: Cody Cox, General Manager

**Subject: Missed May, June, and August 2025 Raw Bacteriological Samples
Redway Community Services District (C.S.D.),
Public Water System No. 1210011**

This letter serves to notify **Redway C.S.D.** public water system of its responsibilities pursuant to the California Code of Regulations, Title 22, Article 3, Section 64654.8(b)1(B), requiring Redway C.S.D. to collect and report untreated (raw) bacteriological samples to the Division of Drinking Water monthly.

According to our records, Redway C.S.D. did not collect and/or report monthly raw bacteriological samples in May, June, and August 2025.

This violation must be reported in **Redway C.S.D.'s** 2025 Consumer Confidence Report (CCR) with an explanation describing what happened and what will be done to avoid this problem in the future. The CCR must be distributed to customers by July 1, 2026.

If you have any questions regarding this matter, please contact Zack Chandler at (530) 224-6505 or me at (530) 224-4875.

Barry Sutter, P.E., Klamath District Engineer
Division of Drinking Water
STATE WATER RESOURCES CONTROL BOARD

cc via email: Cody Cox, General Manager
Doug Esget, Operator
Eric Moore, Operator

E. JOAQUIN ESQUIVEL, CHAIR | ERIC OPPENHEIMER, EXECUTIVE DIRECTOR

364 Knollcrest Drive, Suite 101, Redding, CA 96002 | www.waterboards.ca.gov