



## **MEMO**

**To:** NCRA Board of Directors

**From:** Executive Director Stogner

**Date:** July 11, 2018

**Subject:** **Agenda Item F.3 – Discussion and Possible Action Regarding License Agreement Humboldt Bay Municipal Water District**

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In 2016, the NCRA and the Humboldt Bay Municipal Water District reached conceptual agreement on a plan for HBMWD to relocate its electrical switchgear facility on NCRA property adjacent to the Annie and Mary branch line near 7270 West End Rd. in Arcata.

Now that the HBMWD has received its FEMA grant to construct the facility, on June 21 the Property Committee considered an offer by HBMWD to lease a 57' x 25' portion of NCRA property and a 550' x 20' access area for the new switchgear facility. Under the proposal presented to the Property Committee, the HBMWD will pay \$1,200 per year for a term of 50 years with a provision for a annual COLA.

**Staff Recommendation:**

Approve new license/lease agreement with the HBMWD for its new switchgear facility for \$1,200 per year for a term of 50 years with an annual COLA.