



MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE
NAPA SANITATION DISTRICT, NAPA COUNTY, CALIFORNIA, HELD AND
CONVENED AT SOSCOL RECYCLED WATER FACILITY ADMINISTRATION OFFICE,
WEDNESDAY, FEBRUARY 1, 2017 CALLED TO ORDER AT 4:02 PM.

DRAFT

1. **OPEN SESSION:**

2. **ROLL CALL:**

PRESENT: JILL TECHEL, Chair; RYAN GREGORY, Vice-Chair; PETER MOTT,
CHUCK GRAVETT and DAVID GRAVES, Directors. ALSO PRESENT: TIMOTHY
HEALY, General Manager, and JOHN BAKKER, Legal Counsel.

ABSENT: NONE

3. **REVIEW OF AGENDA:** Chair Techel requested that Item 8B be delayed two weeks
to the next meeting due to details on the project the City of Napa staff would like to
discuss with Napa Sanitation District staff.

Motion by GRAVES, seconded by MOTT, by the following vote, to table Item
8B:

AYES:	GRAVETT, GRAVES, GREGORY, MOTT, TECHEL
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

4. **SAFETY MOMENT:** Rainy Weather.

5. **PUBLIC COMMENT:** None.

6. **SPECIAL PRESENTATIONS:**

- a. Introduction of new employee Ben Cullison, Collection System Worker-in-
Training.

7. **CONSENT CALENDAR:**

- a. **MR 17-010:**
**APPROVAL/CORRECTION OF MINUTES FROM THE REGULAR
MEETING ON JANUARY 11, 2017.**

- b. **Receive County of Napa Voucher Register Dated 12/27/16 through 1/16/17.**
- c. **MR 17-011:**
APPROVE REFUND OF \$1,109.76 FOR THE F/Y 2016-17, \$965.00 FOR F/Y 2015-16, \$939.64 FOR F/Y 2014-15 AND \$915.84 FOR F/Y 2013-14 (TOTAL OF \$3,537.22) FOR SEWER SERVICE CHARGES FOR ASSESSOR PARCEL NUMBER 003-136-008, LOCATED AT 1330 BROWN STREET.
- d. **MR 17-012:**
AUTHORIZE OUT-OF-STATE TRAVEL FOR HUMAN RESOURCES OFFICER/CLERK OF BOARD CHERYL SCHUH FOR ATTENDING THE ANNUAL WESTERN REGION INTERNATIONAL PUBLIC MANAGEMENT ASSOCIATION FOR HUMAN RESOURCES (IPMA-HR) CONFERENCE IN LAS VEGAS, NEVADA, FROM APRIL 26TH-APRIL 28TH, 2017.
- e. **MR 17-013:**
APPROVE BUDGET ASSUMPTIONS FOR F/Y 2017/18 BUDGET DEVELOPMENT PROCESS AND BUDGET CALENDAR.
- f. **MR 17-014:**
APPROVE CHANGES TO THE DISTRICT FINANCIAL POLICIES TO CONFORM WITH CHANGES IN STATE LAW, AS PRESENTED.
- g. **Receive General Manager's Report for December, 2016.**

Motion by GRAVETT, seconded by GREGORY, by the following vote:

AYES: GRAVETT, GRAVES, GREGORY, MOTT, TECHEL
 NOES: NONE
 ABSENT: NONE
 ABSTAIN: NONE

8. **REGULAR CALENDAR:**

- a. **MR 17-015:**
CONDUCT SECOND READING OF ORDINANCE 104 , AN ORDINANCE AMENDING DISTRICT CODE SECTION 4.04.110 PROHIBITED WASTES TO UPDATE LOCAL LIMITS AND 4.04.190 REPORTING REQUIREMENTS TO UPDATE REFERENCES, BY TITLE ONLY AND WAIVING FULL READING; OPEN PUBLIC HEARING, HEAR ANY PROTESTS AND CLOSE PUBLIC HEARING.

Motion by GRAVETT, seconded by GREGORY, by the following vote:

AYES: GRAVETT, MOTT, GREGORY, GRAVES, TECHEL
 NOES: NONE
 ABSENT: NONE

Abstain: none

ORDINANCE 104:

ADOPT ORDINANCE 104 OF THE BOARD OF DIRECTORS OF THE NAPA SANITATION DISTRICT AMENDING DISTRICT CODE SECTION 4.04.110 PROHIBITED WASTES TO UPDATE LOCAL LIMITS AND 4.04.190 REPORTING REQUIREMENTS TO UPDATE REPORTING REQUIREMENTS TO UPDATE REFERENCES.

Motion by GRAVETT, seconded by GREGORY, by the following vote:

AYES: GRAVETT, GRAVES, GREGORY, MOTT, TECHEL
 NOES: NONE
 ABSENT: NONE
 ABSTAIN: NONE

Mark Koekemoer, Regulatory Compliance Manager, requested the Board open the public hearing and adopt Ordinance 104 as introduced. No protests or comments were made by the public during the Public Hearing. The Public Hearing was closed and motion made to adopt Ordinance 104.

- b. **Item tabled to the February 15, 2017 regular board meeting (CEQA determination, approve project and adopt resolution – Browns Valley Trunk Project (CIP 14703)).**

- c. **MR 17-016:
 DENY APPEAL FOR RELIEF ON APPLICATION FROM MI SUENO WINERY LOCATED AT 910 ENTERPRISE WAY (APN 046-531-030); INSTRUCT STAFF TO NEGOTIATE PAYMENT PLAN WITH MI SUENO WINERY FOR PAST DUE SEWER SERVICE CHARGES AND BRING BACK TO THE BOARD FOR APPROVAL.**

Motion by GRAVETT, seconded by MOTT, by the following vote:

AYES: GRAVETT, MOTT, GRAVES, GREGORY, TECHEL
 NOES: NONE
 ABSENT: NONE
 ABSTAIN: NONE

Chair Techel opened the appeal hearing giving instructions for each party to address the Board. Jeff Tucker, Director of Administrative Services, spoke on behalf of the District stating the facts and circumstances relating to Mi Sueno Winery and sewer service charges assessed to the winery located at 910 Enterprise Way, Napa, CA. He outlined the basis for the appeal and the applicability of the District's Code to Mi Sueno Winery. He also reported on how sampling is conducted, industrial users billing calculations and procedures, options of winery customers under the Code and how the 11.25 SF (strength factor) was determined. Mr. Tucker also discussed the history of communications with Mi Sueno Winery regarding their sewer service charges, delinquencies and the options that have been offered to Mi Sueno Winery. The timeline of

communications with Mi Sueno Winery was reviewed.

Mr. Rolando Herrera, owner/operator of Mi Sueno Winery, presented his information to the Board. He spoke of his recollection of past meetings that took place with District staff, Chair Techel, Bill Dodd and Alfredo Pedroza. He reviewed the history of Mi Sueno Winery going back to when he purchased the building and the process involved in obtaining a permit with the City of Napa. He requested that the 11.25 SF not apply to his business as the business predates the current requirements for flow metering and strength factor provisions. He requested that the District suspend enforcement of District Code of adding the sewer service charges to the tax roll. Mr. Herrera also requested that the issue of capacity charges be added to the appeal.

The Board held discussions and asked questions of staff and legal counsel. Mr. Tucker and Mr. Herrera had an opportunity for rebuttal. The appeal hearing was ended and discussion was held by the Board. Chair Techel indicated that the capacity charges are a separate issue and will not be part of the appeal. The Board directed staff to work with Mr. Herrera on a payment plan for the outstanding sewer services charges and bring the plan back to the Board for review within a reasonable timeframe.

- d. **MR 17-017:**
DETERMINE PROJECT IS SUBSTANTIALLY COMPLETE AND REQUIRE A TEN PERCENT (10%) RETENTION AMOUNT; APPROVE THE PROJECT; AND AUTHORIZE THE GENERAL MANAGER TO ISSUE THE NOTICE INVITING BIDS FOR THE MST RECYCLED WATER PIPELINE EXPANSION PROJECT (CIP 16722).

Motion by GRAVES, seconded by GREGORY, by the following vote:

AYES:	GRAVETT, MOTT, GRAVES, GREGORY, TECHEL
NOES:	NONE
ABSENT:	NONE
ABSTAIN:	NONE

Kyle Broughton, Senior Civil Engineer, presented information to the Board on the MST Recycled Water Expansion Project. He reviewed the background and project elements involved, along with the project challenges the District faces. He reported on the project funding for \$4M project. Of that, \$3M is for construction and \$1M for soft costs. A USBR WaterSmart Grant of \$1M awarded to NapaSan is available, and the County will seek a low interest loan through SRF to fund the remaining. There is zero cost to NSD ratepayers to design and construct the project. All NapaSan costs will be reimbursed by the County of Napa.

Broughton reported on the project schedule with a bid opening on March 21, 2017, award construction in April, 2017 and construction period of April through September, 2017.

The Board and staff discussed possible expansion of the project area and if others can join in after the project begins. Staff replied to the Board's inquiries.

- e. **Receive presentation from staff on January 2017 storm events and response efforts.**

Andrew Damron, Technical Services Director, reported on the storm events and response efforts of District staff relating to the January rain events. He reviewed the rainfall data, the efforts of staff from the Collection Department, which included bypassing over one million gallons of flow in the system. He reported on the overflow volume due to the sewer system being surcharged, the problem areas in the City of Napa and the status of the plant operations due to the storms.

Damron reviewed the proposed projects that will ease issues during future rain events and the estimated time schedules for these projects.

- f. **Receive report from Standard & Poor's Global, upgrading Napa Sanitation District's rating on the 2012 Certificates of Participation from "AA-" to "AA".**

Jeff Tucker, Director of Administrative Services, gave a report on the Bond Rating upgrade the District received from Standard & Poor's, going from "AA-" to "AA" with a stable outlook. He reviewed the rationale for the upgrade, which include strong debt service coverage, the Board's decision to put in place pre-approved rate increases to 2021, and the detailed long-term planning efforts of the District.

9. **GENERAL MANAGER REPORT:**

- a. General Manager Healy reminded the Board of our upcoming annual Awards Banquet on February 3rd at 6:00 p.m. at the Elks Lodge.
- b. Healy reported that the District's consultant for the new asset management plan has held workshops with staff. The asset management plan is scheduled to be on the Board Agenda on April 19, 2017.

10. **LEGAL COUNSEL REPORT:**

- a. None.

11. **BOARD OF DIRECTORS REPORTS/GENERAL DISCUSSION:**

- a. Director Mott commented that Rombauer Vineyards has contracted with Cambrian Innovations to install their EcoVolt Solution for onsite wastewater treatment.

12. **UPCOMING MEETINGS:**

- a. North Bay Watershed Association Board meeting – February 3, 2017
- b. Regular Board meeting – February 15, 2017 (Director Mott not attending)
- c. Regular Board meeting – March 1, 2017
- d. North Bay Watershed Association meeting – March 1, 2017
- e. Regular Board meeting – March 15, 2017 (Board Workshop – 3 hour meeting)

13. **ADJOURNMENT: (6:42 P.M.)**

Adjourn to Napa Sanitation District Regular Meeting on Wednesday, February 15, 2017 at 4:00 p.m. for a Regular Meeting to be held at the Napa Sanitation District Administration Building, 1515 Soscol Ferry Road, Napa, California.

Respectfully submitted,

Clerk of the Board