



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, DECEMBER 06, 2017 CALLED TO ORDER AT 4:01 PM.

DRAFT

1. **OPEN SESSION:**

2. **ROLL CALL:**

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

ABSENT: MARY LUROS, Director

3. **REVIEW OF AGENDA:** No changes.

4. **SAFETY MOMENT:** Director Mott read the safety moment: Focus on Driving

5. **PUBLIC COMMENT:** Suzanne Truchard, legal counsel, and Katie Schaffer, founder of Feast it Forward, addressed the Board with their issues regarding the building phase and permitting process of the 1031 McKinstry Street development project. Ms. Schaffer first presented the concept of her business. Legal Counsel Truchard then stated their issues and concerns regarding NapaSan permitting policy and District Code. Truchard requested specific action from the board. A special meeting was scheduled for Tuesday, December 12, 2017 to hear and address their concerns.

6. **SPECIAL PRESENTATIONS:**

- a. Nick Becker, Collection System Manager, introduced new Collection System Workers in Training: Nolan Weathers and Jorge Hernandez. NapaSan is now fully staffed in the Collection System department.

7. **CONSENT CALENDAR:**

- a. **MR 17-116**  
**APPROVAL/CORRECTION OF MINUTES FROM THE REGULAR MEETING ON NOVEMBER 15, 2017.**
- b. **Receive County of Napa Voucher Register Dated 10/31/17 through 11/20/17.**
- c. **MR 17-117**  
**CANCEL REGULAR MEETING ON DECEMBER 20, 2017 DUE TO LACK OF BUSINESS.**

- d. **MR 17-118**  
**ACCEPT THE CAPACITY CHARGES FINANCIAL REPORT FOR FY 2016-17.**
- e. **RES 17-019**  
**AUTHORIZE INCREASE OF CHANGE ORDER SIGNING AUTHORITY AND ADOPT RESOLUTION ACCEPTING COMPLETION AND DIRECTING THE GENERAL MANAGER TO FILE THE NOTICE OF COMPLETION AT THE OFFICE OF THE RECORDER, NAPA COUNTY, CALIFORNIA FOR THE EARTHQUAKE REPAIRS PROJECT (CIP 18727).**
- f. **RES 17-020**  
**ADOPT RESOLUTION ACCEPTING COMPLETION AND DIRECTING THE GENERAL MANAGER TO FILE THE NOTICE OF COMPLETION AT THE OFFICE OF THE RECORDER, NAPA COUNTY, CALIFORNIA FOR THE 2017 SANITARY SEWER MANHOLE ADJUSTMENT PROJECT, PHASE VI (CIP 13702).**
- g. **MR 17-119**  
**AUTHORIZE CHAIR TO SIGN IDEMNIFICATION AGREEMENT FOR VISTA TULOCAY APARTMENT COMPLEX.**
- h. **MR 17-120**  
**APPROVE THE FLASH MIXER REPLACEMENT PROJECT (CIP 18737) AND CONCUR WITH STAFF'S CEQA DETERMINATION THAT PROJECT IS CATEGORICALLY EXEMPT.**
- i. **Receive General Manager's Report for October 2017.**

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

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

8. **REGULAR CALENDAR:**

- a. **MR 17-121**  
**ACCEPT THE COMPREHENSIVE ANNUAL FINANCIAL REPORT AND ASSOCIATED AUDIT REPORT FOR FISCAL YEAR 2016-17**

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

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

Cyndi Bolden, Senior Account, introduced the Comprehensive Annual Financial Report (CAFR) and Jian Ou-Yang with Brown Armstrong who presented the CAFR audit report to the board. Mr. Ou-Yang explained the purpose and process of the audit. He covered specific audit areas such as Cash/Investments, AR/AP, Capital Assets, Long Term Debt, as well as report highlights. The report provides an unmodified opinion on the District's financial statements. There were no audit findings. Additionally, it was noted that NapaSan has been awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting for the last six years.

- b. **RES 17-021**  
**APPROVE ATTACHED RESOLUTION AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$17,000,000 PRINCIPAL AMOUNT OF 2017 REFUNDING REVENUE BONDS AND APPROVING CERTAIN DOCUMENTS AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH.**

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

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

Jeff Tucker, DAS/CFO, explained the purpose of the bond refinancing and introduced Bobby Cheung with KNN Public Finance, NapaSan's financial advisor. Mr. Cheung presented the plan of finance to the board and the reasons refinancing was advantageous to the District. Mr. Cheung explained the process and requirements of bond refinancing. He discussed credit ratings, estimated savings, key bond covenants, financing schedule, and the refinance plan. The new refinancing would reduce the term of the existing bonds by one year.

Director Graves asked for and received clarification regarding the purpose and continued role of the Napa Sanitation District Public Financing Corporation.

- c. **MR 17-122**  
**APPROVE THE PROJECT, CONCUR WITH STAFF'S DETERMINATION THAT THE PROJECT IS CATEGORICALLY EXEMPT, AND AUTHORIZE THE GENERAL MANAGER TO ISSUE NOTICE INVITING BIDS FOR THE 2018 COLLECTION SYSTEM REHABILITATION PROJECT (CIP 18705).**

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

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

Matt Lemmon, Senior Civil Engineer, introduced the project to the board, providing background on the project, the project's general scope, and its purpose

to reduce inflow & infiltration (I&I) and rehabilitate deteriorating pipes. NapaSan has coordinated with the City of Napa and Napa County for paving, along with other utility agencies. Mr. Lemmon identified project locations, an overview of project cost estimates and anticipated construction schedule.

General Manager Healy noted that the District's proactive actions taken on I&I projects had a direct, positive impact on the recent Standard & Poor's bond rating process.

- d. **RES 17-022**  
**ADOPT RESOLUTION ACCEPTING COMPLETION AND DIRECTING THE GENERAL MANAGER TO FILE THE NOTICE OF COMPLETION AT THE OFFICE OF THE RECORDER, NAPA COUNTY, CALIFORNIA FOR THE SOSCOL/SOUSA TRUNK REHABILITATION PROJECT (CIP 17707).**

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

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

Andrew Damron, Technical Services Director, presented details on the work done and the completion of this project. Damron provided an overview of the location of the project, the history and concerns of the project area, and the project goals and budget as well as the challenges and successes of the project. Damron also provided photos of the installation process and the project results.

Director Mott asked about the liner's life expectancy. Damron replied stating that the manufacture's estimate is one hundred years; however, the District's estimate is fifty years for planning purposes.

- e. **Receive presentation from staff on the completion of the Upper Lateral Rehabilitation – Basin L Project #2 (CIP 17702).**

Andrew Damron, Technical Services Director, presented to the board details on the work done and the completion of this pilot project on private laterals, completed by NapaSan staff. Damron explained the process, showed the project area, explained project goals, provided examples of the difficulties inherent in working on private laterals, and compared the cost of NapaSan's cost per lateral (\$1,100) to the original bid received (\$5,500 per lateral). Part of the project is to study inflow and infiltration both before and after construction, which NapaSan will use to evaluate project success and influence future I&I projects.

9. **GENERAL MANAGER REPORT:**

- a. None.

10. **LEGAL COUNSEL REPORT:**

- a. None.

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

- a. North Bay Watershed Association meeting – (12/01/17): Vice-Chair Gregory attended and was pleased to hear more about Napa in discussions. He also mentioned that Mayor Garcia of American Canyon is the new Flood Control District representative.
- b. NBWRA Board meeting – (12/04/17): Chair Techel reported that the Phase 2 project is progressing. General Manager Healy reported that for the first time an NBWRA application for a WaterSMART grant was submitted but not awarded. With changes in the federal program, there is now significantly greater competition for the grants.

12. **UPCOMING MEETINGS:**

- a. Special Board meeting – December 12, 2017
- b. North Bay Watershed Association – January 5, 2018
- c. Regular Board meeting – January 10, 2018
- d. Regular Board meeting – February 6, 2018

13. **ADJOURN TO CLOSED SESSION: (if necessary)**

None.

14. **ADJOURNMENT: (5:14 P.M.)**

Adjourn to Napa Sanitation District Special Meeting on Tuesday, December 12, 2017 at 4:00 p.m. for a Special Meeting to be held at the Napa Sanitation District Administration Building, 1515 Soscol Ferry Road, Napa, California.

**Respectfully submitted,**

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**Clerk of the Board**