



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, MAY 16, 2018 CALLED TO ORDER AT 4:04 PM.

DRAFT

1. **OPEN SESSION:**

2. **ROLL CALL:**

PRESENT: JILL TECHEL, Chair, RYAN GREGORY, Vice-Chair; MARY LUROS and DAVID GRAVES, Directors; and DORIS GENTRY, Alternate Director. ALSO PRESENT: TIMOTHY HEALY, General Manager; and JOHN BAKKER, Legal Counsel.

ABSENT: PETER MOTT, Director.

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

4. **SAFETY MOMENT:** Alternate Director Gentry read the safety topic: Boating Safety.

5. **PUBLIC COMMENT:** None.

6. **SPECIAL PRESENTATIONS:** Introduction of new employee Andrew Jellison, Plant Operator I.

7. **CONSENT CALENDAR:**

- a. **MR 18-034:**
APPROVAL/CORRECTION OF MINUTES FROM THE REGULAR MEETING ON MAY 2, 2018.
- b. **Receive County of Napa Voucher Register Dated 4/17/18 through 4/30/18.**
- c. **Receive and file the Quarterly Report and Priority Project Status for January, February, March 2018.**

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

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

8. **REGULAR CALENDAR:**a. **Consideration of Proposed FY 2018/19 Capital Project Appropriation Request and Update of FY18/19 - FY27/28 Ten-Year Capital Improvement Plan.**

Andrew Damron, Technical Services Director, presented the proposed Ten-Year Capital Improvement Plan. He started with an update of completed projects for FY17/18, which included several rehabilitation projects, replacement of equipment, the final phase of earthquake damage repair, completion of the MST pipe extension project, and the reservoir-lining project. Damron continued, describing the projects that are still in progress and continuing into FY18/19, which included various collection system and treatment plant improvement projects. Damron also mentioned ongoing, annually recurring projects such as I&I reduction and flow monitoring, manhole raising, spot repair and rehabilitation of manholes, installation of cleanouts, and review of development plans. Lastly, Damron discussed the 66-inch Trunk Project, which involves a pipe that is both the largest main in our system and the largest project dollar amount in the ten-year plan. This pipe is in critical need of attention. Damron explained the history of the pipe, its issues and potential problems, and findings through internal staff and consultant surveys. Consultants advise the pipe receive immediate attention. Damron described the different, less costly rehabilitation methods to slow the degradation of the system that help allow time to determine the worst problem areas in the main and time to find other solutions. Damron stated that a master planning effort would be necessary in order to evaluate the capacity of the system to recommend which of the rehabilitation methods the District should choose. Potentially, the District's plan may be to design and construct a larger parallel trunk designed for the future of the system.

Jeff Tucker, Director of Administrative Services/CFO, discussed the Ten-Year Financial Plan's projected operating and capital expenditures, along with projections of rates and the revenues they are anticipated to generate over that time. The Ten-Year Financial Plan evaluates whether the revenues are adequate to cover the projected costs. Tucker provided an overview of the current and anticipated debt issuances anticipated in the Ten-Year Financial Plan.

b. **MR 18-035:**
APPROVE FINANCIAL POLICY ON PENSIONS AND OPEBS.

Jeff Tucker, Director of Administrative Services/CFO, presented a new Financial Policy on Pensions and OPEBs, recapping previous discussions with the Board on direction to start paying more toward the unfunded actuarial liability (UAL) than was minimally required by CalPERS. By doing this now, NapaSan would save significantly in the future. The Board previously gave direction on appropriate sources for paying down liability. Jeff recapped the methods and decisions made for determining how much additional will be paid annually toward the UAL.

Tucker also covered the existing policy on OPEB, stating that NapaSan makes OPEB payments every year paid into a trust account the District established in

2010, funded from debt refinancing done in October 2009. This OPEB practice was added to document current policy and Board direction. With Board approval, the policy would be added to the District's existing financial policies.

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

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

9. **GENERAL MANAGER REPORT:** None.

10. **LEGAL COUNSEL REPORT:** None.

11. **BOARD OF DIRECTORS REPORTS/GENERAL DISCUSSION:** None.

12. **UPCOMING MEETINGS:**

- a. NBWRA Board meeting – May 21, 2018
- b. Regular Board meeting – June 6, 2018
- c. North Bay Watershed Association – June 8, 2018
- d. Regular Board meeting – June 20, 2018 (may change to June 27, 2018)

13. **ADJOURN TO CLOSED SESSION: (4:51 P.M.)**

- a. CONFERENCE WITH LEGAL COUNSEL--ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: One (1) case. Facts and circumstances: Claim from Sandra Blevins, dated April 26, 2018.
- b. CONFERENCE WITH LEGAL COUNCIL---ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) or (3) of subdivision (d) of Section 54956.9: One (1) case. Facts and Circumstances: Correspondence from Michael Rupprecht to Tim Healy dated May 3, 2018.
- c. Public Employee Performance Evaluation – Title: General Manager

14. **RECONVENE TO OPEN SESSION: (5:21 P.M.)**

15. **REPORT FROM LEGAL COUNSEL ON CLOSED SESSION:**

No reportable action.

16. **ADJOURNMENT: (5:21 P.M.)**

Adjourn to Napa Sanitation District Regular Meeting on Wednesday, June 6, 2018 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