



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, APRIL 3, 2019 CALLED TO ORDER AT 4:02 PM.

DRAFT

1. **OPEN SESSION:**

2. **ROLL CALL:**

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

ABSENT: None.

3. **REVIEW OF AGENDA:** No changes to the agenda.

4. **SAFETY MOMENT:** Director Luros read the safety topic: Districted Driving.

5. **PUBLIC COMMENT:** None.

6. **SPECIAL PRESENTATIONS:** None.

7. **CONSENT CALENDAR:**

- a. **MR 19-020:**
APPROVAL/CORRECTION OF MINUTES FROM THE REGULAR MEETING ON MARCH 6, 2019.
- b. **Receive County of Napa Voucher Register dated 2/19/19 through 3/18/19.**
- c. **MR 19-021:**
APPROVE AMENDMENT TO THE NAPASAN CAFETERIA PLAN'S SUMMARY PLAN DESCRIPTION.
- d. **RES 19-003:**
ADOPT RESOLUTION OF THE BOARD OF DIRECTORS OF THE NAPA SANITATION DISTRICT ADOPTING A RATE FOR CHARGING WINERY WASTE HAULERS WHOSE WASTE IS PROCESSED THROUGH THE DIGESTER DAY TANK.
- e. **RES 19-004:**
ADOPT RESOLUTION OF THE BOARD OF DIRECTORS OF THE NAPA SANITATION DISTRICT DECLARING TWO DISTRICT-OWNED

PARCELS TO BE SURPLUS TO THE DISTRICT'S NEEDS (HARTLE COURT PROPERTY).

- f. **MR 19-022:**
AWARD CONSTRUCTION CONTRACT FOR THE POND STRUCTURES – POND 2 TO POND 3 PROJECT (CIP 19717) TO HESS CONSTRUCTION CO., INC. FOR THE BID AMOUNT OF \$245,755 AND AUTHORIZE GENERAL MANAGER TO EXECUTE THE AGREEMENT WITH THE CONTRACTOR AND ISSUE THE NOTICE TO PROCEED, WHEN APPROPRIATE.
- g. **Receive General Manager's Report for February 2019.**

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

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

8. REGULAR CALENDAR:

- a. **Receive presentation from staff on the status of funding for Browns Valley Trunk Project (CIP 14703) and West Napa Pump Station Project (CIP 17711), discuss and provide direction.**

Andrew Damron, Technical Services Director, presented information on the status of the funding for the projects. He reviewed the history of the SRF Loan application process, and the State's changes to loan funding approval schedule. He reported that weeks prior to the March 6, 2019 construction contract award, staff attempted to obtain schedule information from the State without any response. At the March 6 Board meeting, the Board awarded the construction contract for the Browns Valley Trunk Project to JMB Construction, Inc. and authorized the General Manager to execute the contract once the funding approval is received. Staff learned on March 20th from the State that the loan approval date has been pushed back once again to July 2019 or later. The bids were opened on January 22, 2019 and are valid until May 22, 2019.

Damron reviewed three options for the Browns Valley Trunk project now that the funding is further delayed. 1) allow bids to expire and repackage/rebid the project after funding approval; 2) reject the bids and repackage/rebid project after funding approval; or 3) execute the contract and issue NTP to JMB with two options (a) proceed and wait for SRF funding (expenses are reimbursable at point of approval) and (b) proceed and pursue other funding.

Damron reviewed a revised schedule for each option discussed, and other community projects that are happening that could affect the timing of our project. He also discussed the CIP budget changes that would likely occur if the project is delayed a year.

John Quinn, Project Manager for JMB, addressed the Board and indicated they are prepared to work with NapaSan staff and explore options for proceeding.

Board and staff held discussion. The Board directed staff to have discussions with the contractor to explore options and to report back at a future meeting.

- b. **MR 19-023:**
AWARD THE CONSTRUCTION CONTRACT FOR THE 2019 TREATMENT PLANT IMPROVEMENT PROJECT (CIP 18740) TO VALENTINE CORPORATION FOR THE BID AMOUNT OF \$1,180,369 AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE THE AGREEMENT WITH THE CONTRACTOR AND ISSUE THE NOTICE TO PROCEED, WHEN APPROPRIATE.

Simon Kobayashi, Associate Engineer, gave a presentation on the 2019 Treatment Plant Improvements Project. Four bids received on March 14, 2019. Valentine Corporation's bid was the low bid at \$1,180,369. The engineer's estimate was \$1,086,000. The reason the bids were slightly higher than the engineer's estimate was due to staff adding and clarifying some work on the project after the estimate was prepared.

Kobayashi reviewed the project scope, budget and schedule. Board and staff held discussion.

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

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

- c. **MR 19-024:**
AUTHORIZE THE PURCHASING AGENT TO EXECUTE A TASK ORDER WITH PSOMAS COMPANY TO PROVIDE CONSTRUCTION MANAGEMENT AND INSPECTION SERVICES FOR THE 2019 TREATMENT PLANT IMPROVEMENTS PROJECT (CIP 18740) IN THE AMOUNT OF \$201,554, WHEN APPROPRIATE.

Simon Kobayashi, Associate Engineer, reported that Psomas Company will provide construction management and inspection services in the amount of \$201,554 for construction of the 2019 Treatment Plan Improvements project.

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

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

- d. **MR 19-025:**
AUTHORIZE THE PURCHASING AGENT TO EXECUTE A TASK ORDER WITH CAROLLO ENGINEERS TO PROVIDE ENGINEERING SERVICES DURING THE CONSTRUCTION FOR THE 2019 TREATMENT PLAN IMPROVEMENTS PROJECT (CIP 18740) IN THE AMOUNT OF \$138,443, WHEN APPROPRIATE.

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

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

Simon Kobayashi, Associate Engineer, reported that Carollo Engineers would provide engineering services during construction of the 2019 Treatment Plant Improvements Project for \$138,443.

- e. **Provide direction to staff on NapaSan's sewer service charge low-income program.**

Jeff Tucker, Director of Administrative Services/CFO gave a presentation on NapaSan's current sewer service charge low-income assistance program. He discussed the program eligibility requirements and participation rate. He reported that ratepayers do not pay the funding for the program. NapaSan uses non-rate revenue to finance the program. Historically the lease revenue from Eagle Vines Golf Club lease has been used to fund the program.

Tucker reported on the status of the current program, including number of applicants (748.2) and the program cost for the reduced sewer service charges (\$141,694). The low-income rate is \$487.00 per year, a reduction of \$189.38 from the current sewer service charge rate of \$676.38. He reported that the program costs have risen slightly and the Eagle Vines Golf Course lease revenue will no longer cover the program costs.

Tucker reviewed three options for modifying the policy. Board and staff held discussion and Board concurred with option 3 – reserve the Somky lease revenue received in FY 2018/19 for use in supporting the low-income program only.

Tucker also discussed whether the income verification process should be modified to allow an easier application process for the customer, reduce staff time and reduce risk involved with handing personal tax information. He indicated other wastewater agencies offering a similar program use the PG&E CARE program as a way to determine their eligibility. CARE program requirements are similar to NapaSan's.

Board and staff held discussion. The Board directed staff to revise NapaSan's SSC low-income program to allow for use of the PG&E CARE program in addition to our current income verification process. Staff will bring the revised policy back to the Board for approval at a future meeting.

- f. **MR 19-026:**
CONCUR WITH STAFF'S RECOMMENDATION TO MAINTAIN THE EXISTING RECYCLED WATER ALLOCATION POLICY AND ALLOW TIME FOR NEW USERS IN MST/LCWD, NSH/STANLEY RANCH RESORT TO CONNECT; AND DISCUSS THE OPTION OF POTABLE REUSE IN THE STRATEGIC PLAN. (Director Graves recused himself from this discussion.)

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

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

Andrew Damron, Technical Services Director, gave a presentation on the current recycled water allocation policy and future considerations. The policy is part of NapaSan's Strategic Plan from 2017-2019. Staff provided a presentation to the Board on March 21, 2018 as part of the Strategic Plan. At that meeting, the Board approved staff's recommendation to maintain the existing allocation policy Resolution No. 11-004, as well as allow time for MST/LCWD users to connect and instructed staff to provide update to Board in Spring of 2019 for reevaluation.

Damron reviewed the history of the Phase 1 Recycled Water Expansion and the estimated demand/allocation and actual allocation chart from 2018. He reviewed the summer allocation AF per year schedule as well as the actual annual usage for 2018.

Damron asked the question of whether NapaSan should save capacity for potable reuse. Board and staff held discussion. Staff recommended that the Board approve maintaining the existing allocation policy and allow time for users in MST/LCWD and NSH/Stanley Ranch Resort to connect. The Board will discuss saving recycled water for potable reuse in its Strategic Planning Session.

9. **GENERAL MANAGER REPORT:**

- a. General Manager Healy handed out a letter that staff prepared opposing SB 332, the Hertzberg/Weiner bill that would mandate wastewater agencies that discharge treated effluent to oceans, bays and estuaries to reduce their discharge by 50% by 2030 and by 95% by 2040. He reported that CASA and Water Reuse have also sent letters in opposition.
- b. Healy reported that another NBWRA tour of our facility will be held on May 2, 2019. This tour is relating to Phase II projects. The time of the tour is 3:20 p.m. to 3:50 p.m. if any Board members are interested in attending.
- c. Healy reported that Baywork organized a pump training that was held at NapaSan facilities on March 20, 2019. Four of NapaSan's staff members participated in the training: Derrick Metras, Jaden Foust, Mark Egan and Steven Chavis.
- d. Healy reported that Ciel et Terre has run into some roadblocks with PG&E on the project for floating solar panels on our ponds. Ciel et Terre is proposing to extend the lease term for an additional two years to allow them to go through Cal ISO

station in lieu of PG&E. Ciel et Terre would pay to install new electrical facilities to conform with the requirements for electrical. Board and staff held discussion. Healy reported he would bring a modified agreement before the Board at a future meeting for their review and approval.

- e. Healy reported that staff would like to reschedule the Strategic Planning Workshop to Wednesday, April 17, 2019 from 4:00 -7:00 p.m. Board members concurred that this date works for them.

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

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

12. **UPCOMING MEETINGS:**

- a. North Bay Watershed Association meeting – April 5, 2019
- b. Regular Board meeting – April 17, 2019 (Strategic Planning Workshop 4-7 p.m.)
- c. Finance Committee meeting – April 18, 2019
- d. NBWRA Board meeting – April 22, 2019 (Graves attending in Techel's place)
- e. Long Term Planning Committee meeting - April 25, 2019
- f. Regular Board meeting – May 1, 2019

13. **ADJOURN TO CLOSED SESSION (5:19 PM):**

- a. CONFERENCE WITH LABOR NEGOTIATORS- Government Code Section 54957.6
Agency Negotiator: Glenn Berkheimer
Employee Organizations: Teamsters Local 315 – Rank & File Unit, Teamsters Local 315 – Supervisors Unit, and AMPNSD Unit
- b. Public Employee Performance Evaluation
Title: General Manager

14. **RECONVENE TO OPEN SESSION: (5:54 P.M.)**

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

Legal Counsel Bakker reported the Board took no reportable action in closed session.

16. **ADJOURNMENT (5:54 P.M.)**

Adjourn to Napa Sanitation District Regular Meeting on Wednesday, April 17, 2019 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