



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 6, 2020 CALLED TO ORDER AT 4:01 PM.

DRAFT

1. **OPEN SESSION:**

2. **ROLL CALL:**

PRESENT: JILL TECHEL, Chair; RYAN GREGORY, Vice Chair; PETE MOTT, DAVID GRAVES (via Zoom video conference) and MARY LUROS (via Zoom video conference), Directors. ALSO PRESENT: TIM HEALY, General Manager, and JOHN BAKKER, Legal Counsel (via Zoom video conference).

ABSENT: None.

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

4. **SAFETY MOMENT:** Director Gregory read the safety topic- Motorcycle Safety Month.

5. **PUBLIC COMMENT:** None received.

6. **SPECIAL PRESENTATIONS:** None.

7. **CONSENT CALENDAR:**

- a. **MR 20-024:**
APPROVAL OF THE MINUTES FROM THE REGULAR MEETING ON APRIL 15, 2020.
- b. **Receive County of Napa Voucher Register dated 3/31/20 through 4/20/20.**
- c. **RES 20-004:**
ADOPT RESOLUTION ESTABLISHING TERMS AND CONDITIONS AND ORDERING ANNEXATION OF TERRITORY – APN 060-342-004 – SILVER TRAIL NO. 10 – NAPASAN ANNEXATION 000036.
- d. **Receive General Manager’s Report for March 2020.**

Motion by GRAVES, seconded by MOTT, by the following roll-call vote:

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

8. **REGULAR CALENDAR:**

- a. **Receive presentation on the proposed FY 2020/21 Operating Budget, and provide direction to staff. Consideration for adoption scheduled for June 3, 2020.**

Tim Healy, General Manager, discussed the budget process and meetings held with the Finance and Long Term Planning committees to date. Healy addressed the changes that have occurred due to Covid-19 pandemic since the committee meetings were held. Healy announced that Napa Sanitation District received 97.7% of sewer service charge (SSC) revenues from the April property tax payments through April 27th compared to 98.7% last year, and that the total SSC revenue not received to date from the tax payments is \$630,607. Healy introduced Cyndi Bolden, Senior Accountant, who will present an overview of the proposed operating budget.

Bolden reviewed the Fiscal Year 2020/21 anticipated revenues, expenses, significant initiatives and budget calendar next steps. She reported the Finance Committee met in early April to discuss the proposed preliminary budget. Their recommendations are included in the proposed budget. Bolden reported proposed revenues to increase by 3.0%, which includes a 4% increase to sewer service charges as outlined in the Proposition 218 hearing from March of 2016; and proposed expenses to increase by 2.8%. Loan proceeds of \$16,249,900 for the Browns Valley Trunk and West Napa Pump Station projects, and bond proceeds of \$11,000,000 from the 66" Trunk Rehabilitation project are not included in the revenue projections.

Bolden reviewed the significant initiatives included in the budget, which include additional pension contribution, continued asset management implementation, marsh dredging project, 75th anniversary open house, begin negotiations of new NPDES Permit, sewer service charge rate study to comply with Proposition 218, securing funding for 66" Trunk Main Rehabilitation Project, and implement new labor Memorandums of Understanding.

Bolden reviewed the next steps in the budget process and reported that the 10-year Capital Improvement Program budget presentation will be at the May 20th Board meeting.

Board and staff held lengthy discussion regarding the budget and proposed 4% sewer service charge increase. Board members concurred that, due to the Covid-19 pandemic and financial hardships it has caused on the ratepayers, they do not wish to raise rates by the proposed increase. The Board directed staff to review the proposed budget for areas to reduce costs and schedule a Finance Committee meeting to discuss. Staff will present a revised Operating Budget to the Board at a future meeting.

- b. **Receive presentation and accept the SCADA Master Plan.**

Robin Gamble Holley, Asset Management Analyst, gave a presentation on the SCADA (Supervisory Control and Data Acquisition) System Master Plan.

SCADA allows for staffing flexibility and assists process control to maintain permit compliance. Gamble Holley reported that Westin Technology Solutions was selected to prepare a SCADA Master Plan to evaluate and conduct a gap analysis to identify where improvements can be made to the SCADA system to be more in line with the best industry practices. Westin also prepared the current and 2007 SCADA Master Plan.

Gamble Holley reviewed the SCADA Master Plan background, goals and life cycle of SCADA equipment. She reported that the project was prioritized into three phases: 1) urgent actions (emphasis is security, 2) important actions (SCADA equipment upgrades), and 3) useful actions (control panel upgrades).

Gamble Holley reviewed the SCADA Master Plan proposed budget over the next twelve years totaling \$3.75M. She reported that the urgent actions would be the focus initially and staff would re-evaluate after those have been completed. Next steps include incorporating the proposed projects into the Capital Improvement Program and begin implementation of the urgent actions.

Board and staff held discussions.

- c. **MR 20-025:**
APPOINT DIRECTOR GRAVES TO NAPA COUNTY GROUNDWATER SUSTAINABILITY ADVISORY PLAN COMMITTEE.

Motion by MOTT, seconded by GREGORY, by the following roll-call vote:

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

Tim Healy, General Manager, discussed Napa County's press release seeking applicants for a Groundwater Sustainability Plan Advisory Committee (GSPAC). The committee will include one member from Napa Sanitation District, either a staff member or a Board member. Healy reported that Director Graves indicated interest on being the Napa Sanitation District Committee representative.

Board and staff held discussion and the Board appointed Director Graves to apply for the Committee representing Napa Sanitation District.

- 9. **GENERAL MANAGER REPORT:** None.
- 10. **LEGAL COUNSEL REPORT:** None.
- 11. **BOARD OF DIRECTORS REPORTS/GENERAL DISCUSSION:**
 - a. NBWRA Board meeting – April 27, 2020 – Chair Techel attended via Zoom conference. Techel reported on the meeting.

12. **UPCOMING MEETINGS:**

- a. Regular Board meeting – May 20, 2020
- b. Regular Board meeting – June 3, 2020
- c. Regular Board meeting – June 17, 2020
- d. Regular Board meeting – July 1, 2020 (to be canceled)

13. **ADJOURNMENT (6:03 P.M.)**

Adjourn to Napa Sanitation District Regular Meeting on May 20, 2020 at 4:00 P.M. at the Napa Sanitation District Administration Building, 1515 Soscol Ferry Road, Napa, California.

Respectfully submitted,

Clerk of the Board