



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 3/12/2019

Agenda Placement: 6I

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Christopher Silke, Engineering Manager - 707-299-1755

SUBJECT: Memorandum of Understanding between Napa County and Howell Mountain Mutual Water Company

RECOMMENDATION

Director of Public Works requests approval of and authorization for the Chair to sign a Measure A Memorandum of Understanding (MOU) with Howell Mountain Mutual Water Company with a maximum reimbursement of \$468,000 for the term March 12, 2019 through 60 days following notification to the County that the Sunset Drive / Viewridge Drive / Howell Mountain Road water main replacement project has been completed for the purpose of improved water quantity, quality, and reliability.

EXECUTIVE SUMMARY

On August 31, 1999, the County and Napa County Flood Protection and Watershed Improvement Authority (NCFPWIA) entered into a funding agreement whereby the NCFPWIA provided funding from the proceeds of the Napa County Flood Protection Sales Tax (also referred to as "Measure A") for eligible county projects. One approved use of Measure A funding is to benefit the Angwin/Deer Park community, and includes projects that will improve the water reservoirs, water quality, and water system reliability. In 2004, the County Board of Supervisors approved a water resources work plan that included the Angwin/Deer Park Area. Since 2004, there have been several amendments to the NCFPWIA agreement, allocating funds to the County to spend on several Measure A eligible water system improvement projects in the Angwin/Deer Park Area.

County Counsel has recommended that the County enter into a Memorandum of Understanding (MOU) with the various Angwin/Deer Park area water purveyors on a project-by-project basis to establish the protocol for providing Measure A funds. Each MOU defines the responsibilities of each party in the project design and/or construction process, and establishes the method for reimbursement.

The Memorandum of Understanding being considered at this time will reimburse Howell Mountain Mutual Water

Company (HMMWC) for potable water distribution system improvements. Dilapidated galvanized pipe, valves, and water service lines to the customer curb stop box underneath Sunset Drive, Viewridge Road, and Howell Mountain Road will be replaced with 6" and 4" AWWA C900 PVC pipe over an approximate total distance of 3,600 feet.

FISCAL IMPACT

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Public Works Project Budget (Fund 1000, Sub-Division 1220500, Program 05002 Angwin Water Study) funded through Measure A.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	The project is within the water purveyor's share of the approximately \$7 million dollars of Measure A funds that will be available for water projects in the Angwin/Deer Park area. Water main replacement ranks high on the list of capital improvements for Howell Mountain Mutual Water Company. Project will address significant issues related to water supply reliability, as well as public health and safety.
Is the general fund affected?	Yes
Future fiscal impact:	This expenditure (along with all future approved projects) will decrease the remaining Measure A funds available to the Angwin/Deer Park area for water supply reliability projects.
Consequences if not approved:	HMMWC will not be able to replace vintage pipe with already authorized Measure A funding. This would either force HMMWC to pay for the project through user fees or assessments, possibly impacting their fiscal health and/or requiring an increase in water rates. Alternatively, the water company could choose not to proceed with project construction, which would adversely impact water supply reliability and potentially subject their water customers to health and safety risks.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

On August 31, 1999, the County and Napa County Flood Protection and Watershed Improvement Authority (NCFPWIA) entered into a funding agreement (Agreement No. 4202) whereby the NCFPWIA provided funding from the proceeds of the Napa County Flood Protection Sales Tax (also referred to as "Measure A") for eligible county projects. One approved use of Measure A funding is to benefit the Angwin/Deer Park community, and includes projects that: 1) Stabilize and enhance existing water reservoirs for the purpose of flood protection and water

reliability; and 2) Stabilize water quality. Agreement No. 4202 with the NCFPWIA has been amended a number of times to allocate funds for projects meeting Measure A guidelines to Angwin/Deer Park water purveyors.

On October 11, 2011, the County Board of Supervisors approved a Memorandum of Agreement with Howell Mountain Mutual Water Company, St. Helena Hospital, Pacific Union College, La Tierra Heights Mutual Water Company, Linda Falls Terrace Mutual Water Company, Linda Vista Mutual Water Company and Rancho La Jota Mutual Water Company (individually referred to as "water purveyor" and collectively referred to as "Company") for the purpose of formalizing the suballocation of Measure A funding made available to the Angwin/Deer Park area. The County's obligation for reimbursement shall not exceed the amount shown in the MOA, and shall be limited to only those Measure A funds available to County and to Company through the Memorandum of Agreement (Angwin/Deer Park Measure A Funding Sub-Allocation), Napa County Agreement No. 7680.

County Counsel has recommended that the County enter into a Memorandum of Understanding (MOU) with Angwin/Deer Park area water purveyors on a project-by-project basis to establish the protocol for providing Measure A funds. Each MOU defines the responsibilities of each party in the project design and/or construction process, and establishes the method for reimbursement. Projects have been carried out with some of the water purveyors, and the Memorandum of Agreement has formalized the allocation of Measure A funds based on the number of service connections. Each water purveyor can use their share of the monies for any project(s) that meet the eligibility requirements for Measure A funding up to the proportional amount that has accrued for the respective water purveyor at any given point in time. The total amount of money made available to the Angwin/Deer Park water purveyors is the area's proportional share of the County sales tax revenues, 17%, less County Charges for staff time to administer the program.

The proposed projects will help ensure reliability of water supplied to Howell Mountain Mutual Water Company customers. Howell Mountain Mutual Water Company's Capital Improvement Plan (CIP) has prioritized three (3) segments within the water distribution system for pipe replacement and improvement of customer lines. Approximately 3,600 feet of existing 2" galvanized water main and associated hardware under Sunset Drive / Viewridge Drive / Howell Mountain Road will be replaced with 6" and 4" C900 PVC pipe, gate valves, fire hydrants, and service lines to the customer's property boundary line. All new water main construction will be subject to pressure testing, chlorination, flushing / dichlorination, and satisfactory bacteria laboratory results before delivering water to customer taps.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Leigh Sharp