



A Tradition of Stewardship
A Commitment to Service

Agenda Date: 6/2/2015
Agenda Placement: 10B

NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors

FROM: Steven Lederer - Director of Public Works
Public Works

REPORT BY: Phillip Miller, DEP DIR PW-FLOOD CTRL & WATER - 707-259-8620

SUBJECT: North Bay Water Reuse Authority Environmental Impact Report

RECOMMENDATION

Director of Public Works requests adoption of a resolution related to the Milliken-Sarco-Tulocay (MST) Recycled Water Project in the groundwater deficient area;

1. Adopting findings, a statement of overriding considerations, and a mitigation monitoring and reporting program pursuant to the California Environmental Quality Act (CEQA);
2. Approving the "MST Phase 1 Projects" as described in the Final Environmental Impact Report (EIR)/Environmental Impact Statement (EIS) regarding the North Bay Water Recycling Program prepared by the North Bay Water Reuse Authority (NBWRA).

EXECUTIVE SUMMARY

Napa County and Napa Sanitation District (NSD) are members of the North Bay Water Reuse Authority (NBWRA), a multi-agency group that has been working collaboratively on a regional program to utilize recycled water in a variety of locations. Napa County has been participating as a member agency, by sharing costs with NSD and providing staff participation as well. The Napa County portion of the North Bay Water Recycling Program (NBWRP), as the multi-agency effort is called, focuses on the Milliken-Sarco-Tulocay groundwater deficient area and generally includes the unincorporated area of the County bounded by Hagen Avenue to the north, Third Avenue to the east, First Avenue to the west and Imola Avenue to the south.

As provided for in California Environmental Quality Act (CEQA) and State CEQA Guidelines Section 15050, on December 15, 2009 the Board approved the "MST Local Project" which is only a portion of the "MST Phase 1 Projects" addressed in the document. The Board also approved a companion agreement whereby NSD reserved the water necessary for implementation of the project and a second agreement with NSD for continued participation and cost sharing in the NBWRA.

The Sonoma County Water Agency (SCWA), the CEQA Lead Agency for the NBWRP Environmental Impact Report (EIR) Environmental Impact Statement (EIS) certified the Final EIR on December 8, 2009. All other NBWRA member and contributing agencies have approved the document. The U.S. Bureau of Reclamation, the NEPA Lead Agency for the EIS, issued its Record of Decision in January 2011. The EIR/EIS can be viewed at <http://www.nbwra.org/reports-documents/final-environmental-impact-report-eir-environmental-impact-statement-eis-2011/>.

On October 3, 2012 the Board approved formation of a Community Facilities District (CFD) to fund the project. On November 26, 2013 the Board approved an Addendum to the EIR/EIS addressing the final location of the MST Booster Pump Station and an additional section of pipeline in Coombsville Road west of Second Avenue. The Board also approved a series of documents which allowed the County to apply for and obtain a State Revolving Fund loan from the State Water Resources Control Board. With adequate funding secured, construction contracts were awarded on June 26, 2014 by NSD.

The Bureau of Reclamation WaterSmart grant program is paying 25% of the costs. In October 2014, the Department of Water Resources announced that the project will receive a \$2 million grant from Proposition 84 Drought Relief funding. It is also anticipated that the project will be a good candidate for grant funding from Proposition 1. The project now has sufficient funding that it appears it can be expanded to serve more users while also reducing the special tax collected by the CFD. Staff has conducted outreach to potential users that would benefit from an expanded recycled water pipeline system and has received a positive response.

Staff will be working to develop a cost effective project expansion, following up with additional users and securing additional grant funding. In order to proceed, the CEQA action taken by the Board in 2009 must be expanded to encompass the entire "MST Phase 1 Projects" as described in the EIR/EIS.

PROCEDURAL REQUIREMENTS

1. Staff reports.
2. Public comments.
3. Motion, second, discussion and vote on the item.

FISCAL IMPACT

Is there a Fiscal Impact? No

ENVIRONMENTAL IMPACT

The Napa County Board of Supervisors is acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA) and State CEQA Guidelines Section 15096, and has considered the environmental effects of the project as shown in the Final Environmental Impact Report (EIR) Environmental Impact Statement (EIS) for the North Bay Water Recycling Program prepared by the North Bay Water Reuse Authority, certified by the lead agency, Sonoma County Water Agency and the Bureau of Reclamation that has issued a Record of Decision.

BACKGROUND AND DISCUSSION

The North Bay Water Recycling Program

The North San Pablo Bay Restoration and Reuse Project or the North Bay Water Recycling Program (NBWRP) has been developed in conformance with the requirements of the Bureau of Reclamation's Public Law 102-575, Title XVI, including preparation of a Feasibility Study, and passage of Senate Bill 1475. The U.S. Department of Interior, Bureau of Reclamation (Reclamation) and North Bay Water Reuse Authority's Member Agencies prepared the Environmental Impact Report/Environmental Impact Statement (EIR/EIS) for the North San Pablo Bay Restoration and Reuse Project. The document is a joint EIR/EIS and satisfies the requirements of the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). The Sonoma County Water Agency (SCWA), the CEQA Lead Agency for the NBWRP Environmental Impact Report (EIR) Environmental Impact Statement (EIS) certified the Final EIR on December 8, 2009. All other NBWRA member and contributing agencies have approved the document including Napa County on December 15, 2009. The U.S. Bureau of Reclamation, the NEPA Lead Agency for the EIS, issued its Record of Decision in January 2011. The EIR/EIS can be viewed at <http://www.nbwra.org/reports-documents/final-environmental-impact-report-eir-environmental-impact-statement-eis-2011>.

The North Bay Water Reuse Authority (NBWRA), as established under the Second Amended Memorandum of Understanding (MOU) in September 2010, is comprised of: Las Gallinas Valley Sanitary District (LGVSD), Novato Sanitary District (Novato SD), Sonoma Valley County Sanitation District (SVCSD), Napa Sanitation District (NSD), and Sonoma County Water Agency (SCWA), North Marin Water District (NMWD) and Napa County. These are known as the Phase 1 agencies.

Napa County's Proposed Action

The "MST Phase 1 Projects" as examined in the EIR/EIS consisted of 17.5 miles of new pipeline, four booster pump stations along the pipeline routes, and a new booster pump at the NSD wastewater treatment plant (WWTP). The new pipeline would be installed from the end of the Streblov Drive pipeline through the Napa State Hospital grounds and north to the MST area. A looped system using existing roadways would be constructed, with one segment extending west along First Avenue and the second segment extending east along Third Avenue; both segments would then merge along Hagen Road north of the Napa Valley Country Club. Four booster pump stations would be installed to maintain pressure throughout the distribution system, and an additional pump would be installed at the WWTP. Pump stations would be located on Imola, Wild Horse Valley Road, East 3rd Avenue, and 3rd Avenue. Potential recycled water users include the Napa State Hospital, the Napa Valley Country Club, and agricultural and residential parcels along the proposed pipeline route.

The EIR/EIS also identified the "MST Local Project", a more limited pipeline system extending north from Imola Avenue along 4th Avenue, Coombsville Road, and 2nd Avenue, terminating at the Napa Valley Country Club. The "MST Local Project" included two options: Option 1 includes installation of approximately 3.5 miles of pipeline, and one pump station. Option 2 extends the pipeline an additional 2.2 miles north along Third Avenue to provide an alternate route to the County Club. These facilities are inclusive of those identified for the larger "MST Phase 1 Projects"; as such, analysis of these facilities was included in the discussion of impacts relative to the "MST Phase 1 Project". This is the project that was approved by the Board on December 15, 2009 and is now under construction. The Board also approved a companion agreement whereby NSD reserved the water necessary for implementation of the project and a second agreement with NSD for continued participation and cost sharing in the NBWRA.

On October 3, 2012 the Board approved formation of a Community Facilities District (CFD) to fund the project. On November 26, 2013 the Board approved an Addendum to the EIR/EIS addressing the final location of the MST Booster Pump Station and an additional section of pipeline in Coombsville Road west of Second Avenue. The Board also approved a series of documents which allowed the County to apply for and obtain a State Revolving Fund loan from the State Water Resources Control Board. With adequate funding secured, construction contracts

were awarded on June 26, 2014 by NSD.

The Bureau of Reclamation WaterSmart grant program is paying 25% of the costs. In October 2014, the Department of Water Resources announced that the project will receive a \$2 million grant from Proposition 84 Drought Relief funding. It is also anticipated that the project will be a good candidate for grant funding from Proposition 1. The project now has sufficient funding that it appears it can be expanded to serve more users while also reducing the special tax collected by the CFD. Staff has conducted outreach to potential users that would benefit from an expanded recycled water pipeline system and has received a positive response.

Staff will be working to develop a cost effective project expansion, following up with additional users and securing additional grant funding. In order to proceed, the CEQA action taken by the Board in 2009 must be expanded to encompass the entire "MST Phase 1 Projects" as described in the EIR/EIS. If approved, staff will return to the Board for authorization to: expand the project scope based on results of the outreach, amend the agreement with NSD and obtain additional grant funding.

Consideration and Use of the Final EIR

As provided for in the State CEQA Guidelines Section 15050, the Sonoma County Water Agency (SCWA) is the CEQA Lead Agency for the NBWRP EIR/EIS and the SCWA Board of Directors certified the Final EIR in compliance with CEQA on December 8, 2009. All other NBWRA member and contributing agencies have approved the EIR/EIS. The U.S. Bureau of Reclamation is providing 25% Federal funding under Title XVI WaterSmart grant program, and is the NEPA Lead Agency for the Final EIS that issued their Record of Decision in January 2011.

In accordance with Section 15082 of the CEQA Guidelines, SCWA circulated a Notice of Preparation (NOP; State Clearinghouse #2008072096) to local, state, and federal agencies, and to other interested parties on July 25, 2008. The NOP was mailed to the State Clearinghouse and was available online on the NBWRA website. The NOP was directly mailed to 63 parties, and a postcard notification of the NOP's availability was sent to 580 parties. The NOP was circulated for a 30-day public review period, which ended on August 25, 2008.

The Draft EIR/EIS on the proposed NBWRP (SCH # 2008072096), Notice of Completion, and Notice of Availability were submitted to the State Clearinghouse and released for public and agency review on May 5, 2009. The Notice of Availability briefly described the project sponsors, project purpose and components, the location where the copies of the Draft EIR/EIS could be reviewed, the contact for submission of written comments and/or questions, and the date and time of the public meetings on the Draft EIR/EIS.

The Draft EIR/EIS was circulated for a 60-day public review period from May 5 through July 20, 2009. During this time, three public meetings were held to provide interested persons with an opportunity to comment verbally or in writing on the Draft EIR/EIS and the project. One of the public meetings was held in Napa County. Following the public comment period, a Final EIR/EIS that provided responses to all the comments received on the Draft EIR/EIS was made available to the public and public agencies at least 10-days in advance of any action on the project.

As provided for under CEQA Guidelines Section 15096 (a) and (f), Napa County is a Responsible Agency and must consider the environmental effects of the project as shown in the Final EIR prior to reaching a decision on the project. The Napa County Board of Supervisors received copies of the Final EIR/EIS on December 2, 2009, and is being asked to consider written findings for each impact identified in the EIR/EIS in accordance with the CEQA Guidelines §§ 15091, 15096(h). Copies of the Final EIR are available for review at the County's offices, 1195 Third Street, Napa, Suite 110.

Providing additional recycled water to the MST would further water resources goals of the Napa County General Plan and would specifically address Policy CON-61, which calls on the County to "coordinate and collaborate with other agencies to identify, improve, and conserve" water resources, including "development of sustainable

alternative water supplies such as the use of recycled water or other options for non-potable uses in Carneros and the MST basins.” Other General Plan policies referencing and supporting provision of recycled water to the MST include Policy CON-62, and Policy AG/LU-74.

SUPPORTING DOCUMENTS

- A . Resolution
- B . Exhibit A
- C . Exhibit B
- D . Exhibit C
- E . Exhibit D
- F . Exhibit E
- G . Exhibit F

CEO Recommendation: Approve

Reviewed By: Molly Rattigan