NAPA COUNTY BOARD OF SUPERVISORS
Board Agenda Letter

TO: Board of Supervisors
FROM: Steven Lederer - Director of Public Works
       Public Works
REPORT BY: Graham Wadsworth, Engineering Supervisor - 259-8331
SUBJECT: Southeast Napa Sewer and Roadway Rehabilitation Project, RDS 18-24 - Approval of Reimbursement Agreement with the City of Napa

RECOMMENDATION
Director of Public Works requests approval of and authorization for the Chair to sign a reimbursement revenue agreement with the City of Napa for a maximum of $100,000 per year for the term February 5, 2019 through June 30, 2043 for adjusting water valve covers as part of County road paving projects.

EXECUTIVE SUMMARY
The Napa Sanitation District (NSD) and the County have partnered in a project to provide sewer rehabilitation and road paving services on County roads east of Soscol Avenue and north of Imola Avenue. On October 16, 2018, the Board of Supervisors approved a reimbursement agreement with NSD whereby NSD is responsible for administering the construction contract and the County is responsible for reimbursing NSD for the cost of road paving and ADA access ramp work. On December 19, the NSD Board awarded the construction contract and it includes approximately $30,000 for adjusting the elevations of City of Napa water valve covers and a water meter box to match new roadway elevations.

The County is using Measure T half-cent sales tax revenue for the County's portion of the work and staff recommends obtaining City of Napa funds per this agreement to adjust the water valve covers and water meter box. To address longer term needs, the agreement is written to address all County roads in the City of Napa water service area that will be paved over the 25-year duration of Measure T. If the reimbursement agreement with the City of Napa is approved, then the City will cover expenses related to water valve covers and meter boxes and more Measure T funding will be available to pave County roads.
**FISCAL IMPACT**

Is there a Fiscal Impact? Yes

Is it currently budgeted? No

What is the revenue source? The revenue from the City of Napa for future road projects will be accounted for in the Intergovernmental Revenues Account (43950 Other - Government Agencies) when the annual budget is prepared.

Is it Mandatory or Discretionary? Discretionary

Discretionary Justification: Executing an agreement with the City of Napa will allow the City of Napa to reimburse the County for the cost of adjusting water valve covers and a water meter box.

Is the general fund affected? No

Future fiscal impact: Construction of the sewer rehabilitation began in March 2019. Paving activities are anticipated in fiscal year 2019-20, so there will be a fiscal impact past the current year.

Consequences if not approved: If the County does not execute a reimbursement agreement with the City of Napa, then the County will use Measure T to reimburse NSD for the cost of adjusting water valve covers.

Additional Information:

**ENVIRONMENTAL IMPACT**

ENVIRONMENTAL DETERMINATION: Consideration and possible adoption of a Categorical Exemption Class 1: It has been determined that this type of project does not have a significant effect on the environment and is exempt from the California Environmental Quality Act. [See Class 1 (“Existing Facilities”) which may be found in the guidelines for the implementation of the California Environmental Quality Act at 14 CCR §15301; see also Napa County’s Local Procedures for Implementing the California Environmental Quality Act, Appendix B.]

**BACKGROUND AND DISCUSSION**

The NSD and the County have coordinated efforts to provide sewer rehabilitation and County road paving improvements in the unincorporated area north of Imola Avenue, east of Wilkins Avenue, south of Kansas Avenue, and west of Penny Lane. On October 16, 2018, the Board of Supervisors approved Agreement No. 190152B (Agreement) between NSD and Napa County for combining a NSD sewer rehabilitation project with a County road rehabilitation project and approved a budget transfer of $1,713,846. On December 18, 2018, the Board approved Amendment No. 1 to Agreement No.190152B with NSD and increased the Project cost paid by Napa County by $318,340 for a new maximum of $1,933,668 for funding the County's portion of the Project. On December 19, 2018, the NSD Board approved a construction contract with Cratus Inc.

Project construction started in March 2019 with NSD’s sewer upgrades. It is anticipated that the County’s paving improvements will start in July 2019 with anticipated completion in August 2019. The project includes approximately $30,000 to adjust elevations of City of Napa water valve covers and a water meter box to match new roadway elevations. The County is using Measure T half cent sales tax revenue for the County’s portion of the work and staff recommends entering into a revenue agreement with City of Napa to fund adjustment of water valve
covers and the water meter box.

The revenue agreement is written to address all County roads in the City of Napa water service area that will be paved over the 25-year duration of Measure T.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve
Reviewed By: Leigh Sharp