



Agenda Date: 5/19/2021

Agenda Placement: 8A

Napa Sanitation District Board Agenda Letter

TO: Honorable Board of Directors

FROM: Timothy Healy - General Manager
NS-Administration

REPORT BY: Cyndi Bolden, Senior Accountant - 258-6001

SUBJECT: Conduct Second Reading of Ordinance 113 Amending Ordinance 112 Regarding Sewer Service Charges and Other Cleanup Language

RECOMMENDATION

Adopt Ordinance 113 amending Napa Sanitation District Code Sections 1.02 Definitions, 5.01 Sewer Service Charges, 5.03 Waste Hauler Fees, and references to "Premises" to correct and clarify regulations relating to sewer service charge and waste hauler fees, by taking the following actions:

1. Conduct second reading of ordinance, by title only, and waive full reading.
2. Hold public hearing pursuant to rules for adopting ordinances.
3. Close public hearing.
4. Adopt Ordinance No. 113 to amend Napa Sanitation District Code Sections 1.02 Definitions, 5.01 Sewer Service Charges, 5.03 Waste Hauler Fees, and references to "Premises" to correct and clarify regulations relating to sewer service charge and waste hauler fees.

EXECUTIVE SUMMARY

On March 31, 2021, NapaSan held a public hearing as a requirement of Proposition 218 to modify the calculation of sewer service charges. Ordinance 112 was adopted to amend the District Code (Code) to include the new calculations. Staff has since identified omissions and necessary corrections and clarifications to make to the District Code.

Commercial customers are charged sewer service charges based upon annual water consumption. In the Cost of Service Study used to determine the new calculations of sewer service charges, it was recommended to base the charges using the prior three (3) years of annual water consumption instead of a single year. This method "smooths out" the sewer service charges year after year and could potentially make the annual sewer service charges more predictable for commercial customers. This also makes the sewer service charge revenues more

