



Agenda Date: 6/26/2020  
Agenda Placement: 4A

## Napa Sanitation District Finance Committee Board Agenda Letter

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**TO:** Finance Committee  
**FROM:** Timothy Healy - General Manager  
NS-Administration  
**REPORT BY:** Andrew Damron, Technical Services Director - 707-258-6000  
**SUBJECT:** Receive Presentation from Staff and Carollo Engineers on Rate Study

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### **RECOMMENDATION**

Receive presentation from staff and Carollo Engineers on sewer service charge rate study financial forecast and assumptions, discuss, and provide direction.

### **EXECUTIVE SUMMARY**

At the meeting, staff and Carollo Engineers will present information on the sewer service charge rate study initial analysis. The presentation will include a financial forecast and assumptions for discussion with the Finance Committee. Staff is asking for direction for next steps.

### **FISCAL & STRATEGIC PLAN IMPACT**

Is there a Fiscal Impact? No

### **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**

Proposition 218 requires that NapaSan conduct a study and hold public hearings at least every five years, if it is to increase its sewer service charges. NapaSan last held a hearing in March 2016, and it is staffs intention to go through the Proposition 218 rate setting process in the spring of 2021.

The purpose of the study is to allocate the NapaSan operating and capital costs among separate customer classes equitably and in conformance with state law, and to develop a sewer service rate structure that is fair and equitable, and that recovers only enough revenue to meet the established financial policies and objectives of NapaSan.

### **SUPPORTING DOCUMENTS**

None

Napa Sanitation District Finance Committee: Approve

Reviewed By: Timothy Healy